Public Policies and the Crisis of Underdevelopment in Nigeria: A Critical Reconsideration of the Privatization Programme (1999-2010)

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Abstract

This paper examines the role of public policies in deepening the crisis of underdevelopment in Nigeria with specific attention on the privatization policy as implemented by the Obasanjo-led regime. It discusses the importance of public enterprises, and argues that privatization has only produced two main outcomes: enlarging the pool of wealth of government officials and their friends and relations who took over the public enterprises, and increasing the already high level of impoverishment of the majority of the people. Furthermore, it is contended that any policy that promotes the concentration of national wealth in the hands of few persons in a society (like Nigeria) which is characterized by mass poverty should not be called ***public*** *policy.*

Key words: Public Policy, Privatization, and Underdevelopment.

A. Introduction

> "It is … erroneous to attribute all the third World problems to external factors alone because domestic factors inevitably played significant roles. We know from experience that countries have a lot to gain when an appropriate domestic policy is adopted. For a domestic policy to be beneficial two conditions must be satisfied. First, an appropriate policy has to be introduced at the right time and, secondly, in the right dosage…"
>
> \- S. Ibi Ajayi (1995:6).

Those who led the struggle against colonialism in Nigeria had pledged that they were seeking political independence in order to use the political power which comes with it to promote the freedoms and rights of the Nigerian people as well as galvanize the huge resources (human and non-human) of the country for the socio-economic and political development of the Nigerian society. But more than five decades after the departure of the colonialists, Nigeria is still plagued by a crippling crisis of underdevelopment. Attempts have been made by the different governments in post-colonial Nigeria to tackle this problem, and these attempts have manifested in the adoption and implementation of various government (public) policies and programmes. One of these policies has been that of privatizing state-owned (public) enterprises.

This essay focuses attention on the privatization policy as implemented by the operators of the Nigerian State during the period under review (1999-2010), and we shall attempt to show that the policy led to the deepening of the crisis of underdevelopment in Nigeria on the one hand, and on the other hand, it enhanced the accumulation of wealth (on a massive scale) by those who superintended over the affairs of the country during the period under study.

In other words, we shall endeavour to demonstrate that most of what Nigerian rulers call "public policies" often accentuate the collective pauperization of majority of the people on the one hand, and enhance the continuous **bourgeoisificaton** of the privileged few, on the other. In this essay, it shall become clear that privatization is a quintessence of a policy which generates misery and impoverishment for one group of people in the society, and bestows enormous wealth on the other group. This paper poses a fundamental teaser: against the backdrop of its major outcomes or consequences, how appropriate is it to describe the privatization programme-as implemented in Nigeria in the period under study-as a "public policy"? It is important to state at this point that in this essay, we do not pretend to be neutral; for, as Elie Wiesel (cited in Obo, 2001:V) has advised, "we must always take sides. Neutrality helps the oppressor, never the victim. Silence encourages the tormentor, never the tormented". We are on the sides of the Nigerian people, who, for decades, have groaned under different forms of "vampiristic leaderships and impoverishing misgovernance" (Timamy, 2007: 648), and as a result, have had to grapple with many obnoxious and self-serving policies and programmes presented as "public policies".

This essay is divided into six parts. The introduction forms part one, in part two, the concepts of public policy, privatization, and underdevelopment are clarified. In part three, the origin, rationale, and some of the problems of public enterprises in Nigeria are outlined. In the fourth part, an attempt is made to establish the circumstances which culminated in the adoption and implementation of the privatization programme in Nigeria. In part five, we present the argument that the privatization policy as implemented in Nigeria produced a number of results, some of which are: through it, the Nigerian people were robbed of their commonwealth., it led to a massive enrichment of the few people who were at the helms of affairs of the Nigerian state., and it aggravated the problem of underdevelopment of Nigeria. Part six contains the conclusion.

