Traditional Governance System in Nigeria: Lessons for Neoliberal Democracies

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Abstract The pre-colonial Nigerian state had a well-organized system of administration where law and social order were provided and maintained respectively. Despite the country’s independence, Nigeria had been unable to install rights-based political and economic systems of governance that would encourage state-building and development. The attendant societal woes paved way for neoliberalism; an economic ideology that licensed the Bretton Woods institutions to limit the political powers of the state and promote the ideas of the free market economic system. This paper examined neoliberal governance system with the aim of identifying the lessons for a “democratic” state like Nigeria. The theoretical assumptions of the World Systems theory were used to explain issues of interest. As a desk study, this paper found, amongst others, that “every foreign favour comes with a price tag.” This was because the aid provided by the Bretton Woods institutions such as the World Bank and IMF to the then government has subjected Nigeria to the dictates of the aforementioned donors, which the country is dearly paying for till date. Also, the adoption of neoliberal policies denied the indigenous people of Nigeria the right to freedom from discrimination and the right to dignity of human person. Therefore, it was recommended that the Nigerian government embraces an autarkic form of governance. This is highly possible by first de-westernizing the mind of Nigerians and her leaders to begin to see the need to stick to a self-sufficient and a truly democratic form of government.

Keywords: Africa, Governance System, Neoliberalism, Nigeria, Traditional Institutions
Introduction
African societies had some form of political institutions that saw to their daily activities prior to colonialism. However, these institutions differ in political makeup. For instance, some states like Asante, Buganda, Sokoto, Kano, and Zulu kingdoms had highly centralized political structures with complex bureaucracy, with a king constituting an apex governmental body. The king is usually supported by his ministers in order to facilitate the administration of the affairs of the society. However, Igbo communities were mainly stateless—societies where authority is vested on family, the village head or the age-set of adult men (Abdulaï, 2012). The foregoing are shreds of evidence that Africa had a system of administration within which law and order were provided and maintained (Fatile and Adejuwon, 2009). These attestations negate the subjective and erroneous belief among most Western scholars that pre-colonial African societies never had any system of administration. Indeed, the traditional African societies had well organized and well-established indigenous systems of administration where social order was dispensed and sustained, where enactments were made and enforced and, where intercommunal and intertribal conflicts were resolved and managed (Osakede and Ijimakinwa, 2015). This is an indication that traditional institutions had a significant feature of putting the people first, which helped to secure great loyalty and respect.

However, despite modest progress in some African countries such as South Africa and Namibia, the post-colonial Nigerian State has been unable to establish rights-based political and economic systems of governance that would facilitate state-building and at the same time promote development (Fatile and Adejuwon, 2009). The prevailing level of poverty, the continued ethnic and civil conflicts, and constant electoral and post-electoral strife are some manifestations of the failure of the independent State of Nigeria (Isamah, 2002). Specifically, since the late 1980s, African countries have been experiencing crises of governance, a democratic change which has all resulted in poor economic and social development. In a continent with abundant human and natural resources, so many people live in poverty and misery particularly in Nigeria with serious consequences on their quality of life. The foregoing societal woes paved way for the rise of neoliberal governance (Isamah, 2002).

The New Economic Order of Liberalism (i.e., Neo-liberalism) is a situation whereby private interests seek much of economic and social life to maximize profits. Neoliberalism is an economic doctrine that favours the rule of market forces as the engine of growth (Egharevba, Imhonopi, and Iruonagbe, 2015). The main argument of the neoliberalists was that the state intervention was the primary reason there were retarding growth and development in Africa, hence, the solution to this persistent syndromes lies in the unleashing of market forces (Sakakibara, 1997). It convinces people that individualism, competition, and self-commodification are the natural vicissitudes of life. Consequently, civil society is concussed to accept, through contriving capitalistic hyperboles, that the world is nothing more than a market in which everything, and everyone, can be bought and sold. However, Neoliberal policies have posed several challenges to African countries, Nigeria...
inclusive. Though they are acknowledged as independent states within the global community, regrettably, African countries have not sufficiently transcended to nations with national identities (Ekanade, 2014). Nigeria like several other developing countries has witnessed a series of societal issues including unemployment, poverty, political turmoil, and overpopulation among others, which have direct impact on the overall welfare of the people. The quest of proffering a long lasting solution to these milieus have made successive governments to deploy several socio-economic measures and policies such as Structural Adjustment Programmes (SAP), austerity measures, currency devaluation and others (Olotu, 1994), which are all neoliberal measures. These measures, whose purpose was to improve the socio-economic status of the people in the country have rather increased their sufferings and widened the socio-economic gap between households (Adeyemo and Babajide, 2012). Therefore, as an economic and a political ideology that necessitates the privatization of government functions, Neoliberalism has attracted and will continue to attract pessimistic connotations among most Nigerians. This is due, for example, to the abhorrent and lengthened fallouts of the 1980’s Structural Adjustment Policy (SAP) for Nigerians. While the adverse outcomes of this philosophy have been apperceived in all societal structures, Neoliberalism is an ideology that has negative corollaries on the democratic principles of a nation. Therefore, the purpose of this article was to examine the traditional governance system and the advent of neoliberalism in Africa with the purpose of not only examining the nature of democracy within both eras but also to highlight the lessons to be learned from the adoption of the latter form of governance.

