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FOSTERING COOPERATION BETWEEN PUBLIC AND PRIVATE SECTORS**

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**PROMOTING STABILITY AND DEVELOPMENT IN AFRICA: FOSTERING  
COOPERATION BETWEEN PUBLIC AND PRIVATE SECTORS**

**A Case Study of Nigeria**

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## Introduction

Despite its many troubles, defined essentially in terms of general governance deficit, including an acute deficit in infrastructural development, rising poverty and income inequality, endemic corruption, the Boko Haram insurgency and the rising spate of identity politics and identity transformation, any serious attempts aimed at promoting stability and development in Africa must pay attention to the centrality of Nigeria. Demographically, Nigeria has the largest population in the continent, currently estimated to be about 170 million, which is more than half the population of all other West African countries put together. Moreover, the recent rebasing of Nigeria's Gross Domestic Product (GDP) has seen the country emerged as the largest economy in Africa with an annual GDP of \$510 billion. Nigeria also has a fairly robust military capability that is the first in the West African sub-region and comparable only to that of South Africa in the continent, with a military spending ranking third after Algeria and South Africa. Nigeria also ranks very high in terms of its level of international interactions globally, given its membership of, and crucial role in reputable international organisations, most notably the United Nations (UN), African Union (AU) and the Economic Community of West African States (ECOWAS). Its relatively high number of diplomatic missions and embassies across the globe, currently numbering over a hundred, represents another viable platform of international interactions.<sup>1</sup>

The country has always demonstrated its willingness and ability to project power (show activism in the field of peace and security) regionally and internationally, given its impressive record of participation in international peacekeeping operations at both the UN and AU levels. According to Ibrahim Gambari, Nigeria's former permanent representative to the United Nations, as at 1997 over 200, 000 Nigerians have served in one UN peace-keeping operation or another' (Gambari, 1997: 8-9).<sup>2</sup> Nigeria also played a pivotal role in West Africa, where it almost single-handedly funded the ECOMOG missions in Liberia and Sierra Leone, and provided the highest number of troops and operational leadership to these missions. For instance, Nigeria shouldered the burden of catering for not only its own personnel (about 9 000 in 1992-1993), but it also catered for the operational needs of all the contingents. (Saliu and Omotola, 2008: 77; Saliu, 2000). In Liberia and Sierra Leone alone, Nigeria was said to have spent \$8 billion on peacekeeping enforcement on its own before the UN intervened (Osuntokun, 2005: 8)

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<sup>1</sup> For the full list and addresses of Nigerian diplomatic missions abroad, see: <http://www.immigration.gov.ng/index.php?id=33> (accessed on 15 October 2014).

<sup>2</sup> Indeed, Nigeria's participation has not been discriminatory or limited to Africa. Some of the missions in which Nigeria has participated include UNIMOP (United Nations India-Pakistan Observer Mission), 1965 1966; UNSF (United Nations Security Force in West New Guinea), 1962 1963; UNIFIL (United Nations Interim Force in Lebanon), 1978 1983; UNIMOG (United Nations Iran Iraq Military Observer Mission), 1991; UNAVEM I, II and III (United Nations Transition Assistance Group, Namibia), 1989 1990; MINURSO (United Nations Mission for the Referendum in Western Sahara), 1991; UNTAC (United Nations Transitional Authority in Cambodia), 1992 1993; UNOSOM (United Nations Operations in Somalia), 1992 1994; UNPROFOR (United Nations Protection Force), 1992; UNOMOZ (United Nations Assistance Mission in Rwanda), 1993; UNASOG (United Nations Groups in the Aouzou Strip) and UNIMOG (United Nations Iran/Iraq Military Observer Groups), 1988 1990.<sup>28</sup> This shows that Nigeria has been involved in UN peacekeeping efforts since its independence in 1960, following its initial participation in the Congo see Gambari, 1997; Saliu and Omotola, 2008).

The Nigeria's active stance immensely benefited from its huge natural resource endowments, particularly oil, from which the country has made a lot of foreign exchange earnings. Nigeria is not only the largest oil producer in Africa and the tenth largest exporter in the world, but also has the largest natural gas reserves in Africa and the ninth largest reserve in the world. According to *Oil & Gas Journal* (OGJ), Nigeria has an estimated 37.2 billion barrels of proven crude oil reserves as of January 2013 — the second largest amount in Africa, after Libya, and produced 1.2 Tcf of dry natural gas in 2012, ranking it as the world's 25th largest natural gas producer (US Energy Information Administration, 2013).

With these premises, Nigeria's potential ability to serve as a driver of stability, development and regional integration at the continental and sub-regional level is beyond doubt. As the largest population and economy in Africa, the opportunities it offers for market and private sector development are huge. This, together with its credentials as a stabilizing force on the continent, most especially in West Africa, implies that the instability or collapse of Nigeria will have deleterious consequences on the entire sub-region, if not the whole continent. To put it succinctly, as goes Nigeria so do other (West) African countries. In other words, if Nigeria is stable and developed, it will have positive effect on other African countries and vice versa. It is, therefore, important to pay adequate attention to pertinent issues relating to the stability and development of the country.

With this background in mind, this paper explores the opportunities and limits of cooperation between the public and private sector in promoting stability and development in Nigeria. The analysis is undertaken in three sectors, namely socio-economic development, governance and democracy, and peace and security. The emphasis on the private sector is crucial, given that until recently Nigeria's development narrative and agenda, like in most other African countries, have been conducted within a State-centric paradigm, with little or no regard for the potential of non-State actors as agents of development. Such a neglect is no longer sustainable, given the direct and indirect ways in which the private sector, including businesses and civil society organisations (CSOs), can affect the development landscape in its totality, either positively and negatively, depending on the prevailing circumstances (see Ford, 2014). In the following sections, the paper proceeds to explore these themes with insights from Nigeria.

### **The Private Sector and Socio-Economic Development**

The attempt to boost Nigeria's socio-economic development has been largely driven by the government through oil economy. Oil has been the main asset of Nigeria's economy and the fiscal basis (foundation of fiscal federalism) of the Nigerian State over the years. In fact, not only does oil account for about 95% of total exports, but also contributes about 80% of total government revenue. Given that the Nigerian oil sector has been largely dominated by the State, in partnership with major oil multinationals, it follows, by logical extension, that the socio-economic development landscape of the country has, albeit until recently, been dominated by the public sector. This problem is compounded by the inability of the managers of State affairs, for a number of reasons, to efficiently manage oil proceeds so as to facilitate the diversification of the Nigerian economy. Hence the continuing dominance of the oil sector and the increasing susceptibility of the economy to oil shock. A most recent illustration of this relates to the proposed downward revision of the crude oil benchmark for the 2015 proposed in the Medium

Term Expenditure Framework (MTEF), submitted for the 2015 budget.<sup>3</sup> Originally, a \$78 per barrel oil benchmark was proposed, but it now slashed to \$73 per barrel in the new proposal. The enforced review, according to the Minister of Finance, Dr Ngozi Okonjo-Iweala, was due mainly to the impact of the declining global oil prices, necessitating ‘a multi-pronged strategic response to mitigate the adverse effects of the decline in global oil prices’ that would help ‘protect growth, reassure investors, and stabilize the country’s economy’. This, together with structural imbalances and contradictions of balance of trade, among other shortcomings, constitutes part of the dangers of heavy reliance on a mono-economy.