B. Public Policy, Privatization and Underdevelopment: Some Conceptual Discourses

In an essay such as this, the major concepts or phrases employed need to be placed in their proper definitional perspectives. This is to show how they are to be understood. As Chafe (1994) has reminded us, "the primary requirement for debating anything is to understand first and foremost the critical thing being talked about" (cited in Ojo, 2006: 17). It is apposite at this point for us to briefly examine the concepts of public policy, privatization and underdevelopment.

What is Public Policy?

Like most concepts in social discourses, public policy does not have one definition that is universally accepted by scholars and analysts or practitioners. Indeed, there are as many definitions of public policy as there are analysts (Eminue, 2005:17). According to Andrew Heywood (2007:426), a policy, in a general sense, is a plan of action adopted by, for example, an individual, group, business or government, and to designate something as a policy implies that a formal decision has been made, giving official sanction to a particular course of action. Public policy, in Heywood's view, can therefore be seen as the formal or stated decisions of government bodies. However, the argument continues, policy is better understood as the linkage between intentions, actions and results. At the level of intentions, policy is reflected in the stance of government (what government says it will do)., at the level of actions, policy is reflected in the behaviour of government (what government actually does)., and at the level of results, policy is reflected in the consequences of government action (the impact of government on the larger society) (Heywood, 2007:426).

In their analysis, Barrett and Fudge (cited in Olaniyi, 2001: 13-14) contend that we can talk of "public policy" when the policy

> emanates from the 'public sector' including both the institutions of central and local government and state-created agencies such as water or health authorities, commissions and corporations. It may be implemented through and directed at a wide variety of individuals and organizations which may or may not be part of the state apparatus, and which may be to a greater or lesser degree independent of state influence or control.

It can be deduced from the above that a policy can either be "public" or "private" and a public policy is derived from the government and has a wider target, while a "private policy" emanates from an individual or a private organization and is limited or narrow in scope.

Public policies are said to be formulated by what David Easton calls "authorities" in a political system, that is, those who "engage in the daily affairs of a political system", and are "recognized by most members of the system as having responsibility for these matters", and also take actions that are "accepted as binding most of the time by most of the members so long as they act within the limits of their roles" (Sapru, 2006:5). It has been contended that a public policy may be narrow, covering a specific activity and it may also be applied to all people in a country or it may even be limited to a section of the people in a country. Moreover, it has been said that all policies generally contain definite goals or objectives in more implicit or explicit terms. Again, a public policy may be either positive or negative in form. In its positive form, it may involve some from of overt government action to deal with a particular problem. In its negative form, a public policy involves a decision by public servants not to take action on some matter on which a governmental order is sought (Sapru, 2006:6).`

In one of his works, Thomas Dye regards public policies as governments' actions and/or inactions. According to him,

> Public policy is whatever governments choose to do or not to do. Governments do many things. They regulate conflict within society. They organize society to carry on conflict with other societies, they distribute a great variety of symbolic rewards and material services to members of the society., and they extract money from society, most often in the form of taxes. Thus, public policies may regulate behaviour, organize bureaucracies, distribute benefits, or extract taxes-or all these at once (Dye, 1987:2).

While Jenkins (cited in Egonmwan, 1991:3) refers to public policy as "a set of interrelated decisions by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle be within the power of those actors to achieve", Johnson Egonmwan (1991:1) posits that generally, the term public policy is sometimes referred to as a government programme of action, and that it stands for various degrees of goal articulation and normative regulation of government activities, that is what government intends to do or achieve (goals) and how it intends to do it.

In his own analysis, Charles Andrain (1980:Vii) emphasizes the importance of public policy in the society. He regards public policy as an instrument through which the needs of the society can be met. As he puts it,

> Public policy is the lifeline of society. It is complex decisions that provide for the satisfaction of societal needs and the creation by groups and individuals alike. If there can be such a phenomenon as a hybrid between what is the structure of an institution and the nature of individual behaviour, then that is the form in which public policy appears. In turn, the content of public policy is the elaborate maze of perceptions, decisions, implementations, and evaluations that shape and determine how all that is valued and scarce in society is allocated… (Andrain, 1980: Vii).

