Public Policy, Welfarism, and Social Service Delivery In Nigeria: The Case Of A Receding State

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Abstract
The retrenchment of the welfare state came with the global ascendency of the neoliberal policy regime since the 80’s. Since then, the gap between public wants and state policies in most parts of the developing world has widened. The ensuing decline in policy representation and responsiveness —the meeting point between larger public interest as aggregated through public opinion and public policy—has inspired public suspicion and constrained policy legitimacy, thereby resulting in tension between the government and the citizenry now alert in reminiscence of past failures and its negative welfare implications. Nigeria is trapped in a triple development arrest: endemic political corruption and mismanagement, rising challenges of insecurity, and an abysmal state of public infrastructure. In all, the living condition and welfare of the people is the casualty. Contrary to the much advertised gains of neoliberal reforms, and in spite of sponsored reports of economic growth, the living conditions of the average citizen continues to decline amidst mounting youth unemployment, infrastructural decay, pervasive and still rising poverty figures, persistent institutional failures in the delivery of basic social services, and an expanding portfolio of social criminality, corruption and violence.

The paper examines public policy and social welfare in Nigeria. It highlights socio-economic factors affecting welfare conditions. It argues that state policies impose the cost of state failure and economic sabotage orchestrated by politically shielded elite on the citizens. It submits that real growth and a smooth state—society relation is achievable when governments check elite venality which constrains development and welfare delivery to the masses by criminalizing and vigorously reducing corruption. It recommends the prioritization of public welfare, an aggressive national action against corruption and a refocusing of national development policy.

Keywords: welfarism, public policy, neo-liberalism, social services, Nigeria.

Introduction
The effects of Nigeria’s historically negative credentials in governance manifesting in its poor resource management and political corruption is reflected in the poor state of welfare and general development gridlock. This correlation has been well documented (Gary and Karl, 2003; Action Aid Nigeria, 2007; Eboh and Igboke, 2006; Ogun, 2010). The capacity to effectively provide for the welfare and security of her citizens is a critical responsibility of the state and its decision-making machinery—the government. Oshelowo and Oniemola point out that effective service delivery is coterminous with the development aspiration of any country (Oshelowo and Oniemola, 2011: 1).

Recent years has seen rising awareness on the important role national governments must play in social service delivery for the enhancement of public welfare, particularly in societies with high poverty statistics because of its implications for political and economic stability, law and order. This recognition underlies the clamor for government policies and reforms. Oshelowo and Oniemola (2011:25) have identified the critical social policy agendas for governments’ intervention through the 2015 MDGs target programmes with particular respect to high poverty concentrations across the globe.

The advocacy for democratization as a political imperative rests on the importance of society-responsive policies that attends to the people’s needs and aspirations (Onakuse and Eamon, 2007: 41). In spite of Nigeria’s democratization since 1999, disconnections between public policy and public aspirations in Nigeria have persisted. The state has seen, and continues to witness disruptions of varying degrees in public social and economic activities expressed through strike actions, protests and street demonstrations that have become regular strategies for the expression of discontent against government policies perceived as illegitimate and antithetic to public welfare (Umezurike, 2010: 1). These conflicts have often led to protracted deadlock in national economic and social activities at huge costs to the economy apart from accompanying violence, vandalism and deaths as witnessed in the recent fuel subsidy removal protest in January 2012 with casualties like Muyideen Mustapha and Anas Basambo among others, and over one trillion naira lost to the ensuing economy paralysis (Echezona, 2012).

These confrontations pose crucial questions for democracy, public opinion and welfare in Nigeria, as they present new angles to development planning. They portend problems of policy legitimacy which traverses important areas of decision making in a democratic state: questions of what, when, where and how to optimal choices and administration of public policies for effectiveness and efficiency at the least cost to the welfare of the citizenry. This highlights the importance of the public policy environment: social, economic or political, in which policies are domesticated to acceptance or resistance—issues which have formed the basis of government-public conflicts in Nigeria.

The prevailing socio-economic condition in Nigerian in terms of public service delivery and welfare impacts negatively on the legitimacy of government policies and reforms. Etieyebo averred that the prerequisite for state divestment from social service obligations is lacking in Nigeria (Etieyebo, 2011: 87), while Thomson explained that nothing is more
fundamental than the ability of the government to listen to people’s demands for services in terms of what they see as important, how and whether they access those services, and what would improve them (Thomson, 2005: 5). Unfortunately, while Nigeria bows to the competition of international comparative development guides, its societies are replete with unique and peculiar social ills: decadent infrastructure, rising youth unemployment and poverty, expanding portfolio of crime, a collapse human security system and a dangerous trend in social inequality itself reflecting the impaired distributive system of capitalism (Amzat and Olutayo, 2009: 239).

**Theoretical Background**

The interaction of public policy, infrastructure and welfare in Nigeria has been interrogated from several angles. This paper relies on Rotberg’s failed state hypothesis and Ian Gary’s Paradox of Plenty thesis. In his book titled *State Failure and State Weakness in a Time of Terror* (2003:72), Rotberg explains that Nation-states fail due to internal convulsion and violence, and the loss of the capacity to deliver positive political goods to their inhabitants. This is marked by the government’s loss of legitimacy, as the very nature of the particular nation-state itself becomes illegitimate in the eyes and in the hearts of a growing plurality of its citizens.

A number of issues are critical in Failed State hypothesis: the maintenance of sovereignty and the ability of the state to deliver on social obligations (Ibid). A nation’s strength or weakness is adjudged by its performances in the delivery of the public goods. He asserts that nation-states exist to provide a decentralized method of delivering political (public) goods to persons living within designated parameters (borders), and having replaced the monarchs of old, modern states focus and answer the concerns and demands of citizens (Ibid). They more or less organize and channel the interests of their people in furtherance of national goals and values. States are also saddled with the responsibility to buffer or manipulate external forces and mediate between the constraints and challenges between the international arena and the dynamism of their own internal economic, political, and social realities. States succeed or fail across all or some of these dimensions. But it is according to their performance—according to the levels of their effective delivery of the most crucial political goods—that strong states may be distinguished from weak ones, and weak states from failed or collapsed states (Rotberg, 2003).