Despite the dominance of the oil economy, however, it is pertinent to note that the government has also been making some efforts to diversify the national economy in a way that will engender a sustainable sectorial restructuring of output, particularly the non-oil sector (for example agriculture), but also facilitate the much needed involvement of the private sector in the promotion of socio-economic development. This has been the case especially since the onset of the country’s fledgling democracy since 1999. During this period, a number of policies, including fiscal and monetary, have been put in place to facilitate socio-economic development (see, for example, FSDH Research, 2013; Saliu *et al*, 2006).

### **National policy initiatives/interventions for socio-economic development**

During President Olusegun Obasanjo’s administration (1999-2007), some of the important policy interventions included the anti-corruption reform through the establishment of institutional platforms such as the Economic and Financial Crimes Commission (EFCC), the Independent Corrupt Practices Commission (ICPC), as well as the Due Process and Public Procurement Act. These initiatives were put in place as legal-institutional instruments for waging war against corruption, with substantial power to ‘deal’ with erring officials, no matter how highly placed (Omotola, 2006). The administration also initiated some poverty eradication programmes, most notably the Poverty Alleviation (later Eradication) Programme (PAP to PEP), introduced in 2000 as a temporary anti-poverty scheme mainly to reduce the problem of unemployment and hence raise effective demand in the economy, increase the level of productivity of the economy; and drastically reduce the embarrassing crime wave in the country; the National Anti-Poverty Eradication Programme (NAPEP) aimed at the provision of ‘strategies for the eradication of absolute poverty in Nigeria’, the achievement of sustainable macro-economic growth through the elimination of waste and inefficiency; promotion of good governance, infrastructural

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<sup>3</sup> This development has been a major source of concern, as widely reported in several national dailies on 16 and 17 November 2014. See, among others, Nigerian Nation, ‘Global Oil Price Slump: FG Proposes \$73 Benchmark For Budget 2015’, 16 November 2014: <http://www.nigeriannation.com/news/global-oil-price-slump-fg-proposes-73-benchmark-for-budget-2015.aspx> (accessed on 17 November 2014); Leadership, ‘Oil Price: FG Cuts 2015 Budget Benchmark To \$73’, 17 November 2014: <http://leadership.ng/news/390681/oil-price-fg-cuts-2015-budget-benchmark-73> (accessed on 17 November 2014); This Day Live, ‘FG Cuts 2015 Budget Benchmark to \$73 as Oil Prices Head South’, 17 November 2014: <http://www.thisdaylive.com/articles/fg-cuts-2015-budget-benchmark-to-73-as-oil-prices-head-south/194302/> (accessed on 17 November 2014); and Premium Times, ‘UPDATE: Declining oil prices: Nigeria to revise oil benchmark in 2015 budget’, 16 November 2014: <http://www.premiumtimesng.com/business/171291-update-declining-oil-prices-nigeria-revise-oil-benchmark-2015-budget.html> (accessed on 17 November, 2014).

development and deregulation of basic services, among others, as well as the banking sector's recapitalization and consolidation initiative under Professor Soludo's governorship of the Central Bank of Nigeria (CBN).

The administration also introduced the National Economic Empowerment Development Strategy (NEEDS), replicated at state (SEEDS) and local (LEEDS) government levels. NEEDS rests on four key strategies, including reforming government and institutions. Here, the concern is to restructure, right size, re-professionalize and strengthen government and public institutions to deliver effective services to the people. It also aims to eliminate waste and inefficiency, and free up resources for investment in infrastructure and social services by government. It also seeks to fight corruption, ensure greater transparency, promote rule of law and strict enforcement of contracts. Another important strategy of NEEDS was to grow the private sector as the engine room of growth and wealth creation, employment generation and poverty reduction. In this regard, the government is to serve as an enabler, the facilitator and the regulator. Third, NEEDS is people-centred, seeking to implement a social charter, with emphasis on people's welfare, health, education, employment, poverty-reduction, empowerment, security and participation. Hence, a key strategy of the social charter is inclusiveness and empowerment. The fourth key strategy of the NEEDS is value-reorientation. The central message here is that 'it is not business as usual'. Hence, its emphasis on anti-corruption measures, fight against the advance fee fraudsters and strive towards greater transparency in public and private financial transactions (see FGN, 2004, Soludo, 2004; Omotola, 2006).

The succeeding President Yar'Adua's introduced a 7-point agenda as the development plank of his administration, targeted at power and energy, food security, wealth creation, transport sector reform, land reforms, security, and education. In addition to these, there were what the government called two special interest issues, namely the Niger Delta and disadvantaged groups such as the ethnic minority groups. The administration for which the government eventually introduced the Niger Delta Amnesty Programmes (NDAP) aimed at (i) stoppage of disruptions to oil production; (ii) increase in government rents; and (iii) the possibility for the economic growth and development of the region, with a predominant anchor on infrastructural development (see Eke, 2014, Lamocica and Omotola, 2014; Obi and Rustad, 2011)

The development agenda of President Goodluck Jonathan has been generally labelled as 'transformation agenda'. The agenda, as the FSDH Research (2013) reveals, and like those of the preceding administrations, structurally aimed at the diversification of the Nigerian economy and by so doing arrest the heavy reliance on the oil sector. For example, the agenda accords particular attention to the agricultural sector, where the Federal Government of Nigeria (FGN), the CBN and the Bank of Industry (BoI) have been major players. The FGN, for example, introduced some forms of tax, import duty waivers and import substitution measures in order to boost productivity in this sector and agro-allied industries to improve the value chain. These fiscal measures are targeted at rice, sugar, cassava, wheat, cocoa, and fertilisers. On their own part, the CBN/BoI measures aimed at providing the agricultural sector with more easily accessible and affordable intervention funds than those obtainable in the open market.

The transformation agenda extends to other critical sectors of the economy, including power, petroleum and infrastructure. In the power sector, reform measures are aimed at ensuring stable power supply by improving the capacity for power generation and distribution across the country. This focus has been the driving force behind the 'botched' attempts at privatizing these channels, compromised by excessive corruption, government interference and undue

politicisation. If attained, however, stable power supply has the potential to improve the local and international investment climate in the country, generate employment and boost national growth. Similar reform measures in the oil sector, especially the local content initiative and the Petroleum Industry Bill (PIB), if effectively implemented, can also engender opportunities and investments, particularly in the upstream and midstream sectors. The stated objectives of the PIB include creating conducive business environment for the petroleum industry, enhancing the benefit to the Nigerian people from the exploitation of the country's petroleum resources, optimizing domestic gas supply for Nigeria's energy and industrial needs, establishing a progressive fiscal framework that can stimulate both private investment and public revenues, promoting the commercialization, liberalization and deregulation of the sector, creating a transparent and effective regulatory framework, promoting the development of Nigerian content in the petroleum industry, and generally developing an economically viable and environmentally sustainable petroleum industry in the country (Omorogbe, 2013; cited in Suberu, forthcoming). These measures could also encourage the growth of small scale businesses and the rapid expansion and development of the informal sector, encompassing all economic activities in all sectors of the economy operated outside the purview of government regulations (National Planning Commission, NPC, and the Nigerian Institute of Social and Economic Research, NISER, 2014).