An interesting conception of public policy has been provided by Ikelegbe (1996:4). According to him, public policy is simply governmental actions or course of actions, proposed actions or course of proposed actions directed at achieving certain goals. In his view, the key characteristic of public policy is that it has to do with the government; it is actions taken by public authorities, and it is the output or product of the governmental process and activity., consequently, it involves and affects the wide variety of areas and issues with which governments have to do, such as the economy, education, health, defense, social welfare, foreign affairs, transportation, housing, agriculture etc. Furthermore, in Ikelegbe's opinion, public policy involves the use of state coercive agencies to ensure compliance, and it also entails the expenditure of considerable public resources. Generally, public policies are meant to resolve societal problems particularly those considered to require public or collective action. Ikelegbe clearly supports the view that public policy- if well articulated and properly implemented- can play a crucial and pivotal role in the development of the society. In his words,

> Public policies are critical to all societies. This is because they are actions taken by governments to resolve social problems. They relate to and are binding on entire societies… The critical nature of public policy is even more obvious when they are related to the citizenry. Public policies are meant to solve the citizens' problems and to benefit them. In fact, public policies in the first place are informed or are supposed to be informed by problems, demands and preferences of the citizenry (Ikelegbe, 1996:6).

It is largely within the context of the above assertion that the privatization policy in Nigeria shall be examined. And this would expose the “anti-public” character of that policy.

Understanding Privatization

Many different opinions have been expressed on the meaning of privatization. In view of the constraints of time and space, we shall highlight only a few of these opinions. According to Olabode Olaniyan (cited in Ozor, 2004:168), in the Nigerian context, privatization involves the government divesting itself of its controlling interests in various industrial and service sectors of the economy and allowing significant private participation in its place with the intention of creating a more competitive climate and profit orientation within those sectors.

Ebonyi Ozor (2004:168) regards privatization as the systematic and programmed withdrawal of government from those business activities which private persons or companies could perform more effectively. He points out that as an economic policy in Nigeria, privatization which began in 1986, is a radical departure from the economic policies of Nigerian governments, prevailing from the colonial period to that time. Consequently, Ozor concludes, privatization can be seen as a revolution as far as economic policies in Nigeria are concerned. On their part, Todaro and Smith (2004:761) regard privatization as one of the two major policy options often mentioned in the search for solutions to the problems plaguing public corporations in less-developed countries. They argue that privatization hinges on the neoclassical hypothesis that private ownership brings greater efficiency and more rapid growth, and that during the 1980s and 1990s, the policy was actively promoted by major international agencies like World Bank and International Monetary Fund (IMF). They also observe that many less-developed countries followed this advice, although the extent of their philosophical agreement, as opposed to the financial pressures exerted by these agencies, remained unclear.

In his contribution, Bayo Okunade (1993:162-163) contends that for us to properly understand the concept of privatization and why Nigeria is adopting the measure in respect of its public enterprises, one has to have a good understanding of the performances, failures and problems of the country’s public enterprises. Generally, in his view, privatization can be seen as the process by which ownership and/or control of government agencies or establishments set up to provide certain public goods and services (most of which are essential) are transferred to private individuals or concerns. This normally involves selling the enterprises outright or part of its holdings to shareholders. In some cases, according to Okunade, privatization might not involve the sale of shares but the vesting of management and/or control in the hands of companies. Privatization has also been described as a process by which government divests its proprietary interests in state-owned enterprises or parastatals so that such establishments fall into private ownership, either partially or completely. Partial privatization occurs where government still retains some interests in the enterprise as signalized by its representation on the Board of Directors. Full privatization, on the other hand, refers to a situation where government completely disgorges its entire equity holding in the enterprise or parastatal, leaving its entire operation to the Board of Directors constituted by private sector owners or shareholders. Privatization thus represents total or partial transfer of government equity interests in parastatals to private investors (Eminue, 2005:423).