**Literature Review**

**Governance/Traditional Governance**

According to Okpaga (2007:3), governance means “how people are ruled and how the affairs of the state are administered and regulated.” Therefore, governance connotes the ways and manners with which the politics of a nation is been executed. In any governance system, a public authority is expected to play an important role in creating a conducive environment to enhance development. On this premise, Ansah (2007:8) viewed governance “as encompassing a state’s institutional and structural arrangements, decision-making process and implementation capacity and the relationship between government officials and the public.” Governance can, therefore, be good or bad depending on whether or not it has the basic ingredients of what constitutes a system acceptable by the people. The ingredients of good governance include freedom, accountability, and participation (Sen, 1990).

However, Kaufmann, Kraay, and Mastruzzi (2006) perhaps offer a comprehensive definition of governance. According to them, governance “is the tradition and institutions by which authority in a country is exercised which include the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.” (p. 64) They further espoused six indicators of good governance to include, accountability,
political effectiveness of public service provision and the quality of the bureaucracy, quality or soundness of policies pursued by the government, rule of law while the sixth indicator is control of corruption.

Hence, traditional governance refers to the administration of societies that factors-in the adoption of indigenous institutions and often adopts indigenous cultural practices. From a broader perspective, traditional governance is one with indigenous institutions within which the citizens are guided and respected and a sociocultural framework that reinforces social order in the society. Describing traditional societies, they engage in subsistence production, with strong cohesion among the simple division of labour. It should also be stated here that sources of labour are not limited to family, clan, and village. Hence, one of the purposes of this paper was to appraise the traditional governance system in Africa, specifically Nigeria, which practiced the traditional governance system before the advent of colonization.

Neoliberalism/Neoliberal States

Neoliberalism is based on the principles of classical liberalism that is concerned with the exoneration of the state’s political powers while advocating the ideas of the free market economic system. The segregation of the public and private dimensions was the ideological base within which Friedrich Hayek built his ideas of economic liberalism and its compatibility with the ideas of individual liberty and the need to limit the powers of the state. Hence, as reported by Saleem (2002), neoliberalism refers to a process whereby private interests control as much as possible of social life to maximize profits.

In recent times, the basic assumption of neoliberal philosophies is that all human activities can be essentially considered as “commodity and the best ways to organize these activities is through a market” (Caffentzis, 2002:89). During the 1980s, renowned international capitalist ventures such as the International Monetary Fund (IMF) and the World Bank began pushing for major market reform overhauls across the globe, especially in developing countries. The primary aim of such economic cum political reconditioning was the liberalization of the world economy. The consummation of such policy has been subjected to debates even in developed countries that have the requisite resources and infrastructure to implement them.

Neoliberalism frowns at government interference in the economic space because it considers such as rent-seeking behaviour, therefore creating a deficit on the economy. Decreasing such a strain encourages efficiency among market participants (Olowu, 2001; Caffentzis, 2002). Consequently, the IMF and World Bank designed economic policies that were intended to open markets of less developed countries by restricting the role of government in hopes that these countries will be made the larger participants in the global economy. This was what led to the launching of the Structural Adjustment Programmes (SAP) in the 1980s during the Babangida military rule in Nigeria.

As outlined by Babangida’s regime, SAP had the following key objectives: to reduce the predominance of unyielding investments in the public space; to attain a reasonable balance of payment; to curtail the dependence on oil and on imports by redesigning and
expanding the productive base of the economy, etc. In order to accomplish the aforementioned objectives, the IMF defined the means which include the ratification of pricing policies in all strands of the society, with considerable dependence on market forces; redesigning and rationalization of the public sector through privatization, commercialization, and elimination of government aids such as subsidies; the free flow of trade; utilization of a pragmatic exchange rate were sorted after. The theory of reliance on the forces of demand and supply and liberalization was to make the economic space attractive for Foreign Direct Investments (FDIs) (Edward, 1993; Tybout, 1992).