Overall, it is clear that some of the fiscal, monetary and structural reform measures adopted by the various governments since 1999 essentially aim at improving socio-economic development, with wide latitude for the private sector can play a key role. Whether these interventions have yielded the desired result is open to debate.

### **Policy impact on private sector and socio-economic development**

It is apposite to begin with the recent rebasing of Nigeria's GDP for the period 1990 to 2010, resulting in an 89% increase in the estimated size of the Nigerian economy, has elevated the country to the status of largest economy in Africa, with an estimated nominal GDP of USD 510 billion. This is far ahead of South Africa's currently estimated nominal GDP of USD 352 billion. Also worthy of note is the fact that much of the nominal GDP expansion was not linked to the driving role of the oil sector. The exercise rather reveals a more diversified economy than previously envisaged. Among other critical sectors, the service industry, Nollywood (Nigerian film industry) and telecommunications have emerged as important contributors to GDP and national income. The informal sector, which until now has not been sufficiently accommodated in the computation of Nigeria's GDP, has also been found to have grown (and still growing) in leaps and bounds in terms of its size, contribution to GDP, estimated total employment and interdependence with the formal sector in selected States of the federation (NPC and NISER, 2014: xvi).

This attainment is in line with the fairly stable rate of economic growth in the country over time. In the last decade, Nigeria has maintained an impressive growth rate with an estimated record of 7.4% growth of real GDP in 2013, up from 6.7% in 2012. This growth rate is reportedly higher than the West African sub-regional level and far higher than the sub-Saharan Africa level (African Development Bank, ADB, 2014; World Bank, 2014). Interestingly, this pattern of growth has been relatively constant, with GDP growth rates at 6.4, 5.98, 6.96, 7.98 and 7.36 in 2007, 2008, 2009, 2010 and 2011, respectively (National Bureau of Statistics, NBS, 2012: 5).

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It is also pertinent to note that the impressive growth rate benefited hugely from non-oil sectors, whose contribution to GDP has also been impressive. While oil accounts for about 14% of GDP between 2011 and 2014, agriculture accounts for about 40% over the same period.<sup>4</sup> Yet, the rate of growth of the non-oil sector would appear higher than the oil sector, standing at 8.80%, 7.63%, 9.13% and 9.59% in 2011, 2012, 2013 and 2014 respectively. Over the same period, crude oil and natural gas (oil sector) was growing at 0.14, 0.01, 1.29 and 1.40, respectively (NBS, 2013: 6; FSDH Research, 2014: 5). This is a basic fact that has not been sufficiently acknowledged and documented until recently.

The contribution of the private sector to the socio-economic development of the country cannot be overemphasized. Key players involved in the transformation are both local and international investors who, despite all odds, especially acute governance and infrastructural deficits, including rising insecurity, unstable power supply and endemic corruption, all of which make doing business in Nigeria almost an impossible task, remain in the country to pursue their businesses. In the telecommunications sector, for example, the liberalization of the telecommunications regime by the Obasanjo's administration heralded the emergence of some telecommunication giants in the country, most notably MTN Nigeria, Airtel, Globacom Nigeria Telecommunications Limited and Etisalat. These telecoms companies have been contributing to the growth of the national economy through the facilitation of communication, internet connectivity, employment generation and the rise of subsidiary industries. Overall, the telecommunications and information services sector contributed 8.68% to the Nigerian economy equivalent to N6.97 trillion (\$44.3 billion) out of the total rebased GDP estimate of N80.22 trillion (\$510 billion) (BusinessDay, 7 April, 2014).

The agricultural sector has also witnessed an improved participation of the private sector. Notable large scale commercial agro-companies include the Zimbabwe farmers in the Shonga District of Kwara State, Biodisel Nigeria Limited and International Trans Oil Corporation from the USA, all in North Central Nigeria (see Mustapha, 2010; Ariyo and Mortimore, 2011; Odoemene, 2012; Attah, 2013). Some of the tactics used by the government to attract and encourage these large scale commercial farmers include: (1) public-private partnership, namely the facilitation of access to land and credit opportunities, including free allocation of land in some instances; and (2) the adoption of laws permitting the granting of 'pioneer status', as was the case with respect to the Zimbabwe farmers in Kwara State. Such pioneer status entails 'exemption from import duties on agricultural equipment and from taxes on turnover' (Ariyo and Mortimore, 2011: 4). These and related strategies are usually contained in the Memorandum of Understanding (MoU) signed between the affected (local?) governments and the commercial farmers. In the case of the Zimbabwe farmers in Kwara State, for example, the MoU foresees a responsibility of the Kwara State government to provide (i) suitable land close to River Niger to facilitate year-round farming through irrigation, (ii) infrastructure such as access roads to the farms and electricity, (iii) access to funds, and (iv) assistance to the farming enterprises in obtaining a pioneer status from the federal authorities. The commercial farmers, on the other hand, are expected to (i) incorporate each farm enterprise with US\$80,000 share capital, (ii) contribute 1.0% of their gross turnover to the community trust fund, and (iii) provide instruction (training?) at least once a month in the farm training institute in Shonga and later Maleta (Ariyo and Mortimore, 2011: 5).

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<sup>4</sup> Specifically, agriculture's contribution to GDP was 40.19% in 2011, 39.02 in 2012, 37.92 in 2013 and 36.79 in 2014. The contribution of oil to GDP in the same years amounted to 14.8%, 13.90%, 13.08% and 12.18%.

### **Despite growth, key concerns and challenges abound**

While the growth in the non-oil sector contribution to GDP is appreciable, especially in terms of the contribution of the private sector, there are still concerns regarding the pattern of private sector interventions and their real impact on socio-economic transformation of the country. On the one hand, there is a growing concern regarding the quality of private sector investments in Nigeria, most notably in the areas of quality of service delivery, corporate social responsibility and responsiveness to local needs. Indeed, protests on the quality of service delivery have intermittently permeated the telecommunications sector since 2002. In one of its editorials, *Hallmark newspaper* (13 June 2013), noted that services were ‘mainly characterized by increasing level of poor signals, service outage and drop calls. These exclude multiple deductions from subscribers’ credit when only a single command was given for an SMS, and, also, deductions for unsuccessful calls’, a problem which consumers of telecommunications services under the aegis of the National Association of Telecoms Subscribers (NATCOMS), a telecoms services consumer rights group, have often protested to no avail.

Similar tendencies can also be noted in the oil and agricultural sectors of the Nigerian economy. In the latter, for example, large scale commercial farmers such as the Zimbabwe farmers in Kwara State, like many others in the country, have been accused of ‘land grabbing’, given that most of the land they were given by the government was wrestled from the people with little or no compensation. In the process, the locals not only lose their ‘ancestral home’ and associated cultural and spiritual significance, but also forfeit their source of livelihood, thereby generating social tensions and conflict in local communities challenging these rather sophisticated mechanisms of land seizures (Odoemene, 2012; Attah, 2013). The desecration of the Niger Delta into an environmentally insecure zone, epitomized by violent conflict and the proliferation of small arms and light weapons (SALW), as a result of the struggle for oil and environmental justice, was also due to the entrenchment of irresponsible pattern of investment by the oil majors in the region. The inability of the government, represented by the Nigerian National Petroleum Corporation (NNPC), to effectively regulate the activities of oil majors, only served to complicate matters (see Isumonah, 2012, LaMonica and Omotola, 2014).