From the above comments, it is clear that privatization simply refers to the transfer (full or partial) of ownership of state-owned enterprises from the government to private-sector operators. It can be said, from the foregoing presentations, that the programme of privatization presupposes the existence of public or state-owned enterprises established and funded by the government. Moreover, privatization underscores some form of dissatisfaction with the public ownership as well as performances of these enterprises. Also, implicit in the notion of privatization is the hope that a change in the ownership of public enterprises would elicit a positive change in the fortunes of these establishments. But this sentiment is largely not in sync with the present reality in Nigeria.

A Note on Underdevelopment

In a little book he wrote several years ago, Chinua Achebe had bemoaned the attitude of Nigerian rulers which was (and still is) critical to the underdevelopment of the country. He pointed out that one of the commonest manifestations of underdevelopment is a tendency among the ruling elite to live in a world of make- believe and unrealistic expectations, and that this is the **cargo cult** mentality- a belief by backward people that someday, without any exertion whatsoever on their own part, a fairy ship will dock in their harbour laden with every goody they have always dreamed of possessing (Achebe, 1983:9).

The point has also been made that an underdeveloped country is one characterized by poverty, with beggars in the cities and villagers ekeing out a bare subsistence in the rural areas. It is a country lacking in factories of its own, usually with inadequate supply of electricity. It usually has insufficient roads and railroads, insufficient government services and poor communications. It has few hospitals and few tertiary institutions. Most of its people cannot read and write, and inspite of the prevailing poverty of the people, it may have isolated islands of wealth with a few persons living in luxury. Moreover, an underdeveloped country's exports usually consist almost entirely of raw materials, with possibly a small admixture of luxury handicraft (Ndoh, 1998:308).

The meaning of underdevelopment can also be gleaned from Dudley Seers' conception of "development". According to him,

> The questions to ask about a country's development are: What has been happening to poverty? What has been happening to unemployment? What has been happening to inequality?. If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result 'development' even if per capita income doubled (cited in Todaro and Smith, 2004:16).

In an interesting analysis, M. L. Jhingan points out that there is no single definition of underdevelopment which is so comprehensive as to incorporate all the features of an underdeveloped country. He opines that underdevelopment can be defined in many ways: by the incidence of poverty, ignorance, or disease, by administrative incompetence, by social disorganization. He also lists some of the characteristics of an underdeveloped country to include: general poverty, agriculture as the main occupation, a dualistic economy, unutilized or underutilized or misutilized natural resources, unfavorable demographic features, unemployment and disguised unemployment, economic backwardness, lack of enterprise and initiative, insufficient capital equipment, technological backwardness, etc (Jhingan, 2007: 22iv-30). Indeed, there is no doubt that underdevelopment underscores a situation where a country is plagued by such maladies as poverty, diseases, illiteracy, dependent economy, unemployment, starvation, instability, etc.

Public Enterprises in Nigeria: Origins, Rationale and Problems

Public or state-owned enterprises have been defined in various ways, but generally, a public enterprise can be regarded as a statutory entity established by the government with the status of legal personality, and charged with the responsibility of providing essential and/or strategic services to the people at minimal and affordable costs. The origins of public enterprises in Nigeria can be traced to British colonial rule. With its large population, Nigeria was seen as a vast market for British and other European businesses, and the country's enormous raw materials also became huge attractions for European industries, hence the establishment of the early public enterprises to tap and exploit the vast potentialities of the country (Ozor, 2004:120). By 1960, when Nigeria attained independence, a number of public enterprises had been established. But the number of these enterprises actually increased in the 1970s and the 1980s.