Democracy

The concept of ‘democracy’ originated from the Greek word ‘dēmokratía’, meaning ‘rule of the people’, which was derived from dêmos‘people’ and krátos ‘power’ or ‘rule’ (Wikipedia, 2017). Appadurai (1975:137) described it as “a system of government under which the people exercise the governing power either directly or through representatives periodically elected by themselves. “However, Schumpeter (1967:153) reduced the concept to the procedural aspect when he defined the democratic method as the “institutional arrangement for arriving at political decisions in which individuals require the power to decide by means of competitive struggle for people’s vote.” This definition buttressed the viewpoint of Marxism that the concept connotes the dictatorship of the proletariat majority rule. From the foregoing, it is not out of place to say that democracy is a form of governance that does not only take the plight and consent of the populace but also the participation of people in the selection of public office holders through free and fair elections. It is a form of governance that accommodates the participation of the citizens in all facet of public administration. This was corroborated by J.S Mill, as quoted by Agena and Odoh (2005), who argued that democratic governance is superior to other forms of administration because the rights of every person are expected to be secured from being violated. Therefore, democracy can be said to be a set of ideologies of governance that allow for the majority of the people to choose their leaders and also guarantee them a broad range of civil rights.

Democracy, which gives high credence to the rule of law stated certain right amongst others right to life, right to dignity of human person, right to personal liberty, right to fair hearing, right to private and family life, right to freedom of thought, conscience and religion, right to freedom of expression, right to peaceful assembly and association, right to freedom of movement, right to freedom from discrimination and right to acquire and own immovable property anywhere in Nigeria (See Nigerian constitution, 1999). However, what is the nature of democracy and civil rights within traditional and the neoliberal governance in Nigeria? This is one of the numerous interests of this paper.

Theoretical Underpinning

World Systems Theory

World system theory was propounded by Immanuel Wallenstein, an American Sociologist, in 1974 whose intellectual building blocks were derived from History, Marxism (theory of class) and dependency theory. World systems theory, also known as world-systems analysis or the world system perspective is a multidisciplinary, macro-scale
approach to world history and social change. The theory suggests that there is a global economic arrangement that advocates the developmental interests of certain geographical space at the detriment of others. World system theory is one of the globalization theories which tend to explain economic and political hegemony among developed and third world countries (especially African countries).

Development, according to the World-systems theory, can be analyzed based on the division of labour that subsists among nations, which makes them be interrelated and interdependent on each other. Specifically, the world system is made up of three hierarchical strands namely the core, periphery, and semi-periphery countries. The core countries consist of capitalist nations that are economically compelling, possess strong efficacy and are not reliant on any state or country for their survival. The peripheral countries are made up of fragile nations that lack strong economic base and central government (Wallenstein, 2004). The blemish nature of peripheral countries gives room for their exploitation and control by core nations. However, the semi-peripheral countries have been found to employ numerous mechanisms such as industrialization and economic heterogeneity to ameliorate their economic position. They are seldom milked by the core countries but are not subjected to conspicuous manipulations and exploitation like those at the peripheral level (Wallenstein, 2004). However, semi-peripheral countries are of less concern in this paper.

From the foregoing, it is right to say that the social, political, or/and economic development of any nation is therefore foreordained by the role it plays and the class it belongs in the world economy. Hence, the central thesis of the world systems theory is that growth and development in a country (or countries) is achieved as a result of subjecting one or more countries to the dictate of the former as a result of certain weaknesses possessed by the latter. Therefore, the growth and/or development of one country (i.e., core) is usually at the expense of the other (i.e., peripheral). Put differently, the economic or political development of one country leads to the underdevelopment of the other. This theory is expected to explain how the likes of the World Bank and the International Monetary Fund (IMF) have subjected the growth and prosperity experienced by Nigeria to their dictate as a result of the weakness of the state and whether or not the implementation of neoliberal policies guarantee the civil rights of the people within the context of a typical democratic dispensation.

Nature of Traditional Governance in Nigeria

As mentioned in the introductory section of this article, there was a form of (indigenous) system of administration that was practiced in Africa, Nigeria inclusive, prior to colonization. However, this system of governance varied from one part of Nigeria to the other. In the north, for instance, the Hausa/Fulani practiced a unified governance typology. In this system, the Emir performs an ambivalent role – political and religious leader. It is the sole responsibility of the Emir promulgate and implement laws, a role whose end product is to maintain law and order in the emirate. Within the religious realm, however, he makes sure that Islamic and Sharia laws influence
the people’s behaviour and the overall social, economic and political business of the emirate (Fatilie and Adejuwon, 2010). Nonetheless, this is not to say that the Emir performs the role of a “one man Mopol”; the Emir is assisted by his ministers when needed. Some of these ministers are:

1. **Sarkin Fada** – The spokesman of the Emir and organizer of palace workers;
2. **Waziri** – The Prime Minister;
3. **Galadima** – The Administrator of the capital city;
4. **Madawaki** – The commander and Head of the Army;
5. **Magaji** – Officer-in-charge of the treasury;
6. **Dogari** – Inspector General of Police Force;
7. **Sarkin Ruwa** – Minister in charge of Water Resources, among others;
8. **Sarkin Pawa** – The head of butchers (Erero, 2005:3).