It is, therefore, hardly surprising that issues have also been raised about the obvious lack of capacity by the State/government to effectively negotiate contracts with big private investors and regulate their activities. This problem is also commonplace in the telecommunications where the regulator, the Nigeria Communications Commission (NCC), has proved to be grossly incapable of ensuring compliance with statutory rules. The inability to hold businesses accountable, therefore, has been and remains one of the weakest links in public-private partnership, or rather in the private sector-socio-economic development nexus in Nigeria.

Another key concern has to do with the inability to translate socio-economic growth into socio-economic development. Despite the government’s much orchestrated GDP growth, the real economy has not changed in any fundamental sense. Poverty and horizontal inequality, widening gap between the rich and the poor, youth unemployment, rising inflation and general underdevelopment of infrastructures remain key features of the socio-economic landscape. Specifically, despite Nigeria’s rebased GDP, its GDP per capital or per capital income in 2013 stands at \$3,010 compared to Mauritius’ \$9,210, South Africa’s \$6,618 and Algeria’s \$5,361 (Mo Ibrahim Foundation, 2014). Despite GDP growth, the nation’s external reserve into the Excess Crude Account has been grossly depleted, external debt is rising again, and investment



climate is unfavourable due to the high costs of doing business in Nigeria, including endemic corruption and unstable power supply, among others (Mo Ibrahim Foundation, 2014). Overall unemployment rate in Nigeria was 23.9% in 2011, with observable regional disparities in unemployment rate in Nigeria ranging from 33% north-eastern region to about 8% in Lagos State. Also in 2011, life expectancy was 51.9 years, with an adult literacy rate of 61.3%, compared to 57.7 years life expectancy, and an adult literacy rate of 67% for Africa (African Development Bank, 2013; 2012).

Logically, it follows that if the private sector is going to fulfil its potential as a key agent and potential driver of socio-economic development, the government and international partners/donors will have to work assiduously toward eliminating these sources of concerns. The starting point would be the creation of an investment friendly environment for the attraction and survival of the private sector. The proposal provided by the European Commission (2014a) for ‘a stronger role of the private sector in achieving inclusive and sustainable growth in developing countries’ offers an adaptable template.

### **The Private Sector and Governance and Democracy**

Broadly speaking, governance has to do with ‘legitimate, transparent, responsible, accountable and efficient exercise of power to manage a country’s affairs to the ends of development’ (Osaghae and Osaghae, 2013: 399). These defining elements of governance are best guaranteed under a democracy. The central thing about democracy as a system of government revolves around the sovereignty of the people, where citizens are afforded the space required for participation and empowerment in the development process, including accountability mechanisms through which they can hold all actors in the process – the State, government, development agencies and other non-State actors – responsible and accountable for their actions and/or inactions.

Archibugi (2008: 26-30) identifies the ‘cardinal principles’ of democracy to be ‘nonviolence, popular control and political equality’. Nonviolence is reflected in ‘the willingness of the various components to accept *a priori* the rules of the game and consequently the rule of law’, which must ‘not be interpreted in the absolute sense but as a commitment to use force only as a last resort and even then to exercise it within the bounds of legality’ (*Ibidem*, p. 27). Popular control, according to Archibugi, ‘is characterized by the fact that government action is constantly under public scrutiny. The actions undertaken are subjected to the people’s control during decision making and throughout the administrative action’. In other words, ‘both decisions and decision makers are under control. This means that political action must be authorized and accountable and, in order to allow popular control, it must be shaped by transparent rules’ (*Ibidem*, p. 28). Only then can administration be responsive to popular yearnings and aspirations and accountable to the public.

In the Nigerian context, promoting democratic good governance has always been a dominant theme of successive administrations since 1999. Some of the policy strategies adopted to make this happen include the reform of notable democratic institutions, including the electoral management body (EMB), namely the Independent National Electoral Commission (INEC), the legislature and the judiciary, as well as the expansion of the political space for civil activism. These reform measures were, in most cases, a response to popular pressure from CSOs, as will be demonstrated shortly.

With the benefit of hindsight, it should be recalled that democracy in Nigeria, as much as the search for good governance, has a troubled history. As successive military regimes under the

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second military interregnum (1983-1999 except for the brief spell of the Interim National Government headed by Chief Ernest Shonekan) continued to manipulate the democratic transition agenda, domestic and international public opinion weighted heavily against military rule. The Ibrahim Babangida regime (1983-1993), reputed for conducting the longest and most expensive democratic transition programmes in Nigeria's history, ended up annulling the presidential election held on 12 June 1993. This was despite the fact that the election was generally seen as the freest and fairest in Nigeria and its huge potentials to reduce the undue influence of identity issues, especially ethnicity and religion, on Nigerian politics (Diamond, Kirk-Green and Oyediran, 1997). For instance, for the first time the two political parties, namely the Social Democratic Party (SDP) and the National Republican Convention (NRC), did not only feature Muslim candidates for the presidential elections, but their candidacy was widely acceptable to both the Muslim and Christian communities. The Social Democratic Party (SDP), which was presumed to have won the elections, also featured a Muslim-Muslim ticket of Chief M.K.O Abiola and Baba-Gana Kingibe.

The annulment set the scene for the socio-political movements and civil activism that followed. As the civil society landscape entered perhaps its most glorious era, crippling governance at all levels through its mass mobilization, organizational and protest power, the Babangida regime had little or no option than to settle for an Interim National Government (ING) headed by Chief Ernest Shonekan, which was inaugurated on 27 August 1993. But that was not what the pro-democracy movements build around a number of CSOs demanded. They were for the revalidation of the annulled election. Therefore, it became obvious from the beginning that the ING was going to be deeply enmeshed in a legitimacy crisis. As the contradictions of the ING heightened, especially given the 10 November 1993 ruling by a Lagos High Court that the regime was illegal, General Sani Abacha capitalized on that to seize power.

But, rather than addressing the roots of the protest and most notably the 12 June election issues, Abacha seemed to have a hidden agenda, which eventually unfolded to be that of self-succession. The signs began to manifest when he abolished all democratic edifices (institutions?) already in existence. Before the 12 June election, (presidential?) elections had been held at the National Assembly and the executive and legislative elections at the State and local government levels. These were all dismissed by Abacha, leading to the remilitarization of the State and society. Under his rule?, Nigerians experienced an unprecedented violation and repression of basic human rights, including freedom of the press. His assault through arrest, detention, torture and extra-judicial killings of pro-democracy and human rights activists climaxed with the hanging of Ken Saro-Wiwa, an internationally acclaimed playwright and environmental activist and eight other Ogoni<sup>5</sup> activists in November 1995. The coincidence of the hanging with the first day of the meeting of the Commonwealth Heads of States and Governments holding in Auckland only served to radicalize foreign opposition to the Abacha junta. Despite the excruciating suffocation of the political space, Abacha continued with his self-succession bid, having compelled all existing political parties to endorse him as their sole presidential candidate. It was in the thick of the attendant furore that Abacha died on 8 June 1998, barely two months before his anticipated "election" as president on 7 August 1998.

