THE POLITICAL ECONOMY OF OIL AND THE REFORM PROCESS IN NIGERIA'S FOURTH REPUBLIC: SUCCESSES AND CONTINUE CHALLENGES

Saka Luqman,
Doctoral Research Candidate,
Ghazali Shafie Graduate School of Government
College of Law, Government and International Studies, Universiti Utara Malaysia

Fatima Motunrayo Lawal,
Doctoral Research Candidate,
Ahmad Ibrahim Kulliyah of Law
International Islamic University Malaysia

ABSTRACT

Nigeria economic history since independence in 1960 has been dominated by ebbs and flows of crisis and lackluster recovery. Though blessed with large reserve of oil and gas and other precious minerals, Nigeria's resources endowment has been more of a curse than blessing to the course of the nation development. Like most resource dependent developing economies Nigeria economy exhibit most of the pathologies associated with the 'Dutch disease' syndrome while a rentier mentality pervades the process of national wealth management. Though numerous reforms have been embarked upon, faulty conception and poor implementation has work to diminish their intended positive impacts. This, piece takes a cursory look at the series of latest economic and social reforms that has so far been implemented since Nigeria's return to civil rule in 1999. It assesses the reforms successes and continues challenges.

Keywords: Political economy, oil, reform process, corruption, fourth republic

INTRODUCTION:

A quick glance at the structure of the Nigeria economy will reveal its precarious nature notwithstanding it position as the third largest economy on the continent after South Africa and Egypt. The most noted of the absurdities is the over-reliance of the economy and its fate on one sector (the oil industry) and on one commodity export (crude-oil). Hardly could anything be written about the political economy of Nigeria without reference to it history of oil production. In the same vein, the political history of post-civil war Nigeria will be incomplete outside of the oil discourse and it impacts on the nation's politics, economy, socio-ethnic relations and governance process in general. The story of oil is but a contrast, massive oil rents accruable to the coffers of the Nigerian state has for decades keep the three tiers of government across the federation afloat (Etekpe, 2007). While the oil industry remains the main stay of the Nigeria economy its contribution to the local economy of the Niger Delta has albeit been a mixed one.

Thus the paradox of the Niger Delta is that of a region rich in natural resource but with significant percentage of its population living below the poverty line (Aghalino and Eyinla, 2009; Omoweh, 2005). Though confounding, this paradox of poverty amidst plenty is not peculiar to the oil producing region alone. Indeed, Nigeria's oil wealth and the revenue derived from the industry over the decades have not manifested in improve infrastructural development, wealth generation, poverty reductions and appreciation in living standard for majority of Nigerians. Poorly conceived economic policies, and inconsistent implementation have constrained Nigeria from availing itself of the maximuim benefits of it large natural resources endowment. The failure of economic policies in Nigeria have manifested in stagnation of the nation economy, over-dependence on a single commodity for export and revenue, the neglect of the agricultural sector, decaying infrastructure and poor delivery of social services. The policy challenges were compounded by mirage of other problems prominent of which is the crisis of political instability and the horrendous level of corruption, patronage and rent-seeking that has emerge the defining hallmark of governance process in Nigeria. These challenges have given rise to steady decline in virtually all indexes of human development in Nigeria over the years.

With the return to democratic rule after sixteen years of military dictatorship, popular expectation was that Nigeria will negotiate a gradual exit from most of its socio-economic, political and governance crises. It is in view of this expectation that this piece intends to make an assessment of the reform process in Nigeria since the return to civil rule in 1999 with the objectives of noting the gains that have been made so far and the continuing challenges. To aid the flow of its analysis the work is divided into sections. Coming after this introduction is the analysis of Nigeria's political economy with special reference to the important position of the oil industry which has provides the economic bastion for the reform process. This is follow by the section that discuss the reform process in Nigeria with reference to the gains that has so far been recorded and the continuing challenges. The piece concludes by making a recap of the major issues discussed and the path for future reform in Nigeria.

THE REFORM PROCESS IN AFRICA: A BRIEF REVIEW ON CONTENDING ISSUES:

In conceptual term economic reforms entails the different macro and micro-economic policies and programmes designed and implemented by national government to redress distortions in the national economy. The formulation and implementation of these policies measures are often spurred by combinations of factors that are both internal and external to the system (Olukoshi, 1998). Global political history is replete with the initiation of reforms, thus the issue of economic reform is not peculiar only to third world developing economies. Though, a global economic phenomenon, the context, content and strategy of reforms do vary across countries and regions (McBride, 2005; Elliott, 1995). The variations on the content, context and strategy of economic reform are often largely dependent on the prevailing political and socio-economic circumstances of a country often moderated upon by the prevailing context of international politics and economy (Adeyemo, Salami and Olu-Adeyemi, 2008; Kwaneshie, 2005).

Economic reforms has been classified into first generation and second generation reforms (Essien, 2005). The first generation reforms are aimed at opening the economy to foreign competition, promoting the leading role of market forces and reducing the role of the public sector in economic and other productive activities. Building on the successes of the earlier stage, second generation reforms are often directed at achieving a complete transformation of the role of the state and promote the setting up and strengthening of government regulatory institutions that will guarantee the rule of law, while supporting private sector initiatives and activities that will stimulate and promote economic growth (Adeyemo, Salami and Olu-Adeyemi, 2008).

The discourse on reforms in Africa since the early 1980s has been encompassing in nature. More often, economic reforms on the continent have occurred within the context of political liberalization or on the other hand the implementation of economic reforms and the reform fall out has spurred protests forcing political liberalization (Jega, 2000a; Mkandawire and Olukoshi, 1996; Olukoshi, 1992). Commenting on the intertwine nature of economic reforms and political liberalization, Bienen and Herbst (1996) notes that there are two constellations of thought with regards to liberalization and reforms. One of the views was that democracy and economic liberalization are mutually interdependent processes. This particular notion remains prevalent among aid donors and informed the call for both economic reform and political openings in Africa and other developing countries.

Others have however, argued that democracy greater responsiveness to popular demands might be a near prescription for irresponsible economic policies. The impressive economic performance of some of Asia authoritarian regimes in the 1980s through to the 1990s strengthened this particular position. Notwithstanding, the controversies, empirical evidence on the relationship between the nature of regime and economic performance does not unambiguously reinforce the position of either views notes Przeworski (1992). With the enthronement of democratic rule, many regimes in Africa have embarked on the process of implementing economic reforms. Though there are pocket of successes here and there, yet some of the social crises that emanated from the implementation of earlier adjustment programmes of the 1980s through to the 1990s have emerged as the fallout of present economic reforms in Africa (AFRODAD, 2007; Jega, 2000a). These are aside other institutional and structural challenges confronting the reform processes across many states on the continent. It is on this note, that Bienen and Herbst (1996) argued that that there is less reason to believe that political liberalization can speed economic reform in Africa than elsewhere in the world.