Furthermore, the emirate was divided into districts headed by a ruler called Hakimi (Erero, 2005). Justice administration in Northern Nigeria was wholly based on strict adherence to Islamic Law, popularly known as Sharia (Fajonyomi, 1997). The Sharia Law was usually administered by trained judges called Alkali (Erero, 2005). Although the final decision on any case whatsoever solely rest on the Emir, there was also the village head that had the requisite skill to settling minor disputes within their jurisdictions. It is important to note from the foregoing that the consultation of Emirs and top title holders was cogent for handling the affairs of the state. The major rationale behind this was to ensure effective governance.

In the western part of the country, the administrative system was monarchical under the headship of the *Oba* (Fatilie and Adejuwon, 2010). He is assisted by Yoruba *Baales* who administered towns and villages and paid royalties to the *Oba* at specified times of the year. The power of the *Oba* was not without checks, (Fadipe, 1970). In the *Oyo* Kingdom, for instance, the *Alaafin* (the king) wielded much power but was subject to control by the institution of the *Oyo-Mesi* under the leadership of the *Bashorun*, to prevent an abuse of power. The *Oyo-Mesi*, who were the kingmakers had the power to force an erring *Oba* to abdicate his throne or commit suicide in the case of irreconcilable difference (Fajonyomi, 1997). In the same way, the *Oyo-Mesi* did not wield absolute power because they were also subjected to the control of the *Ogboni* acting under the authority of religion. As for the administration of justice, the *Alaafin* held sway as the supreme judge of the *Oyo* Empire and there could be no appeal against his judgment (Salami, 2006). In the west, the autocratic tendencies of the *Oba* were widely curtailed, if there was a proclivity towards this by an *Oba*, the line of communicating the *Oba*’s wishes and orders to his people or subjects would paralyze. In addition to this, any *Oba* who wanted to rule autocratically would be forced to commit suicide. Other devices to checkmate the autocratic ruling of an *Oba* if there was a disagreement between him and the Chiefs were neglect of religious ceremonies and other rituals (Jimoh, 1995). Fadipe (1970) posits that the Igbo of the Eastern region of Nigeria is republican and egalitarian in nature because, generally, they have no kings or chiefs. In other words, unlike the Yoruba kingdom and the Fulani...
Emirates, the Igbo had no centralized political authority. Often than not, the Ibo political organization has been described as being decentralized. And its government referred to as ‘republican’. Major executive, legislative and judicial and administrative decisions are taken on behalf of the people by an assembly of men known as the Ohaneze. The Ohaneze comprises of family heads that hold Ofo title. The Council of elders is assisted by various age-grade organizations that perform general functions. These include the maintenance of law and order, serving as an army for the defense of the village against external attack, construction, and maintenance of roads, prevention of abuse of powers by the council of elders. Of importance is the role accorded to Ozo title holders (Erero, 2005). These are respected and influential men in the village who are often consulted in the day to day administration of their communities. The administration of justice was carried out by the various institutions listed above depending on the nature of the case.

Neoliberalism in Nigeria: A Brief Discourse

Nigeria made huge revenue from the rise petroleum price during the 1970s due to the fact that she constituted one of the prominent members of the oil-producing countries during the aforementioned period. One exceptional feature of Nigeria’s disbursement during the 1970s was the ‘welfarist’ role it performed, that is, the chuck of the state’s expenses was on the provision of fundamental social amenities such as road networks, public buildings, and health infrastructure among others. Aside from that, the government provided various subsidies on food, transport, health, fuel, and education, available reports showed that there were declining unemployment rates during this era (Mkandawire, 1995). This was also evident in the Shehu Shagari regime (1979-1983). This is because his administration championed the subsidization of sale and distribution of specific commodities known as essential commodities such as rice, milk, beef, and sugar, among other items. This initiative saw the importation of these commodities via the Nigerian National Supply Company and it was sold to Nigerians at rates below prevailing market prices. These governmental discounts remained in Shagari’s era but were terminated with the introduction of neoliberal policies – the SAPs – in 1986, which led to the removal of subsidies, reduction of public expenditures, privatization, and devaluation of the domestic currency (Ikubolajeh and Kidane, 1995).

As outlined by Babangida’s regime, SAP had the following key objectives: to reduce the preponderance of unproductive investments in the public sector; to achieve a viable balance of payment; to reduce dependence on oil and on imports by restructuring and diversifying the productive base of the economy, etc. In other to achieve the said objectives, the IMF prescribed means which include the adoption of appropriate pricing policies in all sectors with greater reliance on market forces; restructuring and rationalization of the public sector through privatization, commercialization, and removal of subsidies; trade liberalization; adoption of a realistic exchange rate were pursued. The idea of reliance on market forces and
liberalization was to make the economic environment attractive for foreign investors to come in and do business (Tybout, 1992; Edward, 1993).