Characteristically, failed states are marked by tension, deeply rooted and dangerous conflicts, as well as bitter contestations by warring factions. There is also regular armed engagement of government troops in battle with armed revolts led by one or more insurgent groups amidst varieties of civil unrest, communal discontent, and a plethora of dissent directed at the state and at groups within it. Rotberg notes that failed states are not identified by the absolute intensity of these violence but by their enduring character and the fact that much of the violence is directed against the existing government or regime (as is the cases with Angola, Burundi, and the Sudan), in addition to the inflamed character of the political or geographical demands for shared power or autonomy that rationalize or justify that violence in the minds of the main insurgents (Rotberg, 2003:10). These characteristic features usually have roots in ethnic, religious, linguistic, or other inter-communal enmity as avarice, corruption and poverty propels further antagonism among the citizenry denied of political goods. (Ibid)

Political goods encompass expectations, conceivably obligations, inform the local political culture, and together give content to the social contract between rulers and ruled that is at the core of government and citizens’ interactions. This position mirrors Kinnan’s postulation that state failure occurs when it suffers “the loss of physical control of its territory; [its] monopoly on the legitimate use of force; the erosion of [its] legitimate authority to make collective decisions; an inability to provide reasonable public services; and the inability to interact with other states as a full member of the international community” (Kinnan, et.al, 2011: 9).

Nigeria’s failing status is seen in the government’s adoption of negotiation as a national security strategy. The nation’s sovereignty becomes increasingly reliant on negotiation: the criminal justice system recognizes and accepts negotiation with corrupt individuals who wield enough influence to buy the process of plea-bargaining, national security and defense and threats are temporarily resolved through bargaining and concessions to internal insurgents sometimes at great costs to the nation (recent instances include the concession of pipeline security to armed Niger delta militants to the tune of 5.6 billion Naira in 2010, as well as the on-going negotiation with the dreaded Boko Haram sect in the northern part of the country). Some of these threats have arisen due to escalating unemployment as well as the collapse of infrastructure and welfare. Ian Gary is another renowned scholar popular for his thesis on the paradox of plenty which highlights the ironic relationship between wealth and development especially in oil producing states. Akin to what Mehrara e.t.al (2011:33) described as resource curse, Gary postis that expectation has not matched reality in most resource-endowed states. In fact, in most cases, the source of wealth has proved more effectual as a source of conflict, division and violence in these states. For instance, while expectations are high particularly in the oil-rich Gulf of Guinea for development and welfare, the reverse has been the case in reality. In actual sense, oil wealth has been regarded as a curse rather than being the anticipated blessing.

While Sub-Saharan Africa has witnessed periods of oil boom, such periods have presented both moments of great opportunity and great peril: economic social and political.(Ibid) Hence Gary cautions against an exaggerated assessment of the import of the oil industry for development in many African countries. He notes for instance that the experience of oil-exporting countries over the past several decades tells a story which differs radically from the promise of petroleum. In fact, taken as a group, all “rich” less developed countries dependent on oil exports have seen the living standards of their populations drop – and drop dramatically, while the case of Nigeria’s failure to develop, he notes is particularly catastrophic as real per capita income has plummeted to levels not seen before 1960 (Gary and Karl, 2003: 5).
Literature Review

Many studies have looked into the state of welfare, infrastructure and public policy in Nigeria. Essentially, these inquests if holistically related, reflects diverse analytical perspectives and ideological leanings: from the institutional, the sociological, to dependency theories, a unanimous fact is the nature of the state and the role political actors and decision-makers have played. However, there remains a convergence on the decline of welfare in the country.

Ariyo and Jerome (2004) posit that the credibility and legitimacy of any government is ultimately proportionate to its capacity to ensure sustained improvement in the standard of living of the citizenry. They note that public policies and development plans should aim at facilitating effective mobilization, optimal allocation and efficient management of national resources towards that end by placing premiums on the provision of development facilitators, such as transportation and communications, as well as social overheads like education and health. Economic reforms, particularly through engagement of the private sector have been core instruments in realizing these objectives in recent times.

They observe however, that while efforts at reforms targeted at obliterating the dominance of the public sector especially in developed countries have been successful, the experience in most developing economies have been the reverse as a larger number of the citizenry have suffered increasing alienation. To them, although these reforms are desirable in the LDCs for enhanced efficiency in the management of national resources and better service delivery, the extension of wholesale privatization program to the utility sector is contentious because misguided privatization has negative utility implications bothering on non-accessibility and affordability to the citizenry, especially the poor and the vulnerable groups in the society.

Nwagbara, (2011) examined the adverse effects of governments efforts at achieving the set objectives of structural adjustment programme (SAP) noting that it produced adverse social effects that put to question the sincerity of purpose of the SAP policy designers and implementers. He poses certain questions with a view to unraveling how “the politics of enhancing the well-being” of the people via SAP as it has played out in Nigeria in terms of actualization of the intended purpose. He observes that the studying the successes or failures in the implementation of SAP indicates that domestic good governance is a necessary and inevitable prerequisite of effective economic reform.

To him, less than enough effort has been made towards ascertaining the social fallout of the entire reform process which has generated public outcry. This is a pointer to the importance of the social dimension i.e. the perspective of the aggrieved populace towards the implementation of such reforms as SAP. Contrarily however, there is a proliferation of World Bank sponsored studies on the issue that hardly take cognizance of the people’s feelings. He finds that there is a significant relationship between economic hardship, repressive attitude of government, political uncertainty and interest groups’ protests against SAP.