At this point, the political atmosphere had already been overcharged. Domestic and international stance was no longer ready to countenance military rule under whatever guise. The

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<sup>5</sup> Ogoni, the country home of the late environmental human rights, Ken Saro-Wiwa, is one of the minority ethnic groups in the Niger Delta.

succeeding General Abdulsalami Abubakar regime would appear to have developed a good reading of the situation when, on assumption of his office as Head of State on 9 June 1998, Abubakar announced his commitment to a speedy return to democracy. The pro-democracy and human rights movements, which had become totally radicalized due to Abacha's high-handedness in dealing with them, wanted to seize the opportunity to demand for the formation of a government of national unity to be headed by Chief M.K.O Abiola. Alternatively, they demanded the termination of the Abacha's transition programme, dissolution of the five political parties and the cancellation of the results of all elections that had already taken place. But Abiola died in detention on 7 July 1998, leaving Abubakar with the options of abolishing Abacha's transition or being prepared to engage domestic and international opposition. Again, Abubakar read the situation correctly and abolished all transition agencies and democratic structures put in place by Abacha on 20 July 1998. He then announced on 29 May 1999 the handover to a democratically elected civilian government. He reconstituted relevant democratic institutions, particularly the electoral body, which was renamed INEC. He also allowed the formation of new political parties, conducted the elections according to his transitional time table, and eventually handed over power to Chief Olusegun Obasanjo, the People's Democratic Party (PDP) presidential candidate who was declared the winner of the election on 29 May 1999 (Onuoha, 2002).

Thus, General Abubakar became the one who conducted the shortest transition in Nigeria, which lasted for only 10 months. This was due largely to heightened domestic discontent and pressure by CSOs, as well as to the global wind of change that has made military rule largely unfashionable. The specific role of CSOs in the transition process includes the provision of an organised platform for collective mobilisation and sensitisation of the masses about the ills of military rule and the need for a democratic order. Notable CSOs during the period include the Campaign for Democracy (CD), the National Democratic Coalition (NADECO), Civil Liberties Organisation (CLO) and a host of others.

### **Selected CSOs and the promotion of governance and democracy**

Since democratic inception in May 1999, the focus has shifted to the consolidation of democracy and promotion of good governance, which resulted in the rapid expansion of CSOs. In the spheres of democratisation, for example, many CSOs, both local and international, devote substantial resources to the strengthening of electoral processes as the foundation of democracy. Their democracy promotion efforts revolve around capacity building for political parties and legislatures at various levels; financial and technical assistance to INEC, the legislature and anti-corruption agencies, pressure for electoral reform; election monitoring and demand for public accountability.

With respect to election monitoring, for example, many international bodies, both governmental and non-governmental, have played crucial role. These included the European Union Election Observer Mission (EUEOM), the Commonwealth Observer Team (COT), the African Union Monitoring Group (AUMG), the Economic Community of West African States (ECOWAS) Monitoring Groups, the International Republican Institute Monitoring Group (IRIMG), the Washington-based National Democratic Institute (NDI) and the Institute of Democracy, South Africa (IDSA). At the domestic level, the Transition Monitoring Group (TMG), the Media Monitoring Group (MMG), set up by the Nigerian Union of Journalists (NUJ) and Nigerian Guild of Editors (NGE); Labour Monitoring Groups (LMG) set up by the Nigerian

Labour Congress (NLC); the Justice Development and Peace Commission Monitoring Group (JDPCMG), and the Centre for Democracy and Development (CDD), among others, have been pivotal. The setting up of the Justice Muhammed Uwais' Electoral Reform Committee (ERC) in 2007, which made far-reaching recommendations about salvaging Nigeria's electoral process, including the key requirement of administrative and financial autonomy, was due largely to pressure from CSOs, following the deeply troubled 2007 elections.

Some other CSOs have focused on policy and legal advocacy, civil activism, research and documentation, as well as media and publicity relating to important issues such as civil liberty, civic education, popular mobilisation and youth political participation, poverty eradication, anti-corruption and gender balance. Notable actors in this regard include the Policy and Legal Advocacy Centre (PLAC), Centre for Constitutionalism and Demilitarisation (CENCOD), Youth Initiative for Advocacy, Growth and Advancement (YIAGA) Centre for Democracy and Development (CDD) the CLEEN Foundation (formerly known as Centre for Law Enforcement Education), the Justice, Development and Peace Commission (JDPC), Community Partners for Development (CPD), Gender and Development Action (GADA), Young Women's Christian Association (YWCA), Federation of Muslim Women Association of Nigeria (FOMWAN), the National Association of Women Lawyers (NAWL), Women In Nigeria (WIN), Women, Law and Development Centre (WLDCN) and the Women Research and Documentation Centre (WORDOC).

Three other specific areas in which CSOs have intervened to promote governance and democracy deserve some attention. The first was the 2006 third term agenda, when then President Olusegun Obasanjo attempted to elongate his tenure beyond the statutorily permitted two terms of four years each. However, the agenda was defeated as a result of a groundswell of public opposition to it, which was championed mainly, but not exclusively, by civil society movements, including academia, the mass media, and democracy activists, who helped to raise popular awareness of the third-term agenda and associated problems (Omotola, 2011a, Isike, 2012).

The second relates to the constitutional crisis generated by the mismanagement of President Yar'Adua's health crisis and eventual death in 2010 (Omotola, 2011b). Then President Yar'Adua took seriously ill and was flown to the King Faisal Specialist Hospital in Jeddah, Saudi Arabia, on 23 November 2009, for the treatment of acute pericarditis, an ailment that had allegedly troubled him from time to time. His failure to transmit a letter to the National Assembly (NA) declaring that he was proceeding on leave for health reasons, as statutorily mandated by Section 145 of the 1999 Nigerian constitution (Federal Republic of Nigeria, 1999), generated a serious constitutional crisis. This prevented the Vice President (VP), Goodluck Jonathan, to step in as Acting President. Dealing with the problem became extremely difficult, because as it later crystallised, the presidency had been cabalised (hijacked and manipulated by a cabal of a few people in power) and all key players, particularly the Federal Executive Council (FEC) and the leadership of the NA not only failed in their responsibilities, for example, in invoking relevant sections of the constitution to make Jonathan acting president), but also exploited the gap for the promotion of personal interests.

It was the intervention of the Save Nigeria Group (SNG), a coalition of civil society groups and notable democracy and human rights activists under the leadership of Professors Wole Soyinka and Pat Utomi and the Pentecostal Pastor, Tunde Bakare, which salvaged the situation by demanding a timely and correct resolution of the constitutional crisis. The primary mandate of the SNG, as articulated by its promoters, was to challenge and change the status quo

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by encouraging political participation and promoting political knowledge through various activities. In its widely publicized manifestos for liberty, security and prosperity christened ‘A Contract to Save and Transform Nigeria’, formally released on 5 May 2010, the SNG bemoans the deepening crises and contradictions of governance in Nigeria, exemplified by widespread poverty, entrenched corruption, decayed infrastructure, bad leadership and politics of exclusion. The SNG, therefore, called on Nigerians to take their destinies in their own hands by collaborating with popular movements committed to the entrenchment of good governance, via the creation of a ‘politically friendly environment of liberty, security, and prosperity for all Nigerians’, and to ‘subscribe to SNG’s vision of a new Nigeria and participate in its mission to save and transform Nigeria’ (quoted in Omotola, 2011b: 242-243).