A major rationale for the introduction of neo-liberal policies such as privatization, commercialization and trade liberalization was due to the economic decline that started in the early 1980s. This decline was not only as a result of the internal role played by the Shagari’s role in providing subsidies for essential commodities to the citizens, the source of this economic havoc can also be traced to the dramatic flagging of the oil markets in the first half of the 1980s, which deteriorated the country’s financial position. During this era, short-term borrowing increased, and interest rates skyrocketed. Within the domestic arena, the recession was birthed by the monocultural nature of the economy, the character of the politicians during the return of the civilian governments in the early 1908s who were flippant with federal funds, and the endemic corruption of the same class and gross mismanagement of the national treasury (Mkandawire, 2001; Ekanade, 2014). These problems gave rise to questions of sustainability of state subsidy as social services suffered due to gross underfunding. As if these were not enough, industries were shutdown, which resulted in unemployment (Olukoshi, 1995). These multifaceted challenges provided the immediate domestic context for the adoption by the Nigerian state of structural adjustment sponsored by the Bretton Woods institutions (Olukoshi, 1993).

However, rather than helping to refurbish the economy, the SAP initiative simply intensified the hardship, thereby fueling the continuation of Nigeria’s economic issues (Olukoshi, 1995; Olowu, 2001). Cumulatively, the SAP produced considerable discontentment across all spheres of economic life the Nigerian people. For instance, the middle class was faced with the decreasing purchasing power and unemployment. Coping mechanisms for some workers included moonlighting, which entailed running their private cars as taxis to augment income after the day’s work, while low-income urban dwellers were driven to subsistence levels and school children had to hawk wares to supplement family incomes (Olowu, 2001; Ekande, 2014). This undoubtedly constitutes one of the major eras of poor governance in the country.

**Democracy in the Era of Neoliberal Governance: The Nigerian Experience**

By 1999, the totality of the effects of years of bad governance had transformed to economic woes characterized by a low GDP, inflation, high unemployment rate, dwindling per capita income, energy crisis, and declining industrial capacity (Ekanade, 2014). Hence, it may not be out of place to say that the Obasanjo led administration inherited not only a fragile economy but also a political economy is driven by adverse trade shocks brought about by its overdependence on oil, which was the major source of revenue of the then governments. In addition to this, the 1999 democratic regime inherited a faulted support infrastructure for industrial development. The pitiable state of federal utilities, which had been crippled by corruption, inefficiency, and indebtedness, with many of them not having audited accounts for many
years, eventually informed Olusegun Obasanjo’s adoption of neoliberal principles (Ekanade, 2014).

Obasanjo invited two major Bretton Woods’ institutions—the IMF and the World Bank—to help his government provide standard checks for his macroeconomic programmes. Specifically, he invited the International Finance Corporation (IFC), which was the private sector arm of the Bretton Woods institutions, to advise the nation on privatization (The Guardian, 2003 as cited in Ekanade, 2014). A fundamental route for implementation of the privatization neoliberal ideology is the Public-Private Partnership (PPP); an alternative source of infrastructure financing, which is rooted in a complex but contractual relationship between government and private sector organizations. Here, the private sector makes available the social welfare services, and the government simply regulates such services and provides an enabling environment. It should be stated here that Nigeria’s adoption of neoliberal principles only obtained domestic support from the elite class, as they possessed the finance capital to buy into the privatized firms, with little or no support from the masses who saw it as further impoverishment (Ekanade, 2014).

The template for the framework of the economic reform agenda of President Obasanjo was largely influenced by the IMF and World Bank (Okafor, 2007). Their core prescriptions for Nigeria were: (a) Unbundling and privatization of the state electricity company; (b) Legislation and technical assistance to promote domestic gas sector reforms; (c) Liberalization of the downstream petroleum sector; (d) Funding to address key infrastructure constraints; and (e) Legislation for bill on fiscal responsibility, procurement and the extractive industries transparency initiative. The IMF and World Bank were heavily involved in funding the reform agenda. Since 2001, the World Bank has given approximately $300 million in International Development Association (IDA) credits for reform and privatization of Nigeria’s energy sector (Baker, 2013). However, the key ingredients of the International Financial Institution’s policy advice meant to shape Nigeria’s economic policies have so far led to a dysfunctional electricity privatization process failing to effectively provide pro-poor energy and encouraged kleptocracy in the oil sector as they helped in perpetuating the conditions that enable companies operating in the Niger Delta to maintain a monopoly over the country’s natural resources (Baker, 2013).