A glimpse at the rationale for the establishment of public enterprises in Nigeria would reinforce the fact that the privatization gospel should not be uncritically accepted. A fundamental motivation for the establishment of public enterprises in Nigeria (and indeed other third world countries) was the desire to hasten the socio-economic and infrastructural development of the society as well as promote the overall wellbeing of the majority of the masses. It has been shown that public enterprises are established for various reasons which include not only ideological but also objective factors such as the provision of essential services.

Thus, these enterprises are established to provide certain essential services and public wants which, if left in the private hands, these services will be beyond the reach of the average man in the society. These services are considered as basic necessities, and the government must, therefore, step in to provide them and subsidize their consumption, otherwise the discretionary pricing policies of private monopolies will render their prices too exorbitant for the average consumer (Ozor, 2004: 111). In his analysis, Eminue (2005:424-425) enumerates the reasons for the establishment of public enterprises to include: the need for government to play its catalytic role in societal development., the weakness of the private sector-in the area of financial, technological and managerial capabilities., the need to enhance revenue generation., and the promotion of strategic national interest.

From the foregoing, it can be said, in sum , that public enterprises are established for reasons which include: ideological, rebuilding the economy, public demand, mineral exploitation, regulation of the economy, strategic and sensitive national interests, intellectual arguments, provision of essential services, and the provision of employment opportunities (Ozor, 2004:114). There is no doubt that for as long as Nigeria and other third world countries desire socio-economic development and its concomitants, the government must play a critical role, and public enterprises often serve as the instruments for the performance of this role. In Nigeria, public enterprises have had their fair share of problems.

These include massive corruption, poor funding, appointments of incompetent and unqualified personnel (largely due to political considerations), political interference, etc. Some of the problems of these enterprises have also been listed by Vernon to include:

(i) mismanagement, corruption, patronage and padded payrolls that raise the costs of providing goods and services.,

(ii) inefficient operations, maintenance and service delivery arising in part from weak competition or from monopoly positions.

(iii) involvement in highly capital-intensive operations or involvements with long payback periods.,

(iv) Overly restrictive government controls on the budgets and finances of the enterprises.,

(v) Failure of governments to provide promised subsidies or deliver budgetary resources in timely manner., and

(vi) Government requirements that these enterprises take over failed privately-owned businesses or provide inherently unprofitable goods and services (cited in Rondinelli, 1995:7).

D. Privatization in Nigeria: A Note on Historical Background

As already stated, public enterprises were established in Nigeria mainly as catalysts for the development of the Nigerian socio-formation. However, shortly after their emergence, it became clear that these enterprises were beset by enormous problems, and were unable to accomplish the objectives for which they were established. The policy of privatization was adopted by the ruling class in Nigeria as an elixir for the problems confronting state-owned enterprises in particular and the Nigerian economy in general. Although the Onosode Commission (1982) and a study panel set up by the Buhari administration (1984) both recommended the privatization of some parastatals, the issue only attracted huge public interest when the Babangida's regime revealed in the 1986 national budget that a policy of privatization would be adopted. This policy was a major component of that regime's Structural Adjustment Programme (SAP). The birth of privatization as state policy in Nigeria was heralded by the promulgation by the Babangida regime of the Privatization and Commercialization Decree No. 25 of 1988. The regime also set up the Technical Committee on Privatization and Commercialization (TCPC) to supervise the privatization exercise.

The Sanni Abacha's regime also favoured the policy of privatization. In 1998, the regime, following the recommendations of its "Vision 2010" committee, identified state-owned enterprises in the areas of electricity, tourism, telecommunication and petroleum for privatization in the first phase of the programme. With the emergence of Obasanjo as Nigeria's president in 1999, the privatization sermon became louder. The Obasanjo-led regime set up the National Council on Privatization (NCP) and Bureau for Public Enterprises (BPE) as the key agencies to oversee the privatization of public enterprises, and this culminated in the transfer of the ownership of many public enterprises to private individuals.