Akinola, (2007) notes the implication of state failure in addressing the problems of rural infrastructure in Nigeria. He points out that there is a rising incidence of the adoption of self-governing techniques by the people through collective action as a result of the failure of the state. Self-governing actions to him includes such rural/communal organization by people on the basis of collective deprivation. These are achieved through the creation of appropriate institutional arrangements, mutual agreements and shared understanding in planning and executing public goods and services that directly touched their lives. He found that rural communities in south-western Nigeria through self-organized arrangements provided rural facilities at the cost of N26,204,000.00 ($1,546,071.7) (i.e. 98.3%) of the total figure thereby constituting the prime mover for rural facilities development, while the Local Governments contributed N450,000.00 ($20,452) (i.e. 1.7%) on the same facilities. He notes the high level of accountability by community members and suggests a re-conceptualization of community efforts to re-constitute order from the bottom up and to complement the state structure of governance.

Conteh-Morgan (2006) describes economic globalization as a process involving the exercise of transnational hegemonic power which manifestation, organization, and exercise of power is reflected in the decisions, actions, or “impositions” of International Financial Institutions [World Bank, International Monetary Fund (IMF), and World Trade Organization (WTO)], as well as the advanced industrial nations. The implications of the neoliberal international economic re-organization have had significant negative impacts on individuals, groups, or communities within the nations of the developing world in terms of institutional performance, public welfare and social service delivery and national development in general. In terms of state structure, the more peripheral the developing state is in relation to the core of global economic power domicile primarily in the west, the more the negative consequences of globalization are felt in these regions The effect of globalization in the developing world essentially has been the increasing marginalization of many countries with civil strife abject poverty, failed infrastructure, escalated crime rates and looming state failure (Conteh-Morgan 2006).

Dansereu and Zamponi agrees with Conteh-Morgan when they pointed out that the consequences of globalization are more severe within the peripheries of neoliberal capitalism as integration within globalization networks and processes are stronger within the core of capitalism producing less inimical consequences than at the peripheries where the consequence is, at times, social disintegration and decay (Dansereu and Zamponi, 2005).

Dannin (2011) argues that while the main arguments for privatizing public infrastructure range from providing money so cash-strapped governments can fix crumbling infrastructure and build much needed new infrastructure to shifting future financial risk from the public to a private sphere, the reality of privatization is far different resulting perhaps in a process of cost transfer by making the public the guarantor of private contractors’ expected revenue. On the implications for state authority, he contends that privatization gives private investors a quasi-governmental status with power over new laws, judicial decisions, and propositions voted on by the public as well as other government actions that an investors may claims will affect profits. He noted that giving private investors such a role may impinge on the autonomy of the state as private entities gradually assumes certain powers that are inherently governmental by exercising powers over decisions that affect the
public interest and are normally made by public officials and subject to oversight, disclosure, and public accountability—which may not apply to private sector. However, it has been observed through this study that in the contemporary world government and its agencies have not been efficient in social services delivery, therefore, the current global wave of privatization of social service delivery.

**Welfare Infrastructure and Social Service Delivery in Nigeria**

The existence of adequate infrastructure is crucial to the provision and sustenance of public welfare, as well as the enhancement of growth and development in any part of the world today. Although this responsibility has in recent times, become a diffused one with the increasing involvement of the private sector, overall delivery capacity of public-oriented infrastructure constitutes one of the major criterion for the assessment of governments performance across the globe. In Nigeria, this capacity has been a major challenge, remaining at a declining state since the 70s, and complicating the nation’s many crises: from infrastructural decay to insecurity, economic instability, mounting ethnic tension, pervasive and institution-suppressing corruption, threatening religious upheavals and violence, environmental threats and disasters, political violence and resource struggles to militancy, armed violence and kidnapping. The effect of this on public welfare is pervasive. The poor state of national security in Nigeria is documented in the Failed State Index. In the 2011 report, Nigeria ranked 14th among the most failed states, rating as a failure alert state in a rating of 177 countries of the world (Fund for Peace, 2011: 6).

The level of infrastructural sufficiency has serious implication for productive enterprise, large or small, employment generation and the capacity of the economy to attract and retain foreign direct investment (FDI). McNeil points out in this regard that:

- Adequate infrastructure reduces the costs of production, which affects profitability, levels of output, and employment. When infrastructure works, productivity and labour increases. When it does not work, citizens suffer, particularly the poor. Thus, economic renewal and societal welfare become postponed or halted (McNeil, 1993:1-5).

- It is not surprising therefore that Nigeria performed woefully over the years in basic economic productivity performance indicators across the globe. In her Global Competitiveness Report for the years 2002—2003, the World Economic Forum ranked Nigeria 76 out of a total of 82 countries on the infrastructure sub-index. This poor showing is also corroborated in her poor performance in economic competitiveness ranking. In the GCI Report for 2006—2007, Nigeria ranked 101 out of 125 countries signaling a worse performance compared with the 83 recorded for the previous year (Eboh and Igbokwe 2006: 20).

Furthermore, there is a notable cyclic relationship between access to infrastructure and poverty. The absence of infrastructure stymies the prospects of poverty reduction efforts by making small and large scale productive engagements difficult to run. In the same vein, its uneven distribution creates inequality in income and wealth distribution, thereby widening further the gap between the Haves and the Have-nots. This has far-reaching effects on social stratification and processes in Nigeria. Indeed, Nigeria has one of the most unequal societies in the world (AEO, 2010). According to the UN Development Programme, inequality has been on the increase in the country, rising from 0.43 to 0.49 on the index between 1985 and 2004. It points out that “inequality in access to basic infrastructure and services are key drivers of poverty, vulnerability and inequality in the Nigeria” (UNDP, 2000).

On a wider economic scale, there is the issue of brain drain and capital or investment flight. Several firms like PZ Cussons, Michelin, Peugeot, among others hitherto involved in manufacturing and production in Nigeria have move to better infrastructure environments while countless numbers of able and qualified youths have travelled abroad in search of greener pasture after years of unemployment and squalor. The few companies that continue to operate under the harsh infrastructural condition only do so at great cost to the consumer. These few have remained because of the huge cost of relocation which involves high set up cost and huge capital and other requirements (Eboh and Igbokwe, 2006: 22). Hence the decision to stay and transfer the additional cost to product pricing by most companies.