The pattern of economic reforms that have been implemented and is still been implemented in Africa is rooted in the neo-classical economic tradition. The position of the neo-classical school of thought is premised on the notion of open and competitive economy in which the forces of the market determines the working of key economic variables. Relying on the postulations of the neo-classical economists the Bretton Wood Institutions (IBRD and IMF) advocate and promote the idea of a minimalist government in their structural adjustment programme policies prescriptions in many developing countries starting from the 1980s. Core prescriptions include; the removal of subsidies, price liberalization, currency deregulation and the privatization of state owned enterprises among others (Jega, 2000; Olukoshi, 1997). While the neo-classical inclined adjustment policy as dictated by the World Bank and IMF may be suitable for mature open market economies, their strict applications has resulted in worsening socio-economic condition of living in many transition economies especially in Africa.

With specific reference to Nigeria, Jega (2000a) notes that adherence to the structural adjustment programme policy prescription worsened Nigeria economic crisis resulting in a generalized and acute immiseration of majority of Nigerian people. Following adjustment policy prescription, the Nigeria state systematically disengaged from the provision of key social services. Such disengagement resulted in the hike in the cost of education, medical and health care service among other social services earlier subsidies by the state. Currency devaluation and the institution of deregulation regime also resulted in the worsening of the purchasing power of the incomes of the working and peasant classes, heightening the cost of living, thus pushing a large percent of the Nigerians below the poverty line. Whatever indicators are used to assess the impact of adjustment programme, the picture invariably looks grim and disconcerting argued Jega (2000). In trying to remedy Africa's economic crisis, the adjustment programme championed by the IMF and World Bank have resulted in the creation of mirages of socio-economic crises in many states in Africa. It is within this context that Sandbrook (1996) assertion that the obduracy of structural constraints upon Africa's economic recovery has rendered neoliberal remedies ever more complex and variegated can be better understood.

On the relationship between economic reform and political liberalization, three theoretical lessons can be drawn noted van de Walle (1996). The first relates to the tendency by scholars to conflate the short term impact of democratization on economic decision making with the long term impact of democracy. The second relates to the sociological analysis of the relationship between political and economic reform in much of the literature, an analysis that is more inclined towards the interest group theory of sociological narration. Lastly van de Walle (1999) notes that it will be misleading to call the process of political liberalization and economic reform dual transition as political and economic transitions are almost necessarily not simultaneous.

It is more useful to take political liberalization and economic reform as being sequential. Not in the sense that success in either of the process depends on a specific and fixed sequence, but rather that they follow each other and the nature of one process conditions the other. Politics and economic policy did not begin at the time of the transition noted van de Walle (1999). Political transitions are conditioned by the legacy of past economic decision making and in turn have an impact on economic policymaking following political liberalization. In much the same way, long-standing political practices, such as rent-seeking and patronage, shape the ability and willingness of governments to undertake meaningful and far reaching reform, both before and after the political transition. The experience of reform process in a democratizing Nigeria offers a vivid demonstration of how deeply ingrained political practices notably rent seeking, patronage politics and clientelism can influence the depth, reach and strategy and distorted the intended outcomes of economic liberalization. The Nigeria experience also show how political practices that are inimical to reform success can have negative moderating effects on the institutionalization and strengthening of governance institutions that are critical for the success of economic reform. The negative effects of these practices constitute the main challenges to the reform process in Nigeria under the present democratic dispensation as shown by this work in latter section.

OIL AND THE NIGERIA ECONOMY: AN ANATOMY OF A TROUBLED DOMINANCE:

For four decades Nigeria's economic policies, growth, and other related activities has been largely influenced by one sector, the oil industry and one commodity, crude-oil production and export. To say that the economy is heavily dependent on the oil industry will amount to an understatement as the oil industry is nothing short of a life-blood for the Nigeria economy. Like all energy resource dependent economy, the Nigeria economy remains highly unsheilddded from the swing and volatility that characterized the world energy price. Thus, circles of boom and bust in the international price of crude-oil has seriously affected macro-economics stability of the economy. Nigeria case is worsen by the failure of the state to diversify the economy away from it four decades of over-depenedent on crude-oil production and export (Uwakonye, Osho and Anucha, 2006).

Although, crude-oil production and export commenced in Nigeria in 1958, the oil sector of the economy did not achieve its present pre-eminent position until the mid-1970s, a rise aided by rising national production level and the hike in international price resulting from the 1973 Arab-Isreali war. The period of 1970 to 1980 represent Nigeria's oil boom era in terms of production, exports and earning from exports. Peak production in the boom era was achieved in 1979 with a yearly production of 845.463 billions barrel representing an average daily production of 2.3 million bpd (CBN, 2008; CBN, 2007; Anyanwu, Oaikhenan, Oyefusi and Dimowo, 1997). The high level production in the industry coupled with record high oil price at the international market throughout the 1970 led to an unprecedented massive inflow of oil rents revenue to the treasury of the federal government. However, the oil price hike and the boom in the international market of crude-oil was soon followed by bust.

Table 1: Nigeria's Yearly Crude-Oil Production, Export and Domestic Consumption 1960-2008 ('000 Barrels)

Year	Production	Export	Domestic Consumption
1960	6,374.0	6,244.0	
1965	99,355.0	96,985.0	
1970	395,689.0	383,455.0	12,234.0
1975	660,148.0	627,638.0	32,510.0
1979	854,463.0	807,685.0	37,778.0
1980	760,117.0	656,260.0	103,857.0
1985	547,088.0	486,580.0	60,508.0
1990	660,559.0	548,249.0	112,310.0
1995	715,400.0	616,900.0	98,500.0
2000	797,880.0	688,080.0	109,800.0
2005	919,285.0	846,179.7	73,105.9
2006	813,950.0	656,090.0	164,200.0
2007	803,000.7	791,826.5	Not available
2008	768,745.9	724,479.8	"

Source: CBN, Annual Statistical Bulletin Volume 18, December, 2007.

NNPC, 2008 Annual Statistaical Bulletin (Summarised) 1st Edition.