Privatization in Nigeria: Enriching the Few and Depriving the Majority

The reality in Nigeria shows that there is a wide chasm between what the apostles of privatization policy preach on the one hand, and the consequences of that policy, on the other. It is clear that just like most prescriptions of the neo-liberal orthodoxy, the utility of privatization as an instrument for positive change in a nation's economy is grossly exaggerated. As Todaro and Smith (2004:763) have argued,

> …it is not sufficient to claim, as many neo-liberal economists do, that privatization can lead to higher profits, greater output, or even lower costs. The key issue is whether such privatization better serves the long-run development interests of a nation by promoting a more sustainable and equitable pattern of economic and social progress, the evidence so far is less than compelling.

Nigeria is an immensely underdeveloped country characterized by huge inequalities. It is a country whose commonwealth has been hijacked by a tiny group of people while the overwhelming majority of the people are enveloped in misery. It is a country dwarfed by the monumental corruption of political office holders and other public officials, and it is also a country where even the basic principles of good governance are brazenly violated by its rulers. As implemented in Nigeria, privatization simply means the handing over of public properties to a privileged few. In this context, privatizing public enterprises in Nigeria amounts to sacrificing the well- being of the poor majority on the altar of the selfish interests of the wealthy few. As the Academic Staff Union of Universities (the labour union of university teachers in Nigeria) puts it, privatization means: handing over our public wealth to interests that have exploited and deprived Nigerians over the years., handing over Nigeria's independence to the same forces that colonized and plundered our people for centuries., increasing mass poverty for our people., making access to basic facilities and resources impossible and unaffordable for over ninety percent of our population., and rewarding some Nigerians including politicians, public office holders, some military generals and others in private business for closeness to power (ASUU, 2002:5).

In justifying the adoption of the policy of privatization in Nigeria, Obasanjo had stated that Nigeria's public enterprises were not profitable (i.e. they were not making profit for the government). But it is well known that what Nigeria loses to corruption by public officials is much more than what it requires to run public enterprises. Moreover, it is inappropriate to use profit-making capacity as a tool to evaluate the performances of public enterprises which were not established for that purpose. It is more apposite to assess these enterprises on the basis of their contributions towards enhancing the well-being of the people. As Nyong (1997:178) has observed,

> … Profitability is not a suitable criteria to judge the efficiency of public sector enterprises since most of them were not established with that objective in mind.
>
> In any case, profitability and efficiency do not mean the same thing… An enterprise can be profitable without being efficient… the goal of SOEs in LDCs is not necessarily efficiency and hence the use of the criteria for evaluating performance is inappropriate…

The situation in Nigeria shows that the privatization project, aside from rubbishing thousands of workers, is nothing short of an open robbery or pillage of our collective patrimony, and this has been made possible by the beneficiaries and their friends linked with the political power brokers and manipulators of the public treasury (Olorode, 2011:7-8). With privatization, Nigeria and its people have been swindled. For example, few years ago, it was reported that huge sums of monies realized from the privatization exercise were missing! In Nigeria, when public funds are reported "missing", it means they have been stolen by public officials. These funds are contained in the table below:

Table 1: The Missing Funds

	First Phase	**₦**
1.	NAL Merchant Bank	1.4 billion
2.	International Merchant Bank	14.59 billion
3.	FSB International Bank	1.69 billion
4.	Assurance Bank	856 million
5.	African Petroleum	2.8 billion
6.	Unipetrol	2.05 billion
7.	Nat. Oil and Chem. Coy Plc	9.02 billion
8.	W. African Portland Cement	2.98 billion
9.	Ashaka Cement Co. limited	2.11 billion
10.	Northern Nig. Cement Co. Ltd	681.40 million
11	Nigerian Cement Company	200 million
	Note:*These enterprises were divested through public offers or a combination of public offer and core investor sale **Second Phase**	**₦**
1.	Festac 1977 Hotel	1.01 billion
2.	Niger Dock Limited	3.50 billion
3.	Sheraton Hotel and Tower, Abuja	4.5 billion
4.	Niger Insurance	300 million
5.	Nigeria Re-Insurance	1.00 billion
6.	Savannah Sugar Coy. Ltd	1.35 billion
7.	Nat. Truks Manul. Kano	800 million
8.	Caterers Court	620 million
9.	Electricity Metre Company, zana	400 million
	Note: *The second phase of the programme focused on the public enterprises which engaged in sectors where the prices of their respective output services are largely market determined.	