Documented statistics indicate that the Nigerian state has been experiencing developmental reverse in spite of claims to the contrary by most government pronouncements and records. For instance, according to the MO Ibrahim Index of African Governance which ranks for the year 2012, Nigeria dropped from a the 42nd position to 43, pitching its tenth in the group of 10 worst performers. The index for 2012 puts it thus:

- Angola, Liberia and Togo have left the IIAG’s group of the ten worst performers. They have been replaced by Eritrea, Guinea Bissau and Nigeria… Nigeria, West Africa’s powerhouse, has for the first time this year fallen into the bottom ten governance performers on the continent (IIAG, 2012: 2).

While the state have often maintained a reactionary stance to statistics and rankings it considered unedifying, majority of the Nigerian seem to maintain a convergence on the harsh realities of near-absent social infrastructure or its abysmal inadequacy. Hence, there is, on the basis of this empirical hardship, little impetus to question Statistical rankings. For instance, while South Africa (with a population of roughly 47 million people) consumed 40,000 megawatts of electricity, its Nigerian counterpart (with a population of roughly 160 million) celebrated a production output which vacillated between 3,500 and 4,000 megawatts. Similarly, per capita consumption in South Africa stood at 215.1 while in Nigeria, it was 19.21 (Akinyemi, 2012: 3). A comparison of the economic performance of the two countries will provide further testimonials to the effects of this disparity.

More statistical evidences from varied sources highlight the poor state of infrastructure and social service in Nigeria. Although government data have been under integrity probation in recent times due to the tendencies for state
manipulation and influence which produces conservative reportage, several indicators from these institutions still paint poor pictures of the situation of infrastructure and welfare delivery in the country. Data from the National Bureau of Statistics is used here to illustrate the social infrastructure and welfare gap. The tables below show the pattern of availability and use of power and water in Nigeria.

**Figure 1: POPULATION DISTRIBUTION OF REGULAR HOUSEHOLDS BY TYPE OF MAIN LIGHTING FUEL-- 2006**

![Pie chart showing the distribution of main lighting fuels](image)


**Table 1: PERCENTAGE DISTRIBUTION OF HOUSEHOLD BY TYPE OF ELECTRICITY SUPPLY, 2008**

<table>
<thead>
<tr>
<th>Sector</th>
<th>PHCN (NEPA) only</th>
<th>Rural Electrification only</th>
<th>Private Generator only</th>
<th>PHCN (NEPA)/Generator</th>
<th>Rural Electricity/Generator</th>
<th>Solar Panels</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>73.2</td>
<td>0.3</td>
<td>2.1</td>
<td>14.9</td>
<td>0.8</td>
<td>-</td>
<td>8.6</td>
</tr>
<tr>
<td>Rural</td>
<td>28.7</td>
<td>1.2</td>
<td>3.6</td>
<td>3.2</td>
<td>1.2</td>
<td>0.0</td>
<td>62.0</td>
</tr>
<tr>
<td>National</td>
<td>40.4</td>
<td>0.9</td>
<td>3.2</td>
<td>6.3</td>
<td>1.1</td>
<td>0.0</td>
<td>48.0</td>
</tr>
</tbody>
</table>


**Table 2: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF FUEL FOR COOKING, 2008**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Electricity</th>
<th>Gas</th>
<th>Kerosene</th>
<th>Wood</th>
<th>Coal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>0.5</td>
<td>1.8</td>
<td>49.6</td>
<td>44.9</td>
<td>3.1</td>
</tr>
<tr>
<td>Rural</td>
<td>0.1</td>
<td>0.1</td>
<td>7.3</td>
<td>92.1</td>
<td>0.4</td>
</tr>
<tr>
<td>National</td>
<td>0.2</td>
<td>0.6</td>
<td>18.5</td>
<td>79.6</td>
<td>1.1</td>
</tr>
</tbody>
</table>


**Table 3: PERCENTAGE DISTRIBUTION OF DWELLING UNITS BY TYPE OF WATER SUPPLY, 2004 - 2008**

<table>
<thead>
<tr>
<th>Type of Water</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pipe-borne Water</td>
<td>14.5</td>
<td>16.2</td>
<td>15.4</td>
<td>10.4</td>
<td>8.8</td>
</tr>
<tr>
<td>Bore-hole Water</td>
<td>17.6</td>
<td>24.0</td>
<td>20.8</td>
<td>26.8</td>
<td>28.4</td>
</tr>
<tr>
<td>Well Water</td>
<td>36.0</td>
<td>25.1</td>
<td>30.6</td>
<td>33.3</td>
<td>31.5</td>
</tr>
<tr>
<td>Streams/Ponds</td>
<td>31.5</td>
<td>33.5</td>
<td>32.5</td>
<td>24.4</td>
<td>27.6</td>
</tr>
<tr>
<td>Tanker/Truck/Van</td>
<td>0.4</td>
<td>1.2</td>
<td>0.8</td>
<td>4.1</td>
<td>3.2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The Nigeria State in Recess: Anatomy of State Failure.

The failure of the state in addressing the problems of infrastructural deficit in Nigeria is made manifest in the expanding phenomenon of “personal governments”—the increasing occupation of individuals, groups and community/collective actions on basic social utility delivery and infrastructure projects hitherto within state regulation, in response to failure of government regulatory mechanisms, and or alienation of the people from private sector-driven utilities (Akinola, 2007). These often cover the provision of utilities such as roads construction and repair, provision of portable water supply facilities, collectively-funded power supply/generator projects and so on.

As Table 3 above indicates, while the number of households having access to pipe-borne water—a facility solely provided and maintained by the state—decreased from 14.5% in 2004 to 8.8% in 2008, Bore-hole and Tanker/Truck/Van supply systems—normally used by individual households and community efforts increased from 17.6% to 28.4% and 0.4% to 3.2% respectively. The tables above shows the poor output of state-operated welfare infrastructural facilities on the one hand, and, an exponential increases in individual/community-operated social infrastructural amenities on the other hand. This situation clearly illustrates a “paradox of plenty” (Karl, 1997:31-48; Mehrara, 2011:1; Omotola, 2010: 1) as the nation experiences regression in the midst of resource abundance.