The years of boom of the 1970s and the bust period that followed throughout the 1980 adversely affect the stability and wellbeing of the Nigeria economy no doubt. However, the close correlation of fluctuation in the economy to this cycle of boom and bust shows the importance of the oil industry and the extent of the economy dependence on the industry. Beginning from 1970 contribution of the oil industry to Nigeria GDP, total national export and contribution to government revenue has been on the increase. With this rise, the oil industry has and continued to occupies a primate position in the structure of the nation's economy. The growth in the oil industry has enhance Nigeria position in the global energy market and in international politics. With a daily production of more than 2 million bpd and proved reserve of 32.6 billion barrels of crude-oil by 2008 Nigeria is not only the largest producer in Africa, the country has the continent second largest recoverable reserve of crude-oil. Nigeria is today ranked among the top ten largest crude-oil producing nations and is the sixth largest exporter of crude-oil in the world (BP, 2009).

Table 2: Oil and Gas contribution to national GDP at Current Basic Prices, 1960-2008 (Million Naira)

Years	Total GDP	Oil and Gas contribution to GDP	% contribution of Oil and Gas to GDP
1960	2,233.0	7.0	0.3
1965	3,110.0	106.8	3.4
1970	5,281.1	489.6	9.2
1975	21,475.2	4,165.5	19.3
1980	49,632.3	14,137.4	28.4
1985	67,908.6	11,375.2	16.7
1990	267,550.0	100,223.4	37.4
1995	1,933,211.6	766,518.0	39.6
2000	4,582,127.3	2,186,682.5	47.7
2005	14,572,239.1	5,664,883.2	38.8
2006	18,564,594.7	6,982,935.4	37.6
2007	20,657,317.7	7,533,042.6	36.4
2008	23,842,170.7	9,299,524.8	39.0

CBN, Statistical Bulletin Golden Jubille Edition, December 2008

In order to better explain the position of the crude-oil exploration and production as the driving sector of the Nigeria economy since the boom of the 1970s there is the need to refer to it total contribution to national gross domestic product over the years. More than any other sector of the economy the sectoral contribution of crude-oil to the Nigeria economy has indeed undergo tremendous change since the inception of exploration and production in the twilight year of colonial rule. The sector contribution to national GDP at current basic prices was as low as 7.0 million naira at independence in 1960. That amounted to a negligible 0.3 percent percent contribution to national GDP. With increase in exploration and production related activities consequent on the boom of the 1970s the sector contribution to national GDP had rise to 28.4 percent by 1980.

The slump in world price of crude-oil and the bust it created dampened growth in the Nigeria oil sector throughtout the 1980s. However, the industry rallied from the bust years of the 1980s as investment and growth picked up beginning from 1990. In clear term, the industry contribution to Nigeria GDP commenced it impressive recovery from the 1989 fiscal year. By 1990 it contribution to

GDP at current basic prices has risen to 100,223.4 million Naira out of a total GDP of 267,550.0 million Naira. This amounted to a 37.4 percent contribution and it might be taken as the beginning of the oil sector total dominance of the Nigeria economy. The sector continued it impressive performance throughout the 1990s such that by the year 2000 it percentage contribution stood at 47.7 percent. While successive regimes continued to pay lip service to the diversification of the Nigeria economy, the oil industry continued to maintained it domineering position with a percentage contribution hovering around 35-40 percent for the past nine years of democratic rule.

The dominant position of the oil sector in the Nigeria economy also reflect in it dominance of the nation foreign trade, in particular that of export. Starting from 1970, the contribution of oil export to total national export overtake that of non-oil component of which agriculture is the main contributor and this has since been the trend. Increasing oil export over the years has help to increase the volume of Nigeria's total trade. The sheer volume and monetary value of Nigeria's oil export has also help the nation to maintain a positive and healthy balance of trade over the years.

In clear statistical term, oil export has maintained a total dominance in Nigeria's export trade beginning from the 1970s. At independence in 1960 the percentage contribution of oil export to total national export stood at a low of 2.3 percent while non-oil of which agriculture export was the main components contributed the rest 97.7 percent. This was however, to change in a drastic manner such that by 1970 oil export as percentage of total national export has rise to 57.5%. By 1980 oil export as percentage of total national export had reached a staggering height of 92.6 percent. Much as successive regimes in the present democratic republic shout about their efforts at diversification, the story of Nigeria's foreign trade remains that of crude-oil and gas export as the industry contribution to national export in monetary term stood at 9.680 billion out of a national annual total of 9.774 billion Naira representing a staggering and record height 99.0 percent.

Table 3: Contribution of Crude-oil and Gas Export to Nigeria's Total Export 1960-2008 (Million Naira)

Year	Total Export	Non-Oil Export	Oil and Gas Export	Oil & Gas Export as % of Total Export
1960	339.4	330.6	8.8	2.3
1965	536.8	400.6	136.2	25.3
1970	885.7	376.0	509.6	57.5
1975	4,925.5	362.4	4,563.1	92.6
1980	14,186.7	554.4	13,632.3	96.0
1985	11,720.8	497.1	11,223.7	95.7
1990	109,886.1	3,257.6	106,626.5	97.0
1995	950,661.4	23,096.1	927,565.3	97.5
2000	1,945,723.3	24,822.9	1,920,900.4	98.7
2005	7,246,534.8	105,955.9	7,140,578.9	98.5
2006	7,324,680.5	133,594.9	7,191,085.6	98.1
2007	8,120,147.9	169,709.7	7,950438.3	97.9
2008	9,774,610.9	94,316.7	9,680,194.2	99.0

Author's compilation from ther Central Bank of Nigeria, Statistical Bulletin Golden Jubille Edition, December 2008.

Impressive as the growth in Nigeria's production and export of crude-oil might be, Nigeria's foreign trade data shows that oil import out of total annual imports has continue to rise over the years. The volume of refined oil and oil derivatives import out of total annual import started to spiral out of control from 1990s. By 2000 refined petroleum products import as a percentage of total import stood at a height of 28.0 percent. Things has however, start to change for the better and refined petroleum dertivatives import as a percentage of total import has fall to 18.4 percent as at 2008. While situation in the downstream sector of the oil industry has improve somewhat however, for a major oil producing and exporting nation to be a major importer of refined petroluem products is a misnomer and is an indication of the extent of failure of national industrialization policies and programmes.