Source: *Iyobosa Uwugiaren (2004), "Riples of Privatization" in* ***Insider Weekly****, (No. 14, April 5), P.23.*

At this point, we need to be very clear: **NOBODY** has ever been asked to refund any of the stolen sums of monies contained in the above table. The privatization programme was implemented under Obasanjo in a manner that handed over public assets at ridiculously low prices to people alleged to be his business associates or those of his family members. Typical examples are the Nigerian Telecommunication PLC (NITEL) and Ajaokuta Steel Complex (Okoi-Uyouyo, 2008:60-73). The criminality which was the hallmark of Obasanjo's privatization policy also became glaring in the manner in which government-owned houses in Ikoyi (Lagos) were sold. As Abada (2005: 281-282) puts it,

> The sale of Federal Government estates at Ikoyi has really exposed the government in their handling of issues and this is not different from the way the BPE carried out its privatization programmes in Nigeria. The people (the residents of the estates) were not given the option to buy the estates; rather they were allocated to the top government functionaries who did not even pay for the property. This is how the public property established with the tax payers' money are usually hijacked by a few privileged individuals at the expense of the general public…

Abada (2005: 282-284) also presents the names of government officials who took over public properties, using privatization as a pretext. These include the Vice-President, President's in- laws, ministers, governors, diplomats, military and police officers as well as other politicians. In should also be noted that the (then) president, Olusegun Obasanjo was the major shareholder in **TRANSCORP,** a company whose birth he midwife, and it was this company that "bought" some of the most viable public enterprises in Nigeria under the privatization programme implemented by Obasanjo! It is clear that in Nigeria, privatization has produced two main outcomes: the wealthy becoming wealthier, and the poor becoming poorer and hopeless.

F .Conclusion

Nigeria's experience has brought to bare the hollowness of the privatization rhetoric. None of the promises the government made when the programme was adopted have been fulfilled. A public policy should be wholly driven by the need to promote the welfare of the majority of the masses. Nigeria's privatization policy lacks this vital attribute. It is often argued that this policy promotes and enhances efficiency, but the present reality in Nigeria does not support this view. Indeed, as Timamy (2007:39) has eloquently argued,

> the relentless and uncompromising pursuit of efficiency while hugely neglecting the imperative of equity in human affairs has largely been responsible for both the enormous disparities in wealth (between and within nations) and sharp rises in poverty and immiserization in many countries round the globe…

The policy was not designed to serve the interests of the poor who constitute the majority of the Nigerian population. All societies attest to the fact that economic development and empowerment are realizable only through the provision of good and functional education, health, jobs and welfare to all citizens. Empowerment must proceed participation, and to insist that such policies (like privatization) which promote private ownership in an environment of mass poverty are done in the interest of the masses is outrightly dishonest and simply irresponsible (Philemon, 2005:38). If private ownership is the sole harbinger of efficiency and profitability, why then are some of the major capitalist economies enmeshed in a deepening crisis? What is responsible for the poor performances of some private-sector organizations? If public ownership is the main cause of inefficiency and poor performance, why have the privatized companies in Nigeria (Power Holding Company of Nigeria-PHCN, for example) not been able to render efficient services to the people long after privatization had taken place? If privatization is the solution to the problem of inefficiency, then the Nigerian Government-at the Federal, State and Local Council levels-should urgently be privatized because it is the most inefficient and corrupt institution in Nigeria.

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