As I have argued elsewhere, the decline in social service in Nigeria have persisted in spite of increasing revenues accruing to the government and the wave of divestment of government expenditure from the sector with the rise of the private sector (Akinwumi, 2012). Consequently, Federal Government’s expenditure in infrastructure has dropped even as her income increased over the years. While the central government has significantly shed a large portion of its responsibilities in social service funding, she has maintained dominance in the revenue sharing scheme by appropriating 52 per cent to itself (The Punch, May 23, 2012 page 18). However, the state continues to witness a plunge in performance.

While Nigeria’s travails in decline and underdevelopment is not unique in the developing world, it is exceptional in its scope and persistence as its developmental failure and the ironies surrounding its malaize remarkably places her in sharper relief when compared with other developing countries. While Nigeria has been severely rated as one of the poorest countries in the world, she does not lack the resources or capital necessary for economic and social development. Notably, Nigeria had generated about US$500 billion in petroleum exports, much of which has accrued as revenue to the central government and purportedly spent by its many prodigious leaders who profess aspirations for development, on infrastructure and social services with little or nothing on ground to show for it (Lewis, 2007: 83). The prevailing condition of social service is one of the evidences of the recession of the statehood.

As against the establishment of the social service agencies like the Nigerian Railway Corporation, National Electric Power Authority, the now moribund Nigerian Telecommunications Limited among others through the colonial era to the late 80s, there has been a sharp decline in the numbers of these agencies since the 90, leading to increased service burden on the citizenry. Today, every household is a government of its own in terms of social service and utility provisions. Citizens not only bear responsibility for the provision of basic services such as road, water, education, electricity, health and so on, they are also exploited at two points: from the poor utilization of funds from tax-payers as a result of endemic corruption and mismanagement on one hand, and from being surcharged for inexisten services in the form of utility bills on the other hand.

Furthermore, a regime of terror pervades the country, as one or more form of insecurity holds sway in all regions of the country holding the state to ransom: from kidnapping in the South-east, militancy in the South-south, ethno-religious killings in the far north, transport union clashes, daylight robbery, plane disasters, floods in the South-west, and the expanding terrorism of the fundamentalist Boko-haram group that has occupied the entire North, and is now spreading southward. It is for these and other reasons that the country currently occupies the position of the 14th worst state in the 2011 Failed State Index which ranked 177 countries globally. One is moved to interrogate the status of Nigeria’s statehood in the light of alarming empirical evidence of decline in the state’s capacity to provide for the welfare and security of its people if welfare and effective authority and control are inalienable features of the state.

Much of the decline in government efficiency in Nigeria has stemmed over the years, from both domestic and foreign factors. While mismanagement and corruption remain the most endemic endogenous disincentives to the development of the country’s infrastructural capacity, policy importation without due recourse to domestic conditions has further exacerbated the effects on public welfare. Political leaders across the developing world were obliged in the 1980s, to follow policies of state withdrawal from social services and welfare interventions in order to receive foreign loans. These conditions were foisted on them through the IMF and World Bank “even if they do not agree with them” (Little and Dolan, 2005: 209) as it became prerequisites for international supports. Very few developing countries were able to ward off these imperial attemps and those who did as in the case of Libya since then remained in constant acrimony with the western powers.

These push for neoliberal economic reforms ala economic deregulation were apparently motivated by the search for foreign markets for European developed products. Hence developed nations discouraged domestic production of such products these countries using the logics of comparative advantage and declaring them as being too expensive relative to foreign imports thus forcing developing nations to substitute domestic production for ‘cheaper’ importation of European goods. Supported by the World Bank and IMF, it prepared African economies for its longstanding dependence on foreign goods (Kasekende et.al, 2004; Sundaran, et.al, 2011).

State obligations on anti-poverty programmes were criticized by Reagan and Thatcher as “mere welfare giveaways” and not in the interest of the state. Apparently conditioned by the dominance of the United Kingdom and the United States of America in the emerging international finance and economic management institutions in the 80s, the IMF and the World were used to foist these policies on developing nations as such policies became conditions for economic rescue and access to foreign loans (Milward, 2000: 25, Thorne, 2010: 5, Sap Nigeria, 2010). While the logical underpinnings of these policies and its acceptance by governments in developing states remain an interesting puzzle, let us at present focus on examining the promises and realities of public policies informed by the neo-liberal economic rescue mission as it concerns infrastructure and welfare the Nigerian state.

The Rise and Fall of Communitarian Welfare in Africa

Contrary to popular portrayals of welfare as a modern western policy innovation (Miller, 2006: 3, Adejumobi, 1999: 88), the preoccupation of governance with people’s welfare is not alien to governance in Africa. Indeed, it is a historic cultural disposition
which has become redefined over the years through exposure to political modernisation in Africa. Contrary to her predominantly communitarian traditional orientation, the continent’s economy has been shaped and re-shaped along with its politics through experiences from slavery to colonialism. This erosion was completed by the global advance of capitalism dressed in the garbs of democratization, adjustments and aid.

The Yoruba phrase “Oba lo n’ile” implies that all land belongs to the kingdom which exercises allocative powers, and the role of the “Baalde” in maintaining allocative efficiency explains this. Since social welfare become narrowly understood as initiatives of the state (in the modern sense of it), in support of the poor and crisis-affected such as emergency relief interventions, pension, health insurance and so on, most literatures have ignored the historical relevance of welfare to governance in pre-colonial Africa albeit without formal structures. Social services in traditional societies in Africa included: construction of bridges, creating and maintaining of roads, establishing public safety, and maintenance of public arenas among other things. Africa’s experience may be summed up as the overthrow of traditional social welfareism by liberal welfarism in African (Lumumba-Kasongo, 2006: 1).