The contribution of crude-oil and gas to government revenue not only underlies the centrality of revenue from the industry to financial viability of the Nigeria state it also show the importance of oil rents in national politics. Revenue from the petroleum industry comprising of of crude-oil and gas export earning, petroleum profit tax, royalties, signature bonus, oil block leasing fees among others has witnessed steady growth over the years. The rise in the contribution of the sector to total federal revenue can be attributed to number of factors. These includes the impressive increase in the country's crude-oil and natural gas production level, the series of rise in the world price of crude-oil and the ability of the state to negotiate favourable tax regimes with the multinational oil companies operating in the nation's oil and gas industry.

Throughout the decade of the 1960, the contribution of proceeds from crude-oil to total federal government revenue was of limited importance. The contribution of crude-oil to total annual federal revenue that stood at 166.00 million Naira in 1970 representing 26.1 percent of the total revenue jumped to 12.353 billion Naira out of annual total of 15.233 billion Naira in 1980. This represent 81.1 percent of total annual revenue collected by the federal government of Nigeria. By 1990 the contribution of oil earning to total federal government revenue stood at 71.887 billion Naira representing 73.2 percent of total revenue. By fiscal year 2000 proceeds from crude-oil and gas contributed 1.591 trillion Naira out of total of 1.906 trillion Naira representing 83.5 percent. The contribution of crude-oil and gas earning to total federal governmenmt revenue in percentage term continued to hovered around 80 percent since the fiscal year 2000, execpt in 2007 that it fell to 78 percent as a result fall in production and export resulting from political tension in the oil producing areas. As at fiscal year 2008 the contribution of crude-oil and gas proceeds to federal government revenue stood at 6.530 trillion Naira out of a total federally collected revenue of 7.868 trillion Naira, the crude-oil and gas proceeds represent 82.9 percent of total revenue accruable to the Nigeria state (CBN, 2008).

Table 4: Federal Government Revenue and the Contribution of Crude-oil and Gas 1960-2008 (Million Naira)

Year	Total Federally Collected Revenue	Oil Revenue	Non-Oil Revenue	% of Oil Revenue in Total Revenue
1961	223.65	0.00	223.65	0
1965	654.34	0.00	654.34	0
1970	634.00	166.00	467.40	26.1
1975	5,514.70	4,271.50	1,243.20	77.4
1980	15,223.50	12,353.30	2,880.20	81.1
1985	15,050.40	10,923.70	4,126.70	72.5

1990	98,102.40	71,887.10	26,215.30	73.2
1995	459,987.30	324,547.60	135,439.70	70.5
2000	1,906,159.70	1,591,675.80	314,483.90	83.5
2005	5,547,500.00	4,762,400.00	785,100.00	85.8
2006	5,965,101.90	5,287,566.90	677,535.00	88.6
2007	5,715,600.00	4,462,910.00	1,200,800.00	78.0
2008	7,868,590.10	6,530,630.10	1,335,960.00	82.9

CBN, Statistical Bulletin Golden Jubille Edition, December 2008.

The increase in the contribution of crude-oil and gas proceeds to total federal government revenue has come with a corressponding decrease in the contribution of non-oil sector of which agriculture is the main component. This inverse relationship shows the over reliance of the Nigeria state on crude-oil and gas proceeds. This over-reliance of the state on one source for it revenue and foreign exchange earning has comes with it numerous shortcomings, the most potent of which is the vulnerability of the nation's fiscal policy to the swings in the world price of crude-oil a situation that has been made worse by the tendency of successive regimes to jack up government spending during boom years, thereby failing to set aside excess revenue for lean years.

Although the Nigerian oil industry is largely an enclave sector with a few forward and backward linkages with the rest of the economy, it however, remains a decisive force determining to a large extent the nation's economic performance. Given the low level of the oil and gas industry linkages particularly to agriculture and manufacturing sectors of the economy and it low level of employment generation, the sector main impact has been largely transmitted through the income effect (Aigbedion and Iyayi, 2007). This has been mediated through the oil industry huge contribution to federal distributive pool account share by the tiers of government, a sizeable part of which is transmitted to the economy via public spending whether through government recurrent or capital expenditure. However, the positive impacts of this to economic growth and national development have been minimal largely due to the monument level of corruption that characterized every facets of government public spending processes.

NIGERIA: A HISTORY OF STALLED REFORMS:

Nigeria rode the crest wave of boom in the international crude-oil market through the 1970s. Increasing revenue from crude-oil export supplemented by external borrowing predicated on hope of continuing high crude-oil price encouraged the initiation of ambitious government spending in infrastructure and industrial projects. The most iconic of these ambitious projects are the Ajaokuta iron and steel company, the National Iron ore mining company, Itakpe, the Delta steel company, aladja; and the steel rolling companies at Osogbo, Jos and Katsina. While these industrial undertakings financed by cheap influx of oil rents are essential for the growth of a diversified economy, the logic of their conception and implementation were fraught with policy inconsistencies and pitfalls. Compounding this was the mentality of patronage, rent-seeking and corruption intricately woven into federal government national spending on these and other important infrastructural projects (Duru and Sunday, 2005).

The increase in federal government public spending encourages fiscal over-centralization and promotes more faulty national economic policies. As national debt accumulated other pathologies of the 'Dutch disease' associated with natural resource export dominated economy began to take central stage. The bust in the international price of crude-oil serves as the catalyst that accelerated the impending Nigeria's economic doom. The rapid decline in government revenue and burgeoning national debt were exacerbated economic mis-management that characterized governance process during the second republic, 1979-1983. The management of the economic crisis shows that the civilian regime largely lacks a coordinated policies measures to steer the economic out of decline. Political exigencies, rampaging official corruption and the need to finance the second national elections of 1983 largely constrained the federal government ability to make necessary adjustments in light of national fiscal realities (Dudley, 1982; Forrest, 1995). The austerity measures hastily put in place by the civilian regime of President Shagari failed to alleviate major imbalances in the national economic indexes while worsening socio-economic realities stoke popular resentment (Lewis, 1996). It was in the midst of these economic woes that the second republic was terminated through a military coup in December, 1983.

The regime of General Buhari put in place a stabilization programme aimed at reining in public spending, reducing government payroll and extending administrative controls over trade and foreign exchange (Olukoshi and Abdulraheem, 1985). While the measures improved budgetary position and the balance of payments, however, mounting external debt and impasse with the IMF over debt renegotiation and rescheduling undermined economic recovery (Duru, 2005). The regime stern administrative style and continued economic stagnation erode it popular appeal and it was overthrown in a military coup in August 1985. By the time the military junta of General Babangida came to power, Nigeria has enter a dire economic situation. Mounting international pressure from the Bretton Wood institutions and heightened popular demand for a speedy resolution of the national economic crisis has rising to a high level.