Pursuant to this declaration, the SNG embarked upon an aggressive media and publicity to sensitise and mobilize Nigerians to join it in rescuing the country from the jaws of the cabal. The cabal connotes ‘those who enjoyed not only the confidence of the President on crucial policy issues, but also his patronage to help build an extended network of loyalists’ Omotola, 2011b: 223-224).<sup>6</sup> To this effect, the SNG organised peaceful protests in Abuja, Lagos and Port Harcourt. In the Abuja rally of 11 March 2010, the SNG, speaking through Pastor Bakare, demanded three things: first ‘an end to the invisible presidency of Yar’Adua by activating section 144b of the constitution so that presidential powers will be fully accountable’; second, ‘the dissolution of the present Executive Council of the Federation which has largely collaborated with presidential aides to foist this crisis on the nation’; and third, ‘quick and thorough implementation of the Uwais report on reform starting with the immediate removal of Professor Maurice Iwu as chairman and the reconstitution of INEC with persons of impeccable integrity and competence’. Pat Utomi also remarked: ‘the only thing that will save Nigeria is for the people of Nigeria taking over the streets [...] demanding that the constitution be upheld; that the rule of law be respected, and those at the helm of affairs do what is right and just’. Similarly, Professor Wole Soyinka lamented:

Nigerians should rescue the nation from the cabal of reprobate gangsters, extortionists and even political murderers responsible for some of the assassinations we’ve witnessed in Nigeria in the last 10 years [...] by any legitimate means you are capable of. You should demand your nation back and don’t just sit and watch it being degraded and expropriated by people who have absolutely no respect for you, no respect at all even to their own (all quoted in Omotola, 2011b: 242-243).

The relentless pressure of the SNG and other opposition elements decimated the rank and file of the cabal, exemplified by attendant polarisation in the FEC and the sudden withdrawal of support for an absentee presidency by the Arewa Consultative Forum (ACF), the leading pan-northern socio-political organization, on 4 May 4 2010. This was shortly before the eventual

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<sup>6</sup> In this case, the cabal consists of Turai Yar’Adua, the wife of the president (as the mastermind), Gen. Sarki Mukhtar, the National Security Adviser (NSA), Taminu Yakubu Kurfi, the Chief Economic Adviser to the president, Dr. Abba Sayyad Ruma, the Minister of Agriculture., Senator Adamu Aliero, the Minister of the Federal Capital Territory and a son-in law to the president, Mr Michael Aondoakaa, the Minister for Justice and Attorney General of the Federation (AGF), Senator David Mark, the Senate President, Dimeji Bankole, Speaker of the House of Representatives, Prince Vincent Ogulafor, National Chairman of the PDP, the Governor’s Forum, among others. For an informative idea on this, see Yusuf Alli, “Ministers in Showdown over anti-Jonathan plot”, *The Nation*, 19 February, 2010, Lagos, pp. 1-2 (cited in Omotola, 2011b).

death of Yar'Adua was announced on 6 May 2010. These twists played an important role in the eventual invocation of a doctrine of necessity by the NA to make Jonathan become the president.

The third incident relates to the fuel subsidy crisis of January 2012. The crisis erupted as a consequence of the government's claim that what it was spending to subsidise fuel was not only outrageous, but also unsustainable, insisting that the solution lied in total deregulation of the downstream oil sector, beginning with the total removal of fuel subsidy. Specifically, the government claimed that: (a) a cabal had high-jacked the oil subsidy regime, making it counterproductive, (b) consequently what the government was subsidizing was not fuel but corruption, (c) removing subsidy would help undercut the painful cabal, (d) it would also free up more financial resources to develop infrastructures, and that (e) failure to do this would lead to the total collapse of the national economy.

Civil society organisations vehemently opposed government's position, claiming that what the government should do was to: (a) deal with the cabal, rather than punish ordinary Nigerians with the inevitable hardship the removal of subsidy would cause, (b) checkmate corruption in the oil sector and bringing to justice corrupt individuals, (c) create conducive environment for deregulation, (d) repair/build refineries and stop fuel importation. As far as CSOs were concerned, removal of the subsidy was not an option out of the logjam.

Despite all entreaties from civil society and the government's promise of further consultations, the government went ahead to remove the so-called fuel subsidy on 1 January 2012, announcing over 100 percent increment in pump price of fuel. The removal resulted in a fiasco. Almost spontaneously, Nigerians under various umbrellas, including the Nigerian Labour Congress (NLC), Save Nigeria Group (SNG), Joint Action Front (JAF), Governance Renaissance Movement (GRM), and the Occupy Nigeria Movement (ONM) began to contest the decision. The organisation and coordination of the protest in Lagos was powerful but peaceful, including the use of popular culture and humour, and the involvement of musicians of various genres and comedians, thus triggering the daily increase in the number of participants and providing additional motivation.

As the protests intensified, precisely on 16 January 2012 when the government announced a new price regime of N97 per oil litre, following days of intense negotiation with the labour movements, the government ordered a heavy deployment of fully armed military men on major roads and streets, especially in Lagos and Abuja. Surprisingly, Nigerians defied the threats and continued the protest. They were, however, dispersed by the military, which shot indiscriminately in the air and fired canisters to teargas the people, compelling an abrupt end to the protest, but not until they committed to a downward review of the new price regime. The popular demand for a thorough probe into the subsidy scam also forced the government to set up a probe panels in the legislative and the executive arms of government, the reports of which unearthed many mind-boggling revelations about the prebendalisation (excessive corruption) of the fuel subsidy regime. Some of the findings by the House of Representatives investigative panel include lack of record keeping, endemic corruption, entrenched inefficiency and excessive impunity. The following quote is telling:

Curiously too, the particular Accountant-General that served during the period 2009 was found to have *made payments of equal instalments of N999 Million for a record 128 times within 24 hours on the 12<sup>th</sup> and 13<sup>th</sup> of January 2009, totaling N127.872 Billion.* The confirmed payments from the CBN records were made to beneficiaries yet to be disclosed by the OAGF or identified by the Committee. We however discovered that only 36 Marketers were participants under the PSF

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Scheme during this period. Even if there were 128 marketers, it was inconceivable that all would have imported the same quantity of products to warrant equal payments (Federal Republic of Nigeria, 2012: 7-8).

### **Credit to CSOs, but key concerns about governance and democracy remain**

From the foregoing, it is clear that CSOs have been at the forefront of the struggle for democracy and good governance in Nigeria. Despite their impressive records, however, it would appear that only limited progress has been made in terms of the overall quality of democracy and governance in the country. Above all, elections remain a weak link in the democratisation process, often characterised by various forms of fraud and violence. The 2011 post-election violence that claimed close to 1000 lives remained a sore point (Orji and Uzodi, 2012; Human Rights Watch, 2011). The outlook for the 2014 and 2015 elections also looks gloomy as the report of a recent country-wide study reveals (Cleen Foundation, 2014).