The erosion of traditional structures was further deepened by the introduction of the money system and capitalist accumulation which replaced traditional perception of “wealth” in Africa. Deckers puts this clearly when he noted that:

- In pre-colonial Africa, poverty occurred more as a non-monetary phenomenon. Wealth was in form of land, chiefancy titles, livestock, skill and vocation, age, wisdom, spirituality, kingship and membership of royalty, social class, etc…The reason why some scholars referred to a merrie Africa was because it was difficult to refer to a man who lacked money in pre-colonial Africa as poor because the yardstick for measuring poverty was essentially, and as stated earlier, non-monetary (Deckers, 2010:1).

Bennel also argued that historical phases such as colonialism had led to the reconstruction of phenomenon of poverty and wealth which became an increasingly monetary occurrence, particularly with the gradual domination of Western monetary exchange system (Bennel, 1982: 127–154). The continent of the black man, in its historical traditional segmented coloration, exhibited a strong culture of communitarian living before the territory fell to European and colonial institutional and cultural erosions, destroying the social and community connection as well as the extended family system which existed in Africa in the pre-colonial era. Rodney put this disarticulation thus:

- In general terms, where communalism came into contact with the money economy, the latter imposed its self.
- Cash-crop farming and wage labour led away from the extended family as the basis of production and distribution. One South African saying put forward that ‘the white man has no kin, his kin is money’. That is a profound revelation of the difference between capitalist and pre-capitalist societies; and when capitalism came into contact with the still largely communal African societies, it introduced money relations at the expense of kinship ties (Rodney, 1973: 337-338).

Illife also captures this belief when he observed that “Only with the coming of colonial rule, market economies, and urbanization, so it is often claimed did things start to fall apart” (Illife, 1987: 3). In it, it is a popular African belief that according to Illife that:

- There were no poor and rich; the haves those who were in want. No man starved because he had no food; no child cried for milk because its parents did not have milk cows; no orphan or old person starved because there was nobody to look after them. No these things were unknown in ancient Bantu society (Ibid: 3).

This erosion of Africa’s traditional communal helped slavery as traditional rulers and kinsmen began to exchange their fellow kinsmen for ostentatious commodities brought in by European traders during the slave trade era.

Reviewing Africa’s Economic Decline and the Neoliberal Panacea

By the 1980’s, barely two decades into political independence in most African countries, and as leadership failure, infrastructural decline, external debt and economic instability became more apparent while the euphoria of self-rule began to disappear (Anadi, 2005: 19), there arose the need for alternative funding for development projects in many African states. Action Aid Nigeria puts the nation’s socio-economic context thus:

- Since the 1980s, the Nigerian economy has been on a perpetual decline. Until the recent debt relief by the Paris Club, Nigeria’s external debt stood at about $39 billion. There is widespread poverty in the country, where more than 40% of the people live on less than $2 a day. Poverty levels worsened with the pursuit of neo-liberal reform policies (Action Aid Nigeria, 2007: 50).
- Nigeria’s decline of infrastructure coincided with the period of the oil boom, giving rise to such phenomenon as “resource curse” (Gelb, 1988; Auty 1993), and the “paradox of plenty” (Karl 1997) all due to the irony of economic decline and underdevelopment in the midst of rising wealth in Africa.

A review of neoliberal economic reforms in the developing world since the 1970s betrays the expansion of western capitalism by extending aid to the developing nations of Africa, Eastern Europe and elsewhere, in exchange for their commitments to west-suited reforms in spite of obvious disparities in levels of social and economic development (DeLong and Eichengreen, 1999: 2). Endurred by the allure of economic internationalism on one hand, and access to “cheap” capital made available through international financial institutions, governments across the continent embarked on massive restructuring of their economic policy persuasions from welfarism to market-centricism (Danseau and Zamponi, 2005: 8).

These economic prescriptions arguably, were motivated more by a need for foreign markets for European goods which increased in the war-time regulation especially in Britain, America, and France (de Regil: 2001; Hossein-Zadeh: 2011; Jones: 2011), because western nations had adopted Keynesianism (state intervention) policies to economic and social recovery during its crises periods in spite of the conservatism promoted by Reagan and Thatcher in the 70s. In spite of these reforms however, development have been more noticeable in its in decline, with increasing poverty levels, escalating crime rates, dwindling infrastructure, increasing unemployment rates, poorer security of life and property, and general welfare collapse. Arguably, western nations have promoted neoliberal reforms as strategies for the continuation of resource exploitation in the developing world.

A number of facts provide proof for the above: one, the general practice by Western developed nations, of concealing government subsidies to their farmers in order to avoid giving real and concrete concessions to developing countries. Second, the use of creative accounting, including the ‘Euronomisation’ of accounts— falsification of financial statements to hide economic trends from
trade partners in poor countries. And lastly, manipulation of aids and loans conditions thereby opening debt traps for LDCs given the. A proof is found in Liz Stuart’s comment that:

The EU and the US are cheating the poor. They are telling poor countries that they have to open their markets in return for cuts in farm subsidies in the West, but in reality, they are cooking the books with devastating consequences for the poor (Elliott, 2005: 7).

Privatisation and Social Welfare in Nigerian

The promulgation of Decree No 25 in July 1988 marked the beginning of Nigeria’s privatisation project. The decree established the Technical Committee on Privatisation and Commercialisation (TCP), an organ saddled with the responsibility of supervising the process of state divestment from, and restructuring of public enterprises. This committee came to be known as the Public Enterprises Bureau in 1993 (Ariyo and Jerome, 2004: 8). According to the decree, the nation’s privatization program is expected to:

i. Restructure and rationalize the public sector in order to lessen the preponderance of unproductive investments;
ii. Re-orientates the enterprises towards a new horizon of performance improvement, viability and overall efficiency;
iii. Ensure positive returns on investments in commercialized public enterprises;
iv. Check absolute dependence of commercially-oriented parastatals on the treasury and encourage their patronage of the capital market; and
v. Initiate the process of gradual cessation of public enterprises that can be best managed by the private sector (ibid, 8-9).