The military regime tried to curry public sympathy by opening forums for public debate of the IMF structural adjustment programme packages. While Nigerians shown strong resentment to the IMF conditionalities, the regime through deft maneuvering put together a home grown adjustment programme that encompassed most of the conditionalities of IMF Structural Adjustment Programme without immediately accessing the institutions loan facilities (Jega, 2000b). With its declaration of a national economic emergency, the regime was able to sustained a consistent course of stabilization that includes the abolition of the import licensing system, tariffs reduction, currency devaluation, dissolution of agricultural products boards, liquidation and privatization of some public companies and enterprises, reduction of subsidies (notably fuel subsidy) among other adjustment measures (Duru, 2005; Adesina, 2000; Lewis, 1996).

The regime doggedly implementated the adjustment measures without putting much thought to measures for cushioning the socio-economic effects on the welfare of Nigerians downtrodden in the informal sector and the working class (Adesina, 2000). Though, the adjustment measures resulted in some improvement in the basic indices of the economic yet the negative socio-economic impacts of the adjustment gave rise to privation and popular discontent. The increasing pauperization of large segment of the population feed into series of anti-government protests spearheaded by student bodies, traders, and organized labour unions (Adesina, 2000). Under pressure from the public, the Babangida regime implementation of the adjustment measures becomes haphazard. While central elements of the adjustment programme were maintained there emerged a pattern of selective circumvention of core policies and reduction of macro-economic discipline.

The political economy of adjustment under Babangida military regime was laced with deft political manipulations and characterized by inconsistency and half-hearted implementation of adjustment measures. In sum, the regime managed the adjustment programme through a mixture of domestic political orchestration, compensatory measures, and coercion. For elites, the state provided special access to nascent markets and illegal activities, and manipulated key policies to provide opportune 'rents'. The Babangida regime initially employed these tactics to sustain the implementation of orthodox policies, but senior leaders eventually abandoned a basic commitment to economic recovery. Faced with growing political contention, looming personal insecurity, and a fortuitous appearance of new revenues, the President engaged in increasingly reckless economic management. The twilight years of the regime was noted for massive diversion of public resources, abdication of basic fiscal and monetary controls, and expansion of the illicit economy nurtured and controlled by senior members of the ruling junta (Lewis, 1996).

Between 1993 when Nigeria plunged into political turmoil following the annulment of the 1992 presidential elections and the return to democratic rule in 1999, Nigeria economic reform process was stalled. The regime of the reclusive General Abacha that came to power after sacking the interim national government undone numbers of the measures implemented under Babangida regime. The Abacha regime adopted a populist and nationalist stance in it managing of the economy. The implementation of economic policy once again reverts back to administrative controls on finance, trade and foreign exchange. Though the Abacha regime somewhat make attempt at partial return to liberalization, a combination of untenable policies, corruption, diversion of state resources and the state of political instability continued to undermined the basis of the national economy. It was in this state that Nigeria return to democratically elected civilian rule in May, 1999. During the inauguration of his regime in May, 1999 then President Obasanjo made a commitment to implement economic reform with the objectives of liberalizing the nation's economy, promote diversification, and privatize core public enterprises with the view to drive economic growth and overall national development. The regime also intends to implement series of other reforms social reforms. The next segment discussed the core of the regime's reforms noting the achieved successes and shortcomings.

REFORM PROCESS UNDER THE OBASANJO PRESIDENCY (1999-2007): SUCCESSES AND CONTINUE CHALLENGES:

The economic reform under Obasanjo was tailored towards Bretton Woods Institutions economic template. It was anchored on economic liberalization, the major highlights of which was the privatization of the nation's ailing public enterprises by the Bureau of Public Enterprise set up by the regime to oversee the implementation of the privatization process. Between 1999 and 2006 about 116 state enterprises operating in industries like as aluminum, telecommunications, petrochemical, insurance and hotel were privatized by BPE. The major highlights of the reform programme are the deregulation of the downstream sector of the nation's oil industry the highlight of which is the removal of subsidies from petroleum products and the unbundling of the Power Holding Company of Nigeria [PHCN] into 18 companies responsible for power generation, transmission and distribution. The privatization exercise was carried out alongside the deregulation of various sectors of the economy to encourage private sector participation and reduced state domineering role. The implementation of deregulation exercise in the downstream sector of the oil industry was particularly tenuous as the removal of subsidy resulted in hike in the price of petroleum products a situation that contribute to the worsening of living condition of the poor giving the centrality of petroleum products pump price to general commodities prices in Nigeria.

The regime also initiates civil service reform which resulted in the monetization policy and the drawing up of '*service compact*' to guide service delivery by public agencies, parastatals and ministries. In an effort to curb wasteful spending on pecks and fringe benefits, the regime embarked on the monetization exercise directed at eliminating the practice of paying for maids, drivers, personal assistants, security guards and so on for public officials at the expense of government (Ihonvbere, 2004). The most highly resisted issue in the civil service reform was the elimination of redundancy through the severance of workers. Okonjo-Iweala and Osafo-Kwaako (2007) note that a total of 37,000 officials have been severed from the Federal civil service with spending on severance payment and retraining programme cost estimated at N26 billion. The regime conducted verification exercise directed at updating personnel records and payroll data and instituted the implementation of an Integrated Personnel and Payroll Information System all directed at curbing waste and re-positioning the civil service.

More important was the efforts directed at curbing waste in public spending and instituting regulatory procedure in public procurement. This was done through the publicizing and competitive bidding for government contract among other transparency initiatives. To push this reform the regime established the Budget Monitoring and Price Intelligence Unit, popularly referred to as the *Due Process Unit*. Under the leadership and control of a technocrat, Obiageli Ezekwesili, the Due Process Unit in the Presidency introduced stronger procurement procedures and controls in relation to capital spending at the level of the Federal. The process has been given institutional depth through the enactment of the Public Procurement Act of 2007 (Utomi, Duncan and Williams, 2009)

The regime of former President Obasanjo was vigorous in it promotion of policy measures directed at wooing foreign investors and attracting investment in the bids to stimulate economic growth and development. However, the most outstanding achievement for which the reform efforts of the regime will be remembered, was the successful negotiation of debt relief package under the guidance of then Finance Minister Ngozi Okonjo-Iweala (Joseph and Kew, 2008; Saliu, Amali and Olawepo, 2008). The debt negotiation process with the Paris Club entails the payment by Nigeria of outstanding arrears totaling US$ 6.4 billion, the granting of a debt write-off amounting to US$ 16 billion on the remaining debt stock and the purchase of an outstanding US$ 8 billion debt under a buyback agreement of 25% discount for US$ 6 billion. The entire debt relief package amounted to US$ 18 billion and is equivalent to 60% write-off in return for the payment of arrears and buyback totaling US$ 12.4 billion. According to Okonjo-Iweala and Osafo-Kwaako (2007) the buyback was the second largest debt relief operation in the club’s half a century history.