The downside of the privatization played out with the dynamics of the privatization of Nigerian Telecommunications Limited (NITEL) (OECD, 2002) as the indigenous telecommunication enterprise was hastily sold to Transcorp which rationalized NITEL staff by 70%, that is 7,000 of the 10,000 staff were retrenched because of the privatization exercise. The Obasanjo’s regime virtually sealed the destruction of the land telephony system in order to privatize it. In other countries, particularly the industrialized ones, land telephony is the main communication system with the mobile telephone system serving as a subsidiary and emergency outfit to complement the land telephone system (Ekanade, 2014).
In addition, major utilities such as the Power Holding Company of Nigeria (PHCN) were partly sold to industrialists. Up to 2005, about N225 billion of taxpayers’ funds were pumped into the power sector to revive it alongside the unbundling program (TELL Magazine, 2006 as cited in Ekanade, 2014). The result, however, is that the reforms in the power sector have not translated into any meaningful changes. This development has had adverse effects on the manufacturing sector and small scale businesses where production cost is high thereby making finished goods uncompetitive with their imported counterparts. Another fall out of the spasmodic nature of the public power supply in Nigeria is the job loss in the manufacturing sector. This has been massive given the exorbitant production costs. In addition, considering the huge population trapped in the informal sector, a substantial number of these artisans depend on electricity to run their businesses. The power paradox continued during the President Goodluck Jonathan as the PHCH was fully privatized during his administration.

The last days of President Obasanjo in office witnessed the sale of the Kaduna and Port Harcourt refineries valued at $800 billion in May 2007 for a paltry $500 million to Blue Star Oil Service Limited, a consortium close to him (Baker, 2013). In addition, Eleme Petrochemicals Plant in Port Harcourt, the largest of its kind in Africa was sold for $225 million, an amount not even worth its spare parts (Ekanade, 2014). The unfortunate aspect is that the Nigerian government was supposed to maintain a minimum share of 49%. However, Indorama, the buyer was given a 75% equity stake in Eleme. The same occurred with the sale of Egbin Power Station, the largest generating station operated by Power Holding Corporation of Nigeria, which was also grossly underpriced and sold off at a paltry N280 million or $2 million (Baker, 2013).

Interestingly, the Nigerian Senate committee investigating the privatization of public enterprises since 1999 came up with appalling revelations about the Obasanjo’s regime. The committee discovered, through its public hearing that the regime sold the Aluminum Smelting Company of Nigeria built at the cost of $3.2 billion to Russal, a Russian firm at the cost of $250 million. Only $130 million of the said $250 million has been paid, leaving a balance of $120 million, which was supposed to be used to dredge the Imo River as stated in the share purchase agreement. Hence, poor economic planning has been more greatly accentuated since 1999, through the deregulation, privatization, and downsizing of the public service and general reform agenda of the Obasanjo regime, all encapsulated in his National Economic Empowerment Development Strategy (NEEDS) (Ekanade, 2014).

Part of the fallout of the privatization program which has been unpopular with the Nigerian citizenry include the reversal of pension benefits of public

Till date, these privatized enterprises have not added any meaningful value to the state and people of Nigeria. A total sum of N146.6 billion earned from the privatization process has been remitted to the coffers of the Nigerian government since 1999. This is a paltry sum considering that investments by the government in these enterprises run into trillions of naira. The assets of the
privatized enterprises were deliberately undervalued, as rules and regulations governing the due process were subverted, and this has allowed corruption to fester. Those who withstand the worst of the government’s ineptitude now are the masses in the Nigerian state (Baker, 2013). However, this negates the basic tenets of democratic states. This because the populace was not aware of these policies; and that the privatization policy, due to bad governance, corruption, nontariff barriers, and an inadequate regulatory framework (Nweze, 2001), has brought hardships to the masses. All these negate the elements of good governance as espoused by Kaufmann et al (2006) to include, accountability, political effectiveness of public service provision and the quality of the bureaucracy, quality or soundness of policies pursued by the government, rule of law while the sixth indicator is control of corruption.

Traditionalism vs. Neoliberalism in Nigeria: Lessons for the Democratic States

As argued earlier, the traditional governance system in Nigeria was one of the best governance systems that were able to establish systems of administration where social order was provided and maintained; where laws were made and implemented and; where inter-communal and intertribal conflicts were settled (Osakede and Ijimakinwa, 2015). Due to the importance placed on this form of the governance system, they are still much more in existence in all part of the African society, Nigeria inclusive. In Nigeria however, after her independence in 1960, Nigeria has adopted various forms of leadership styles ranging from Parliamentary to Presidential system of government, she has experienced both civilian and military regimes.

Despite this change in forms of government, the Nigerian citizens are yet to enjoy the quality of life commensurate with her numerous endowed resources (Thom-Otuya, 2007, 2012). This may not be connected to the fact that the SAP neoliberal policy, which was adopted by the postcolonial state of Nigeria, was imposed upon developing countries as a condition for receiving any international assistance from the IMF and the World Bank. Many debt-burdened developing countries had no choice but to embrace the SAPs that encouraged open markets free of government intervention and favoured an unregulated global economy.