Democratic accountability also remains shallow rooted in the face of excruciating corruption and the rising culture of impunity and disregard for the rule of law (see Omotola and Ojo, 2014; Omotola, 2010; 2013, Odion-Akhaine, 2007). The most scandalous evidence of this can be found in the seemingly endless scams in the petroleum ministry and the NNPC superintended by Deziani Allison-Madueke, including the N10 billion allegedly spent on a chartered jet. The situation is so bad that the NNPC was found not to be accountable to any institution (Federal Republic of Nigeria, 2012). Rather than submit to the probe set up by the House of Representatives to prove their innocence, both parties had resulted to delay tactics by going to the court to challenge the legality of the probe.

That all is not well with governance and democracy in Nigeria is further evidenced by the 2014 Ibrahim Index of African Governance (IIAG), where Nigeria is placed at the 37<sup>th</sup> place out of the 52 African countries covered in the report with an average score of 45.8% and change of 0.6% over a five year period. Specifically, Nigeria's ranking in the relevant indicators of governance and democracy was worrisome. Under participation and human rights, for example, Nigeria ranked 23<sup>rd</sup> for participation, with a score of 52.2%; 28<sup>th</sup> and a score of 49.0% for human rights and 35<sup>th</sup> and a score of 45.7 for gender balance. Under safety and rule of law, Nigeria ranked 44<sup>th</sup> with a score of 38.1% for rule of law; and 30<sup>th</sup> with a score of 36.6% for accountability. In terms of sustainable economic opportunity, which constitutes a crucial aspect of governance, Nigeria ranked 18<sup>th</sup> with a score of 55.2% for public management; 31<sup>st</sup> with a score of 44.8% for business environment; 44<sup>th</sup> with a score of 19.6% for infrastructure; and 27<sup>th</sup> with a score of 55.6% for rural sector. With respect to human development, the report shows that Nigeria occupied 25<sup>th</sup> with a score of 52.6% for human welfare; 32<sup>nd</sup> with a score of 45.8% for education and 47<sup>th</sup> with a score of 60.4% for health (Mo Ibrahim Foundation, 2014).

Given the relative credibility and wide acceptability of the IIAG as a standard measure of governance and democracy in Africa and beyond, the signs are obviously ominous for Nigeria. This shows that the private sector still has a lot to do in promoting sustainable governance and democracy in Nigeria.

### **The Private Sector and Peace and Security**

The longstanding strategic conception of security in purely military terms has progressively been challenged and refined to accommodate non-military dimensions, alongside the concept of human security. As a result, the role of economic factors in promoting peace and

security has been recognized. Such a shift in emphasis is important because, as Ford (2014: 1) rightly argues, ‘the private sector’s role in helping drive sustainable and inclusive growth has a strong bearing on the prospects of achieving long-term development goals’. However, Nigeria seems to be, despite all pretenses to the contrary, as will be shown shortly, persistently trapped in this strategic interpretation of securities.

It is not a hidden fact that Nigeria has been a theatre of instability and insecurity for years. In its recent history, the country has been plagued by a rising spate of identity-based conflict rooted in ethno-regional, religious and communal dimensions; resource-based conflict as in the case of the oil-rich Niger Delta; the Boko Haram insurgency ravaging the north-eastern part of the country; and escalating rural banditry in the northern part of the country, all of which have taken heavy tolls on the struggle for sustainable democracy and development.

Ethno-regional and communal conflicts in Nigeria have been driven by a number of factors, most notably the political manipulation and transformation of identity by the power elite, horizontal inequality, competition for resources and internal contradictions within ethno-regional and religious formations (see Onwuzuruigbo, 2010; 2011; 2012; Ukoha, 2005). Such conflicts have claimed many lives in their thousands, with properties worth billions of Naira destroyed (Adekunle, 2009). Similar factors, together with other political economy considerations and external interests have also been deployed in the explanation of the Boko Haram insurgency (Oyeniya, 2014; Omotola, 2013b; Onuoha, 2010; 2012, 2013). With several devastating attacks against security formations, including police, prisons and military bases, and public infrastructure in major Nigerian cities, the damage caused by Boko Haram, both in terms of human and material resources, let alone attendant image crisis and negative impact on governance, is certainly inestimable. The problem is gradually spiraling out of control by the government, with Boko Haram reportedly in control of about sixteen local government councils spread across three northern States. Not even the declaration of a state of emergency, with heavy military presence in the affected states in the last eighteen months, was able to stem the tide. In a very telling example, the government has not been able to do anything tangible with respect to rescuing the over 200 school students kidnapped by Boko Haram in a public school Chibok, Borno State, in April 2014.

The phenomenon of rural banditry has been another major source of insecurity in the country, affecting the political economy negatively. In the first quarters of 2014 alone, 262 persons lost their lives in 15 separate attacks; also in Plateau and Kaduna States, 16 separate attacks were reported during the same period that led to the loss of 139 lives with scores of people injured. Such attacks have continued unabated in places such as Nasarawa, Zamfara, Plateau and Benue States. In Benue, bandits brazenly attacked the Governor’s convoy. In one of the most outrageous acts of banditry, over 120 people were massacred in ‘Yar Galadima village, Zamfara State, by bandits who have, for at least the last ten years, been terrorizing rural communities as well as highway users by rustling cattle, looting, laying siege on rural markets and killing innocent people (Kuna, 2014: 1). This problem has been attributed to declining State capacity to effectively govern the rural areas, changes in demographic, ecological and climatic conditions and the land question, land use rights and alienation of land (Kuna, 2014).

The Niger Delta has been a contentious site of oil and environmental politics where the mismanagement of oil resources has engendered protracted violence in the struggle for resource control and environmental justice. Unfortunately, the struggle which started on a peaceful note has turned violent, including the rise of ‘rights’ movements such as the Movement for the Emancipation of the Niger Delta (MEND) and the use of criminal tactics such as pipeline

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vandalism, piracy, kidnapping of oil workers for ransom and oil bunkering, among others (LaMonica and Omotola, 2014; Oriola, Haggerty and Knight, 2013; Obi and Rustad, 2012). This has also had security implications at both the strategic and non-strategic (social?) levels for the country, including loss of oil revenues and investment opportunities in the region.

### **Public and private sector's responses to the challenge of peace and security**

Whereas responding to these security issues has been challenging, the government has always devised policy and practical responses to the problem. In the case of ethno-regional and religious conflicts, the strategy has been the adoption of institutional devices for promoting ethno-regional and religious balance in government establishments/institutions. The constitutional adoption of secularism and federal character principles (first introduced in the 1979 constitution of Nigeria and has been retained in all successive constitutions till today), which sought to ensure fair representation of all groups in public institutions, remains an example. In some specific instances, commissions/panels of inquiry have been set up to ascertain the remote and immediate causes of conflict, as was the case with the 2011 post-election violence. Such panels have also been deployed in dealing with rural banditry in Nigeria.