Other external debts like the one owed to London Club of Commercial Creditors are also being restructured and paid off. The regime also tried to address the problem of internal national debt by capitalizing such debts through the issuance of bonds at competitive interest rate. The reform programme also touches on the payment of pension arrears, their capitalization through bond issuance and a general reform of the pension scheme. There were also reforms in the banking industry, trade policy, the reform in the upstream sector of the oil industry that was anchor on the Extractive Industry Transparency Initiative drive. The regime also initiated prudent fiscal and monetary policies directed at stabilizing and reduces volatility that characterized the working economy. As part of this measure the regime adopt an oil price based fiscal rule on which national budget expenditure is premised while any excess arising from crude-oil sale as saved as foreign reserves. Greater fiscal discipline and transparency drive of the regime led to the practice of publishing monthly allocations from federation account to states and local governments of the federation. These reforms have gone a long way in burnishing Nigeria’s international reputation argued Revenue Watch Institute (2007). These summarized the main policies and reforms thrust of regime of President Obasanjo.

As part of his campaign promise to clean house and tackle the problem of corruption, president Obasanjo promised in 1999 established an anti-corruption commission, the Independent Corrupt Practices and other Related Offense Commission, ICPC. In furtherance of his regime anti-corruption crusade president Obasanjo later established in 2004 the Economic and Financial Crimes Commission, EFCC to fight fraud, economic and financial crimes in both the private and public sectors. Of the two it was the EFCC under Nuhu Ribadu that was the most potent as instrument for combating the scourge of political and administrative corruption, money laundering, fraud and other financial crimes. The commission was able to secure indictment and conviction of fraud kingpins, influential politicians and civil servants. The most celebrated being the conviction of incumbent Inspector General of Police, Tafa Balogun and scores of sitting governors.

No doubt the Obasanjo years will be remembered for the economic and structural reforms initiated, however, like many African states, the reform processes in Nigeria exhibit what has been described as '*partial-reform syndrome*' (Joseph and Kew, 2008). Aside this, the reform process has also been dodged with problems and controversies. At the centre of the crisis that confront the reform process was the marked dominance of the policy process by the donor communities and the Bretton Woods Institutions. This dominance was vividly illustrated by the fact that the leading lights of the regime's economic management team; Ngozi Okonjo-Iweala, Finance Minister, Obiageli Ezekwesili, and Charles Chukwuma Soludo all have Bretton Woods Institutions background and approaches the theoretical and practical aspects of the reform process and general economic management from the purview of these institutions. Given the social crisis that emanates from the adoption and implementation of the Institutions SAP policies and programmes in Sub-Saharan Africa in the 1990s many Nigerian are skeptical and unsure of what the outcome of the reform agenda will entails for their social wellbeing.

Of the regime's economic liberalization policies none is more controversial and conflictual as the deregulation of the downstream sector of the oil industry. The exercise which entails the removal of subsidies from the pump price of petroleum products draws irks of the general public and civil society movements. The vanguard of opposition to the deregulation was the Nigerian Labour Congress, NLC the umbrella body for workers' unions in Nigeria. The deregulation and partial removal of subsidy by the Federal government sparked strong face-off between the state and the organized labour. The result of the face-off has been series of crippling strikes, protests and demonstrations in 2003, 2004 and 2005 by organize labour-civil society coalition directed at preventing further increases in the price of petroleum products on the argument that it is an anti-poor policy which will undermine the living conditions of Nigerians as it will generates inflation in view of the centrality of the price of petroleum products to the prices of other essential goods and services (Obi, 2004).

The economic disruption and lost cause by spate of strikes actions called by Labour-Civil Society Coalition on the heel of the fuel price hikes of 2003, 2004 and 2005 and the antagonism generated by labour face-off against the state over deregulation and subsidy removal is highly enormous. At the last count the regime of president Obasanjo increase fuel price Nine times within eight years with the price rising from N20 per litre in 1999 to N65 per litre for petro at the expiration of the regime tenure in 2007. The failure of the regime to sanitize the operation of the Nigeria National Petroleum Corporation, control massive corruption that characterize the management of the agency and put the four moribund national refineries in operation is a major dent in the regime often touted economic reform programme.

Aside the crisis generated by deregulation of the downstream sector of the oil industry the controversial manners by which ailing national companies and enterprises were privatized have also been subject of debate. The manner of the privatization process according to Obi (2004) was such that fewer Nigerians and their foreign collaborators were the one that bought up state assets put up for sale by the Bureau of Public Enterprises. The process of the privatization exercise was so perverted to the extent that powerful cabal closer to the presidency and the regime has been the main beneficiaries of many privatized state assets. The rise of Transcorp (a company which then incumbent President Obasanjo is reported to be a major shareholder) and the company acquisition of many state owned enterprises [Hilton Hotel and NITEL/M-TEL] in the privatization process is an affirmation of the corrupt manner in which the privatization exercise was executed under the watch of President Obasanjo.

That the privatization process was fraught with controversy was attested to by key figure in President Obasanjo Economic Reform Team, ERT. For instance Okonjo-Iweala, the main architect of the economic reform programme notes that questions have been raised about the privatization of particular public enterprises. Such questions relates to whether the process was fair and transparent, or whether private monopolies were being created (Okonjo-Iweala and Osafo-Kwaako, 2007). Though she notes that most of these issues have been settled and the exercise has been largely successful there are many who argued to the contrary based on studies and living reality of Nigerians.

For instance Omoleke (2010) argued that it is evident that the privatization policy is of little benefit to the grassroots as they are not financially empowered to purchase the products of the privatized companies hitherto subsidized by the government because of their escalating prices. He also stated that report from focus group discussion conducted with people at the grassroots points to the fact that privatization policy may worsen the standard of living of the grassroots. The study concludes that there might be policy failure if the implementation further enhances the economic buoyancy and perpetuates economic hegemony of the elite while leaving the grassroots wallowing in poverty (Omoleke, 2010). Nigerians have expressed such fears about the effects of the reform programme earlier.