It is important to note at this stage that there was an erroneous belief that Africa did not have its own pattern of democracy prior to this time, but the typical democracy in Africa and its processes were submerged by westernization that was made possible by colonialism and neoliberal policies. As insisted by Mimiko (2010:640):

But the point is that the so-called Kabiyesi syndrome, which has been accords as an explanation for the shortage of democracy in contemporary Africa, is actually a betrayal of inadequate understanding of the workings of the African traditional political systems. I strongly dispute this proposition as unhistorical and therefore invalid in the context of Africa. Our hypothesis is that in the epoch before contact between Europe and Africa, the latter not only developed relatively advanced state structures but that emergent pre-colonial African
states also had sophisticated systems of the political rule with strong democratic foundations. I argue that the basis of the advertised inability of these societies to sustain democracy in contemporary (post-colonial) times could not have consisted in the absence of a democratic culture on their part. Rather, it is the residue of constraints that were attendant upon imperialism, which has been the dominant experience of the African peoples since the fourteenth century—defined most profoundly by slavery, colonialism, neocolonialism, and their handmaiden, military governance.

At this stage, it is of paramount importance to appraise the traditional and the neoliberal systems of governance and to examine the extent within which these systems preach the axiom of democratic governance.

1. The Birth of Autocratic Rulemaking process: The Nigerian version of traditional governance, to a large extent, ensures the participation of the ruled in the decision making processes (Mimiko, 2010). Where the king is perceived as being autocratic, there are several mechanisms to call the monarchy to order (Jimoh, 1995), one of which was that he must commit suicide. However, the neoliberal democratic administration of Obasanjo subjected the majority of Nigerians to undue hardship through the subscriptions made to international treaties, trade agreements, and economic restraints. Put differently, the democratic government of President Olusegun Obasanjo led administration entered into privatization agreements with the World Bank and IMF without the consent of a majority of the people. It is safe to say that the action of the former President is undemocratic as these policies were only communicated to vested few who were rich enough to purchase the state properties. When this happened, the philosophical underpinning of ‘democracy’ which connotes ‘rule of the people’ was negated. In addition to the foregoing, esprit de corps, which is an essential ingredient for the achievement of common goal and democracy that was present in traditional societies, was however absent during the neoliberal governance era. This was because attention was more on individualism rather than collectivism.

2. The Emergence of Ownership of Means of Production by the Minority: traditional Nigeria was an agrarian society where livelihood was made through subsistence agricultural practices. In this era, there was no paid employment, by implication; everyone was equal in that in a communalist system as such, there should be no master-savant relationship that could give room for the exploitation of the latter by the former. In other words, it was an era, to a large extent, that ensures the equal distribution of wealth. However, the neoliberal governance system can be said to be a government by the capitalist, of the capitalist and for the capitalist. This was because the era gave room for the accumulation of wealth by a minority, which has
resulted in a scenario where the rich are getting richer and the poor getting poorer. As a result of this, the adoption of neoliberalism has also intensified the rate of poverty over time. Needless to say, the change in the mode or system of production also breeds inequality and creates conflict in most of labour oriented African society including Nigeria; a situation that was hardly experienced in a typical indigenous governance system.

3. The Rise of Hegemonic Capitalist State: Generally, all traditional economies of Nigeria – fishing, farming, cattle rearing etc. – are organized in small units of production. That is, each productive unit is made up of a few people. The most important economic unit is the household (Okafor, 2012). Technology in this era was simple and was incorporated into the total system (Falola, 2001). The technology is simple in the sense that the numbers of different tasks involved in any productive activity were few; usually, it is the skill of a single or two producers which carries production from the beginning to the end. The above statement was confirmed by Okafor (2012) who submitted that traditional societies depend on very simple tools, and specialization is only limited in that household always produce what is needed in the homes. However, the Nigerian neoliberal governance era saw the domination of Nigeria’s economic institution by foreign industrialists. These industries, rather than help them grow the indigenous technologies, knocks them off systematically through the introduction of more advanced technologies. Regrettably, these foreigners both retain the control of the most advanced technology and do not transfer it to Nigeria or the rest of the developing economies at reasonable prices (Osuagwu and Ezie, 2013). Also, the introduction of heavy technology for mass production increased unemployment. As a result of the trade liberalization and privatization policies, more of these foreign business concerns (such as the multinational corporations) is been setup in Nigeria. This has resulted in unhealthy competition among foreign and indigenous business concerns, which has, in most cases, sent the latter out of business. This is because the adoption of neoliberal policies promotes the business of foreign industrialists at the expense of the indigenous firms.