Many official responses have been made regarding agitation for resource control and environmental justice in the Niger Delta. Notable institutional responses include the establishment of the Niger Delta Development Commission and the creation of a distinct Ministry of Niger Delta Affairs, both with responsibility for the rapid development of the region. There is also the ongoing amnesty programme for repentant militants from the regions (Agbibo, 2014). While the government has responded to the Boko Haram insurgency by using diverse strategies, the most notable is the declaration of a state of emergency in three northern States, namely Adamawa, Borno and Yobe.

The private sector has also been involved in the search for sustainable peace and security in the country. In this struggle, the actors and strategies have been influenced by the specific form of security challenges at stake. In the case of ethno-regional and religious crises, local and international NGOs, including faith-based organisations (FBOs) have been helpful. The Nigeria Inter-Religious Council (NIREC), a voluntary inter-faith association, for instance, was established against the background of incessant ethno-religious crises that have enveloped the country over the years. Its primary goals are to provide religious leaders and traditional rulers with a veritable platform to promote greater interaction and understanding among the leadership and followers of both religions; as well as lay foundations for sustainable peace and religious harmony in Nigeria. The CLEEN Foundation, Human Rights Watch and Amnesty International have also engaged in peace research and advocacy in the country. In the Niger Delta, major oil companies have attempted, despite abiding concerns, to improve their human rights records and corporate social responsibility in their host communities (Kiikpoye, 2011; 2013a, 2013b).

As Kiikpoye (2013b) aptly demonstrates, the implementation of the Global Memorandum of Understanding (GMOU), which was pioneered by Chevron Nigeria Limited (CNL) in 2005 as a better way of delivering sustainable development to host communities, has been instrumental to the positive change. The benefit of the model, as Kiikpoye argues, lies in vesting project decision-making and implementation on the GMOU community institutions such as the Regional Development Boards (RDBs)/Regional Development Councils (RDCs) for Chevron and the Community Trusts (CTs) and Community Development Boards (CDBs) for Shell. As opposed to the old practice of entering into Memorandum of Understanding (MoU) with individual host

communities by oil TNCs, the GMoU was widely advertised by promoters as dealing with a cluster of communities to maximize economy of effort and resources; provide seed money to community institutions based on production figures and technical assistance through Non-governmental Organizations and banks. Despite noticeable challenges, especially the enormity of the development concern, Kiikpoye concludes that the GMoU has demonstrated sufficient potency as a new model in delivering sustainable development largely for granting participation and ownership of all intervention initiatives in the people/communities as a collective entity. Many rights and development NGOs, including community-based organisations (CBOs) have also sprung up in the region undertaking policy advocacy and rural development projects (George and Omotola, 2010).

Both the government and big oil companies in the region have also been awarding security contracts to private security companies for the protection of oil installations and facilities. Annually, the government awards a contract of a whopping N5.6 billion Naira to ex-militants<sup>7</sup> In the Boko Haram stricken northern Nigeria, the civilian Joint Task Force (JTF), a group of youths using local guns, machetes, daggers and sticks and relying on their local knowledge of the geography of the area, has been involved in the fight against Boko Haram. While some have frowned at their involvement, they seem to be making headways where the military has failed. The fact that Nigeria relies on defenseless civilian JTF to fight Boko Haram speaks volumes about the country's capacity to defend its territorial integrity.

Despite the responses illustrated above, instability and insecurity continues to plague the country. After a brief respite in the immediate post-amnesty period, insurgency is gradually returning to the Niger Delta. The situation has not been aided by the current political situation, particularly the ongoing politics of succession in 2014 where the incumbent, President Goodluck Jonathan, is seeking reelection and the northern elites appear hell-bent on recapturing power at all costs. Some ex-militants, Asari Dokubo in particular, has been threatening to bring the country down if Jonathan is not reelected. The Boko Haram question has gone nightmarish, with no respite in sight. In fact, the insurgency seems to be waxing stronger, capturing territory after territory in its stronghold, the northeast. It has even been speculated in some quarters, as reported by the CNN, that Boko Haram derives its funding partly from oil insurgency in the Niger Delta (Lah and Johnston, 2014). It is, therefore, hardly surprising to see Nigeria rank so poorly in the personal safety and national security categories of the IIAG for 2014, placing 49<sup>th</sup> with a score of 16.5% with respect to the former; and 48<sup>th</sup> and a score of 58.2% for the latter (Mo Ibrahim Foundation, 2014). The ineffectiveness of these responses in addressing the problem suggests there is more to be done by both the public and private sectors.

## **Conclusion and Recommendations**

Nigeria is, without any doubt, sufficiently endowed with human and natural resources to be ordinarily catapulted into the clubs of developed nations. However, due to a combination of factors, including poor leadership, mismanagement and corruption, its potentials have not been efficiently and effectively harnessed. Consequently, the country remains grossly underdeveloped, both socio-economically and politically, with negative implications for peace and security.

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<sup>7</sup> Namely 'General' Government Tompolo Ekpumpolo, N3.6bn; Asari Dokubo, N1.44bn; 'General' Ateke Toms, N560m and 'General' Ebikabowei Boyloaf Victor Ben, N560m. See Olusola Fabiyi, 'The Presidency Defends Billions Paid to Ex-Militant 'Generals'', *The Punch*, 27 August, 2012: <http://www.punchng.com/news/presidency-defends-billions-paid-to-ex-militant-generals/> (accessed on 13 September 2014).

Official and unofficial responses to the problem have been underproductive, if not feckless, necessitating a change in response. To bring about the desired change, the following recommendations for external partners are deemed to be pertinent:

- First, the EU and the US, in promoting stability and development in Nigeria/Africa, should deal with governments as development partners and operate truly on the principle of partnership. Partnership offers genuine opportunity for mutual trust and respect.
- Dialogue with governments at the highest political level to facilitate the creation of an enabling business environment for the private sector is crucial.
- Corruption remains one of the greatest problems for the development of the private sector in Nigeria. Unfortunately, some of the big businesses in the private sector allegedly help in the facilitation of illicit financial flows (IFFs) from the country. The EU and the US should help in the fight against corruption in the country.
- Greater emphasis should be on non-oil sectors, particularly financial systems, agriculture and infrastructural development. This is useful for the diversification of the Nigerian economy.
- The EU and the US should also lay emphasis on the promotion of ‘responsible’ investment by foreign businesses in the country, in manners that will respond to local needs, respect the dignity of labour and safety of workers, and treat host communities as development partners. This is key for the social responsibility of the private sector.
- Nigeria’s informal sector is huge with a lot of potential. It therefore deserves better regulation and integration with the formal sector. This is important especially for its rural dimensions. The EU and the US should leverage its weight to relay this message to the government.
- Given the importance of the quality of domestic institutions of governance, democracy and development, the EU and the US should devote substantial attention to building local institutional capacity for governance and development. Such capacities impact on the delivery of the private sector in promoting stability and development.
- It is also important for the EU and the US to identify and partner key local NGOs/CSOs in their development interventions in Nigeria/Africa. This is necessary given the tendency by international donors to patronize international NGOs at the expense of local ones. Yet, local NGOs have broader knowledge and understanding of local issues and peculiarities.
- While the private sector is crucial, the public sector is also pivotal. The EU and the US should continue to intensify its efforts to encourage public-private partnership as partners in the true sense of the term, not as competitors, in fostering stability and development.

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