Prior to 1988, particularly with the onset of the economic crisis from 1981, successive regimes in Nigeria have concerned themselves with the issue of public enterprise reform. In May 1981, the Shagari Administration set up the Presidential Commission on Parastatals headed by G O Onosode with its terms of reference being to examine the performance of public enterprises, among other things, and suggest ways of how towards enhance their performance. The commission submitted its report in October 1981 and recommended the adoption of selective privatization restricted to areas not considered as "strategic" or "security sensitive" by the state (Federal Government of Nigeria, 1981:63). The report suggested that where privatization cannot be carried out, better performance should be encouraged through performance targets set for boards and management. Although, the Shagari regime accepted these recommendations, its political inertia made it incapable of carrying out any meaningful reform before the Administration was overthrown in December 1983.

Succeeding the Shagari Administration, the Buhari regime also made some efforts to reform public enterprises and corporations in Nigeria. In August 1984, it set up a study group on statutory corporations and state-owned enterprises and public utilities which submitted a similar to that of the Onosode Commission by also recommending selective privatisation and the restructuring of enterprises mostly in the public utilities and infrastructure sector. However, the Buhari regime did not entertain the logic of privatisation, particularly in the area of public utilities due to its nationalist outlook by imposing strict measures like financial stringency, greater accountability and reduction in workforce in some corporations and parastatals.

The emergence of the Babangida junta following the exit of the Buhari regime in August 1985 paved the way for the adoption SAP agenda in Nigeria (Adejumobi, 1999). Prior to this time, part or full provision and maintenance of certain public utilities such as roads, water supply, electricity, health services, education, postal services, telecommunications and waste disposal housing, transport, Medicare and education were considered as obligatory public goods from the state to the citizenry. This assumption is not unfounded. As Africans adapted to modern governance in the colonial era, the experience of the state was that of splendor: the state provided all necessities for colonial officers who lived off the government in distinctly affluence compared with their black neighbors (Decker, 2010). The new reforms via SAP were denial of these assumptions.

However, rather than inducing greater efficiency in service delivery, commercialization and privatization imposed higher welfare costs on the people and curtailing access apart from job losses. Following Babangida reforms for instance, Adejumobi notes:

The tariff charged by NITEL for telephone calls increased quite astronomically during this period...while the tariff for international telephone call per minute was 22 naira in 1988, this jumped to 60 naira by 1992, further to 175 naira in 1995 and higher to 220 naira in 1996, representing a percentage increase of over 1000% between 1988-1996. Also, the cost of acquiring telephone lines increased very substantially (Adejumobi, 1999: 102).

The negative effects of commercialized public utilities were felt all the more due to other SAP dictates like currency devaluation, high interest rates, hyper-inflation which made production cost and tariff charges high. Clark rue the fallout of monetarism thus:

Monetarism has sought to secure the rigorous subordination of civil society and the state to the rule of money, against all popular, democratic and bureaucratic resistance. It has attempted to overcome democratic resistance by by-passing and dissolving democratic bodies or by eroding their powers. It has attempted to overcome bureaucratic resistance to its political reforms by introducing managers from the private sector and trades union resistance by the threat of privatization. It has attempted to overcome civil resistance by strengthening the repressive apparatus of the state. However, the result of the monetarist revolution in government has been not efficiency but chaos. The drive to impose rigid financial controls and to cut costs in the public sector has disrupted well-established planning mechanisms and managerial procedures to create administrative chaos, economic irrationality, and a collapse of morale that threatens the breakdown of public services (Clarke, 1988: 225).

Domestic factors and Nigeria’s Neoliberal Reforms

Nigeria’s policy environment has been shaped and re-shaped by a number of factors, some of which are products of its historical evolution. Some of these include:

a. National Size: Nigeria is not only the most populous country in Africa. Its public enterprise is also arguably the largest in Sub-Saharan Africa. The huge size implies larger and more complicated administrative structure, greater funding, and a wider scope in shocks and pulls on efficiency.

b. Ethno-religious Rivalry: Nigeria is ethnically divided into over 250 ethnic groups, each conscious of its share in the control of the nation’s resources and also holding other tribes in suspicious fear. Attempts at socio-economic and political
reforms have as a result, often been interpreted against ethno-religious competitive backgrounds of who, what and how groups are involved.

c. Low Public Participation in Policy Process: Nigeria’s long exposure to centralization of power during military rule bred dictatorial ‘democrats’ who even when they wielded popular mandates, are uncomfortable with dialogue and consensus in policy making. It cumulative impact shows in the texture of state-society relations especially considering the executive arms of government’s lethargy to public opinion and consultation.

d. Resource Grab Factor: public resource management in Nigeria is beclouded by the ideology of “National Cake Sharing”. This notion is part and parcel of public office and power, and reflected in society-sanctioned personalization of public resources whether by an individual, ethnic group state or zone. National resources are often seen as no man’s in particular, resulting in the competition among opportune actors to grab at any opportunity.

e. Endemic Corruption: graft and society-wide venality permeates all sectors of national life in Nigeria. The state itself seems helpless as it maintains a hypocritically passive posture to anticorruption campaign with daily loss of huge sums at the expense of economic growth and development.

f. Past Policy Failures: the history of resource management in Nigeria is replete with policy summersaults and failures which constrain the integrity and legitimacy of government projections. In all, the people are the casualty. Lewis noted in this regard that ‘Nigeria experiences a conspicuous crisis of governance in which the ruling elites and public institutions perpetually fail to provide essential collective goods, such as physical infrastructure, the rule of law, or legitimate symbols of state authority and political community’ (Lewis, 2007: 89).

As Nigeria’s case proves, pervasive corruption and the penchant to subordinate rules and divert public resources is the bane of development. It is noteworthy that only a few notable Nigerians have received court sentences for corruption. It is apparent that while neoliberalism as a development policy template may not be generically deficient, the nature of the domestic environment is critical to its prospects in Nigeria.