4. Origin of Dependent Development: As argued earlier in the preceding sections of this paper, the traditional Nigerian state practiced an ideology referred to as Autarky, a political and economic term that embraces the axiom of self-sufficiency, self-reliance and absolute autonomy. The adoption of neoliberal policies in Nigeria was due to the economic decline that started in the early 1980s. The international source of the crisis was the dramatic flagging of the oil markets in the first half of the 1980s, which made the country’s financial position deteriorate. These multifaceted crises provided the immediate domestic context for the adoption by the Nigerian state of an Orthodox program of structural adjustment sponsored by the
Bretton Woods institutions (Olukoshi, 1993). However, scholars have argued that the major brain behind neoliberalism was to ensure that powerful countries dominate weak ones (Saleem, 2002, Wallenstein, 2004). This was done in such a way that the weaker countries were subjected to the demands of the rich countries because the former needs financial help from the later to revamp her economy. It was on the basis the neoliberal governance was adopted in Nigeria. Bearing the foregoing argument in mind, it is not out of place to say that the level of development experienced in Nigeria today depends solely on dictates of the World Bank and IMF. Hence, the democratic state of Nigeria was subjected to a third party rule but also an imperial rule despite her sovereignty.

It has been argued that the pre-colonial Nigerian state was developing at her own pace. This was because the then traditional governance ensures that needs are defined, and indigenous institutions were created to achieve those needs. However, the foregoing lessons revealed that the neoliberal democracy in Nigeria led the country to a scenario of underdevelopment because the needs of the society and the institutions for achieving them are owned and controlled by foreign institutions such as the World Bank and IMF. According to experts, this has been due to its detachment from the institutional and cultural values of its constituency (Economic Commission for Africa, 2004). This has resulted in a scenario whereby Nigerians have been subjected to a third party rule; a rule that is not well consented by Nigerians. This corroborates the assumptions of Immanuel Wallenstein’s World Systems theory when he argued that development can be analyzed based on the division of labour that subsists among nations, which makes them be interrelated and interdependent on each other.

In addition, the foregoing argument can also be linked to the several descriptions of the Nigerian version of democracy by scholars. For instance, they described Nigeria as exploitative, cruel and irresponsible (Okowa, 2005); weak, captured, dependent and hegemonic (Orugbani, 2002); illegitimate, oppressive and repressive (Okaba, 2003); privatized and lacks autonomy (Ake, 2001), and; that Nigerian state is a failed state (Soyinka: 1999). In all, the findings of this study can be linked to the agreement among sociologists that any development model that is being imported rather than anchored on the knowledge base of the target population is, in principle, modernization in disguise (Olutayo, 1991; Briggs, 2005; McMichael, 2008; Akanle, 2012; Martinez-Alier, Temper, and Demaria, 2014; Olutayo, Akanle, and Fadina, 2017, Akanle, Adesina, and Fakolujo, 2017). This explains the criticality of traditional governance system to the development of Nigeria.

Conclusion and Way Forward
The African traditional institution hada democratic system of administration from which law and social order were implemented and maintained respectively. However, Nigeria’s experience of neoliberal policies presents an instance of a state that progressively shifted from a communal system of governance to an economy that promotes the interest of minority at the expense of the indigenous people of Nigeria. The implementation of
neoliberal policies from 1999 to date has had colossal implications for Nigeria’s national development. A major lesson to be learned by Nigeria’s democratic government is that “nothing comes for free” and perhaps “every foreign favour has a price tag.” This was because the funds provided by World Bank and IMF to the then government were actually to subject the country to the donors dictate which the country is paying dearly for till date.

Within the context of neoliberalism, democracy was re-established to satisfy market demands without adequate regard to social needs and its implications on other social institutions. Neoliberal reforms were not concerned with social issues but with market efficiency, which worked against the basic tenets of human rights and constitutional safeguards for Nigerian citizens. This was because the implementation of neoliberal policies in Nigeria was done without the due consent of the indigenous people of Nigeria; instead, it was consented by the elites whose interests were protected within the framework of the alien policy. This has resulted in several social issues such as corruption, exploitation, poverty, and unemployment that the indigenous people of Nigeria have to contend with. As a result of this, the following recommendations were made:

1. It is important that the Nigerian government embraces an autarkic form of governance. This is highly possible by first de-westernizing the mind of Nigerians and her leaders to begin to see the need to stick to a self-sufficient and democratic form of government.
2. There is also a need to give utmost importance and grant autonomies to traditional rulers across Nigeria considering the historico-sociological narratives of the country. This will, to a large extent, foster grass root development in the country.
3. It is also advised that the government ensure that the inputs of the masses are sort for and are reflected in the final version of any macro-policy of the country. This will not only ensure democracy but also build the confidence of the masses towards creating and maintaining social order in the society.
4. The study also recommends that sociologists are heavily involved in policy formulation and implementation process in Nigeria. This is necessary as the neoliberal policy laid too much emphasis on the economy and gave no attention to the other aspects of the society (such as the political, educational, family and religious institutions).

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