In a nationwide survey in 2000 Afrobarometer group reports that 60 percent of respondents in it survey are of the opinion that the regime reform programme and policies have “hurt most people and only benefited a few” while 84 percent were of the opinion that “*people close to the government*” have benefited the most from reform programme. The report also states that there is a clear perception that public policies have failed to alleviate social inequalities and have even aggravated such imbalances (Lewis and Bratton, 2000). A follow up survey in 2001 is of the view that Nigerians are ambivalent about the course of economic reform as many are dissatisfied with the record of economic policy. The survey report stated that nearly three-quarters of respondents believe that the government’s reform programme has been detrimental to most people and that the burdens of economic reform have been unfairly distributed (Lewis, Alemika and Bratton, 2002).

An opinion survey by the same group in 2005 reports growing disappointment and frustration with Nigeria’s emerging democracy and economic reform policies (Lewis and Alemika, 2005). In a measure of performance and legitimacy using survey reports from 2000, 2001, 2003 and 2005, the Afrobarometer group stated that Nigerians are increasingly downbeat about government’s efforts to manage the economy, encourage equity, provide education, and limit crime (Afrobarometer, 2006). This verdict shows the growing frustration of Nigerians with the performance of Obasanjo regime economic reform against the verdict of success claimed by Okonjo-Iweala (Okonjo-Iweala and

Osafo-Kwaako, 2007)

Carpeting the regime social and economic policies failure, Kura (2008) asserts that Obasanjo regime policies of poverty reduction, privatization and other economic restructuring have work to aggravate the economic situation of the poor in Nigeria. He asserts that since the inception of the regime poverty has continued to grow without serious intervention to promote development. Where intervention were introduced, the benefits were siphoned to the private pocket of regime loyalists and stalwarts of the ruling PDP. Thus the regime economic policies only work to widen the inequality gap and further the pauperization of many Nigerians. The observation by the UNDP (2006) that in Nigeria, '*poverty has become a way of life'* only corroboration earlier assessments of the efficacy of the regime reform process at improving the living condition of Nigerians. The few macroeconomic advances that Nigeria have made in the first decade of democratic rule which can be attributed to the regime of Obasanjo failed to materialize in improve social services nor generate sufficient employment to meaningfully address the crisis of poverty that characterizes the lives of most Nigerians in the word of Joseph and Kew (2008).

CONCLUSION:

As periodic oil booms filled state coffers with windfall revenue in billions it also accelerates the promotion of statism mentality that enhances intensification of a centralized structure of incentives. The boom years expanded opportunities for unbridled corruption and profligacy in the process of national spending on industrialization and infrastructure projects implementations. As the oil sector expands, the country's real productive base (agriculture) contracted and was displaced as the driving force of national economy while entrepreneurship development also witnessed numerous adversities. Planning was distorted and a contract economy boomed. Primitive accumulation and years of pirate capitalism grew apace. More than serving as the financial bastion for the implementation of a diversify economy, the massive infusion of oil revenue has promotes corruption, encourage patronage in the dispensing of public service and gingered a rentier economy that is tilted towards the wasteful spending of oil rents rather than productive creation of wealth in Nigeria.

While regimes (military and civilian) have sought to implement economic and social reforms, the story of Nigeria economy and development aspirations continues to be that of unfulfilled potentials. Most of the reforms that have been initiated so far have lacked depth in their conception while the regimes have also faltered in their implementations. These among other problems have work to diminish the positive impacts of the reforms processes in Nigeria. As Nigeria returns to democratic rule at the turn of the century, Nigerians are full of optimism and hope for the reversal of the trends of economic and social woes that have dogged the nation for decades. After more than a decade of democratic rule, much of the people optimism and hope have faded as the ruling political elite have failed to implement programmes and policies that will ensure that the growth in the nation economy consequent on the economic reform implemented so far trickle down to ordinary Nigerians.

While the reform processes have recorded some gains yet there remain many challenges. The most notable of these challenges relate to the privatization of public enterprises to the hand of ruling elite and their associates, the lack of coordination in the basic indexes of the national economy arising from haphazard reform implementation, the growing inequality gap, continue deterioration of public infrastructures despite massive injection of funds and most importantly the lack of political will to tame the monster of official and unofficial corruption among other problems. For Nigeria to realize its potential there is the need to tailor the formulation and implementation of socio-economic reforms in manner that it will address the socio-economic challenges facing Nigerians. The reform process in

Nigeria will continue to be meaningless so long as it failed to unleash the potential of Nigerians and address the challenges facing the nation's teeming population.

REFERENCE:

[1] Adesina, J.O. (2000), Adjustment and the transformation of labour identity: What's new and does it matter? In A. Jega Edited *Identity transformation and identity politics under structural adjustment in Nigeria* (pp. 134-160), Uppsala and Kano: Nordic Africa Institute and Centre for Research and Documentation

[2] Adeyemo, D; Salami, A and Olu-Adeyemi, L (2008) an appraisal of economic reforms in Nigeria, *Contemporary Management Research, 4,* (2), 119-136

[3] African Forum and Network on Debt and Development, AFRODAD (2007) The impact of economic reforms programmes on social services: The case of Malawi, Harare: African Forum and Network on Debt and Development

[4] Afrobarometer (2006), Performance and Legitimacy in Nigeria's New Democracy, *Afrobarometer Briefing Paper* No. 46, July

[5] Aghalino, S.O. and Eyinla, B. (2009), Oil Exploration and Marine Pollution: Evidence from the Niger Delta, Nigeria, *Journal of Human Ecology*, 28, (3), 177-182

[6] Aigbedion, I and Iyayi, SE (2007), Diversifying Nigeria's Petroleum Industry, *International Journal of Physical Science*, 2, (10), 263-270

[7] Anyanwu, J.C; Oaikhenan, H; Oyefusi, A and Dimowo, F.A. (1997), the Structure of the Nigerian Economy (1960-1997), Onitsha: Joanee Educational Publishers Ltd

[8] Bienen, H and Herbst, J (1996) The relationship between political and economic reform in Africa*, Comparative Politics, 29,* (1), 23-42

[9] British Petrolum, BP (2009), BP Statistical Review of World Energy, June 2009 accessed online at www.bp/statisticalreview

[10] Central Bank of Nigeria (2008), Annual Report and Statement of Accounts for the Year Ended 31st December, 2007. Abuja: Central Bank of Nigeria Publication.