Public Opinion and the January 2012 Fuel Subsidy Crisis

The place of public opinion in government’s policies cannot be overemphasized. As Odugbemi argues, governance is easier when public opinion is in support of the rule and decisions of the state, which would not need to rely on force because it is an unpredictable tool. He warns that the police and soldiers that a regime relies on to impose rule by force can turn suddenly and refuse to continue to brutalize the same population from which they themselves have emerged. Even authoritarian regimes know that majority opinion in any country is also likely to be majority opinion within the police force and the armed forces. Going by the trend of events in Burma, Pakistan and Georgia, it is clear that public opinion is ultimately the basis of power and legitimacy (Odugbemi, 2008). However, the utility of public opinion as a tool in public policy making in Nigeria has been poor. The January 2012 Fuel Subsidy Removal crisis illustrates this position.

On November 21, the Alliance for Credible Elections and CLEEN Foundation presented to the public the report of a Public Opinion Poll on the removal of petrol subsidy. The result of the opinion poll showed that over 80% of Nigerians totally opposed the removal of petrol subsidy. The opinion poll also indicated that more than 70% of Nigerians were willing and internally motivated to publicly resist any hike in the prices of petroleum products. The spontaneous public outcry and demonstrations that trailed the announcement of the removal of the subsidy on Premium Motor Spirit (PMS), therefore, did not come as a surprise (The Nation Newspaper, January 24, 2012). As Sheddy Ozoene writes in the National Mirror:

The decision by Federal Government to withdraw subsidy on petroleum products from January 1, 2012 had led to sky-rocketing of the price of petroleum products with its attendant effects on other social sectors, especially transportation. The disagreement over the policy introduction had resulted in a nationwide strike by Labour and protests by civil society that claimed lives across the country. Not only did both bodies carry out to the fullest, the threat to shut down the country (Ozoene, 2012).

Prior to this period, a number of issues had come to public light, creating the atmosphere for public angst and outcry against what was widely perceived as the transfer of the cost of corruption perpetrated by government officials, politicians, and cronies to the citizenry with dire implications for their welfare. Topmost among these at the time was the stunning discovery of corrupt diversion of state funds by government officials and some private sector players in the oil sector. In its response to this discovery, the president had acknowledged that there were a few numbers of individual who corruptly diverted the government’s subsidy fund. The highest office in the land—the office of the President, having identified this group consisting less than a hundred in number, public opinion and expectation was that the end has come to corruption in the subsidy management structure as these individuals will not only be arrested, but also prosecuted, while the subsidy system will be reshuffled for efficiency and effective performance.

Contrary to this expectation however, the federal government announced the removal of the welfare package rather than the few individuals who perverted the effectiveness of the welfare programme through corruption, on the argument that it was being corruptly diverted to private hands. This move by government was widely perceived as indicative of its inability and/or unwillingness to fight corruption in subsidy implementation (COI, 2012: 80; Ozoene, 2012). For sure, public opinion was in favour of reorganization towards efficient management of the pro-welfare subsidy initiative rather than its withdrawal. This motivated the public outrage regarded as the most widely supported movement in the country since the June 12 1993 election crisis.

Summary and Conclusion

The paper examined the welfare challenges emanating from public policy in Nigeria against the backdrop of neoliberal reforms in an era of decline in public welfare-support infrastructural capacity. It also looked at the traditional root of communitarian welfare values, and its erosion through Nigeria’s political evolution. It highlighted politico-managerial decline in the Nigerian state as a critical factor in the nation’s economic regression mandating the nation’s current reforms and welfare crunch. It thus contributes to the enduring debate on the effects of neoliberal reforms options in enhancing public welfare as against the option of prudent political leadership through decisive state action for social rectitude in Nigeria as shown in anticorruption passivism.

It is discovered that successive governments have concerted efforts to enhance economic growth at the expense of citizen’s welfare through the monetizing, commercializing and privatizing of basic comfort by transferring the ownership and control
essential social service such as communication, transportation, health, power and so on to the private hands thereby leading to spatial disarticulation and social class inequalities particularly for the rural people.

The effort at forcing cost on the people in an elite circle of corruption points to attempts at class preservation and inability of political leadership to challenge elite sabotage and corruption which impedes infrastructural improvement. This situation amounts to installmental retirement of the state from its historic duty—social welfare provision. It is clear that the fundamental problem remains the failure of leadership and lack of political will from government, to enforce proper and prudent resource management. A general belief among the vast majority of Nigerians is that if welfare is prioritized, a restructuring of management and an aggressive action against public service indiscipline and corruption will not only reverse the trend of infrastructural degeneracy, it will reverse the ravaging corruption, guarantee affordability of basic social utilities to the poor, and correct several declines across sectors of the economy.

The situation in which the state attempts to shift the ownership locus of public-oriented services while dinnning and winning with highly corrupt elites, party members, political financiers and other economic saboteurs will ultimately prove hypocritical and ineffective. The integrity of leadership will remain a questionable issue and the legitimacy of the state will wane while public policies, even when well-intentioned, will suffer mass rejection and protests. The lethargy and passivism of the governments at all levels in confronting the menace of corruption decisively remains an impediment to government’s and public policy legitimacy thereby projecting state reforms efforts as attempts to shift the cost of state-condoned venality to the masses while the fundamental issues of corruption in public domain remains ignored as the people who bear the brunt of tough economic ‘sacrifices’ and hardship. Civil harmony will be restored if the government puts in place measures to effectively stop elite venality which constrains infrastructural development thereby enabling the state deliver effectively on its public welfare obligations.

**Recommendation**

Based on the above facts, the following recommendations are suggested:

- The development of minimum infrastructural base to provide services to the people as social protection from the effects of privatization on the poor.
- Economic diversification towards economic sovereignty to shield the nation from external policy impositions.
- Restructuring and expansion of the state and its agencies to make it more efficient and socially responsible in the provision of social welfare services, in response to peculiar needs of the nations of the poor rather than privatize it.
- A general leadership commitment to good governance, accountability and policy responsiveness towards the plight of the people.
- Commencement of aggressive and sincere campaign against corruption by enforcing ethical discipline in all spheres of public resource management.
- Proper engagement of the people in critical social welfare decisions to allow inputs from them.

**References**


