ASPECTS OF THE ECONOMIC REFORMS OF OLUSEGUN OBASANJO'S ADMINISTRATION, 1999-2007

A PROJECT REPORT SUBMITTED FOR THE DEGREE OF MASTERS OF ARTS (M.A) IN HISTORY AND INTERNATIONAL STUDIES

 \mathbf{BY}

UGWU, NGOZI BRENDA PG/MA/08/49050

UNIVERSITY OF NIGERIA, NSUKKA FACULTY OF ARTS

DEPARTMENT OF HISTORY AND INTERNATIONAL STUDIES

AREA OF SPECIALIZATION: ECONOMIC HISTORY
SUPERVISOR: PROFESSOR J.O IJOMA

AUGUST 2012

TITLE PAGE

ASPECTS OF THE ECONOMIC REFORM OF OLUSEGUN OBASANJO'S ADMINISTRATION, 1999-2007

APPROVAL PAGE

This Research Project has been submitted and approved by the department of history and international studies, University of Nigeria, Nsukka

 \mathbf{BY}

1 1 1 1 1 1 1 .	1 1 1 1 1 1 1 1
Prof. J.O Ijoma	Dr. Egodi Uchendu
[Project supervisor]	[Head of Department]
Dateííííííííí	Dateí í í í í í í .
íííííííííí	ííííííííí
Prof. U.C. Anyanwu	External Examiner
[Dean, Faculty of Arts]	
Dateííííííí.	Dateí í í í í í

DEDICATION

This work is dedicated to	God and the family of Mr	and Mrs. Hyacinth	Ugwu [SoChima]

CERTIFICATION

This is to certify that this research was carried out by Ugwu, Ngozi Brenda with the registration number PG/MA/08/49050

íííííííííí	ííííííííííííííííííííííííííííííííííííííí
Prof. J.O. Ijoma	Dr. Egodi Uchendu
[Project Supervisor]	[Head of Department]
Dateíííííííí	Dateí í í í í í í í í .

ACKNOWLEDGEMENTS

It would take a lot of space to express my gratitude to all those who made this work a reality. To such persons whose names did not appear on this list, you are most remembered and may God bless you. But first, I give God thanks for His love and faithfulness. I equally give God thanks for giving me a wonderful supervisor like Prof. J.O Ijoma; he will always be remembered. I am grateful to all my lecturers in History and International Studies Department, namely, Prof. U.C. Anyanwu, Prof. O.N. Njoku, Dr Paul Obi-Ani, Dr. Okonkwo .C.Eze, Mr. J.O. Ahazuem and our dearest Prof. P.O Esedebe.

My special thanks go to my beloved parents, Mr. and Mrs. Hyacinth Ugwu, my brother Chika Ugwu, my sisters Chinenye, Chekwube, Ebuka, Kosi and Ify, I love you all. To my dearest friends, especially Anthony Nwokoye and Jude Agboeze, I say thank you for your encouragement, I would not forget a very special person, Mark Agbro, for his support, care and benevolence.

PREFACE

The focus of this study is to examine and analyze some aspects of the economic reforms of Olusegun Obasanjos administration. The study is organized into four chapters. Chapter one is the introduction, which gives the background, statement of the problem, purpose, scope and significance of the study, as well as the conceptual framework, literature review, methodology, sources and organization. Chapter two examines the political, social and economic issues prior Obasanjo administration. Chapter three deals with the reforms in the communication sector during the Obasanjos administration. Chapter four looks at the antigraft economic reforms undertaken by the Obasanjos administration in an attempt to combat corruption by the inauguration of two key agencies (Independent Corrupt Practices Commission and Economic and Financial Crimes Commission), Finally, Chapter five is the conclusion, which contains the summary and assessment.

LIST OF ABBREVIATIONS

ACB- African Charter on broadcasting

AD- Alliance for democracy

ADP- Agricultural development programme

AM- Amplitude Module

APP- All peoples party

BBC- British Broadcasting Corporation.

BLP- Better Life Programme

BON- Broadcasting Organization of Nigeria.

CB- Community Bank

COAN- Computer Association of Nigeria

DFFRI- Directorate for Food, Road and Rural Infrastructure.

DRF- Drug Revolution Fund

EFCC- Economic and Financial Crimes Commission.