[11] Central Bank of Nigeria (2007), Economic Report for the First Half of 2007, Abuja: Central Bank of Nigeria Publication.

[12] Dudley, B.J. (1982), An introduction to Nigeria government and politics, Ibadan: University Press

[13] Duru, E.J.C. (2005), Nigeria's economic crisis under the military: The pedagogy and anatomy of management measures, in M, Feridun and Akindele, S.T Edited *Nigerian Economy: Essays on Economic Development*, (pp. 133-144), Morrisville, NC: Lulu Press Inc

[14] Duru, E.J.C and Sunday A.M. (2005), Industrialization and economic development in Nigeria: A study of the role of iron and steel sector, in M, Feridun and Akindele, S.T Edited *Nigerian Economy: Essays on Economic Development*, (pp. 48-74), Morrisville, NC: Lulu Press Inc

[15] Elliott, J.E (1995) Contending perspectives on post-communist transition: Strategies for economic transformation, *International Journal of Social Economies, 22,* (9, 10 & 11), 28-42

[16] Etekpe, A. (2007), the Politics and Conflicts over Oil and Gas in the Niger Delta Region: the Bayelsa State Experience 1990-2006, Port Harcourt: TowerGate Resources

[17] Forrest, T. (1995), Politics and economic development in Nigeria, Boulder: Lynne Rienner Publishers

[18] Ihonvbere, J.O. (2004), the Obasanjo Second Term in Office: Reinventing and Repositioning Nigeria for Growth, Stability and Democracy, *West Africa Review*, Issue 6

[19] Jega, A (2000a) the state and identity transformation under structural adjustment in Nigeria, in A. Jega Edited *Identity transformation and identity politics under structural adjustment in Nigeria* (pp. 24-40), Uppsala and Kano: Nordic Africa Institute and Centre for Research and Documentation
[20] Jega, A. (2000b), General introduction, in A. Jega Edited *Identity transformation and identity politics under structural adjustment in Nigeria* (pp. 11-23), Uppsala and Kano: Nordic Africa Institute and Centre for Research and Documentation
[21] Joseph, R.A and Kew, D. (2008), Nigeria Confronts Obasanjo's Legacy, *Current History,* (April), 167-173
[22] Kura, S.B. (2008), African Ruling Parties and the Making of 'Authoritarian' Democracies: Extending the Frontiers of Social Justice, *African Journal on Conflict Resolution*, 8, (2), 63-101
[23] Kwanashie M. (2005) Nigeria and Economic Reforms, *Nigeria Tribune*, Tuesday 15 February. pp 27-28 and 40
[24] Lewis, P.M. (1996), From Prebendalism to Predation: the Political Economy of Decline in Nigeria, *Journal of Modern African Studies,* 34, (1), 79-103
[25] Lewis, P and Alemika, E. (2005), Seeking the Democratic Dividend: Public Attitudes and Attempted Reform in Nigeria, *Afrobarometer Working Paper,* No 52, October
[26] Lewis, P.M, Alemika, E and Bratton, M. (2002), Down to earth: Changes in attitudes toward democracy and markets in Nigeria, *Afrobarometer Working Paper*, No. 20
[27] Lewis, P.M and Bratton, M. (2000), Attitudes to democracy and markets in Nigeria, *Afrobarometer Working Paper*, No. 3
[28] McBride, M (2005) Crises, reforms and regime persistence in sub-Saharan Africa, *European Journal of Political Economy,* 21, 688-707
[29] Mkandawire, T & Olukoshi A (Edited) 1995. Between liberalization and repression: the politics of structural adjustment in Africa. Dakar: CODESRIA.
[30] NNPC (2008), Nigerian National Petroleum Company: 2008 Annual Statistical Bulletin, Abuja: NNPC Corporate Planning and Development Division
[31] Obi, C. (2004), Nigeria: Democracy on Trial, *Nordic Africa Institute*, Occasional Electronic Paper, Number 1
[32] Okonjo-Iweala, N and Osafo-Kwaako, P. (2007), Nigeria's Economic Reforms: Progress and Challenges, Washington, DC: The Brookings Institution, Working Paper, Number 6
[33] Olukoshi, A (1998) the elusive prince of Denmark: Structural adjustment and the crisis of governance in Africa, Uppsala: Nordic Africa Institute Research Report, No. 104
[34] Olukoshi, A (1997) the political consequences of structural adjustment in Africa, in Yearbook on debt, structural adjustment, environment and conflict, Oslo: The Norwegian Council for Africa
[35] Olukoshi, A and Abdulraheem, A. (1985), Nigeria, crisis management under the Buhari administration, *Review of Africa Political Economy*, 34, 95-101
[36] Omoleke, I.I. (2010), The Nigerian privatization policy and hope of the grassroots, *International Review of Business Research Paper*, 6 (1), 108-123
[37] Omoweh, D.A. (2005), Petroleum Production, Environmental Degradation and Conflict in the Niger Delta, in K, Fayemi, K, Amadi, & O, Bamidele Edited *Towards an Integrated Development of the Niger Delta* (pp. 1-76), Abuja, Lagos and London: Centre for Democracy and Development
[38] Przeworski, A (1992) the neoliberal Fallacy, *Journal of Democracy, 3,* (3), 45-59
[39] Revenue Watch Institute (2007), Leaving a Legacy of Transparency in Nigeria, *Revenue Watch Institute Policy Brief*, April
[40] Saliu, H.A; Amali, E and Olawepo, E, Edited (2008), Nigeria's Reform Agenda: Perspectives

and Challenges, Ibadan: Vantage Publishers

[41] Sandbrook, R (1996) Democratization and implementation of economic reform in Africa, *Journal of International Development, 8,* (1), 1-20

[42] UNDP (2006), Niger Delta Human Development Report, Abuja: United Nations Development Programme

[43] Utomi, P; Duncan, A and Williams, G (2007), Nigeria the Political Economy of Reform: Strengthening the Incentives for Economic Growth, Brighton: the Policy Practice

[44] Uwakonye, M.N; Osho, G.S and Anucha, H. (2006), The Impact of Oil and Gas Production on the Nigerian Economy: a Rural Sector Econometric Model, *International Business & Economics Research Journal*, 5, (2), 61-76

[45] Van de Walle, N (1999) Economic reform in democratizing Africa, *Comparative Politics, 32,* (1), 21-41