ETSI- European Telecommunication Standard institute.

FEC- Federal Executive Council

FHA- Federal Housing Authority

FIU- Financial Intelligence Unit

FM- Frequency Modulation

FMST- Federal Ministry of Science and Technology

FRCN- Federal Radio Corporation of Nigeria

GII- Global Information Infrastructure

GNPP- Great Nigeriaøs People Party

GR- Green Revolution

GSM- Global System for Mobile Communication

ICPC- Independent Corruption Practices Commission

ICT- Information Communication Technology

INEC- Independent National Electoral Commission

IT- Information Technology

JED- Joint Economic Development

MTP- Mass Transit Programme

NACB- National Agriculture Corporative Bank

NADECO- National Democratic Coalition

NAN- News Agency of Nigeria

NASRDA- National Space Research and Development Agency

NBC- Nigerian Broadcasting Corporation

NBCB- National Board of Community Bank

NBS- Nigerian Broadcasting Service

NCC- Nigerian Communication Commission

NEEDS- National Economic Empowerment Development Strategy

NERDC- Nigeria Educational Research Development Council

NGE- Nigerian Guild of Editors

NII- National Information Infrastructure

NIPRD- National Institute of Pharmaceutical Research and Development

NPP- Nigeriaøs People Party

NPN- National Party of Nigeria

NPN- Nigerian Produce Marketing Company

NRC- National Republican Convention

NTA- Nigerian Television Authority

NUJ- Nigerian Union of Journalist

OFN- Operation Feed the Nation

PAP- Poverty Alleviation Programme

PBN- Peoples Bank of Nigeria

PDP- Peoples Democratic Party

PRP- Peoples Redemption Party

PTF- Petroleum Trust Fund

RBDP- River Basin Development Programme

SAN- Senior Advocate of Nigeria

SDP- Social Democratic Party

UMTH- University of Maiduguri teaching Hospital

UPN- Unity Party of Nigeria

TABLE OF CONTENTS

Title page-	-	-	-	-	-	-	-	-	i
Approval page -	-	-	-	-	-	-	-	-	ii
Dedication-	-	-	-	-	-	-	-	-	iii
Certification -	-	-	-	-	-	-	-	-	iv
Acknowledgemen	nts -	-	-	-	-	-	-	-	v
Preface	-	-	-	-	-	-	-	-	vi
List of abbreviati	on -	-	-	-	-	-	-	-	vii
Table of contents	-	-	-	-	-	-	-	-	viii
CHAPTER ONI	E: INTROI	OUCTIO	ON						
Background of th	e study	-	-	-	-	-	-	-	1
Statement of the	problem	-	-	-	-	-	-	-	3
Purpose of the St	udy	-	-	-	-	-	-	-	4
Significance of th	ne study	-	-	-	-	-	-	-	4
Scope of the stud	y -	-	-	-	-	-	-	-	4
Literature review	_	-	-	-	-	-	-	-	5
Methodology -	-	-	-	-	-	-	-	-	8
Sources -	-	-	-	-	-	-	-	-	8
Organization -	-	-	-	-	-	-	-		8
References -	-	-	-	-	-	-	-	-	9
CHAPTER TWO: NIGERIA ON THE EVE OF OBASANJO'S RULE: AN OVERVIEW									
Political issues -	-	-	-	-	-	-	-	-	11
Economic issues	-	-	-	-	-	-	-	-	15
Social issues -	-	-	-	-	-	-	-	-	22
References -	_	_	_	_	_	-	-	_	28

CHAPTER T	HREE:	INFOR	MATI(ON, CO	MMUN	ICATIO)N AND	TECH	NOLO	GICAL
REFORM, 1999-2007										
Mobile commu	unication	ı -	-	-	-	-	-	-	-	30
Mass media	-	-	-	-	-	-	-	-	-	39
References	-	-	-	-	-	-	-	-	-	47
CHAPTER F	OUR: T	HE FIG	SHT AG	SAINST	CORR	UPTION	N (ICPC	C AND I	EFCC),	1999-
2007										
The Independe	ent Corru	ption Pr	actices (Commiss	sion	-	-	-	-	48
The Economic	and Fina	ancial C	rimes Co	ommissi	on	-	-	-	-	55
References	-	-	-	-	-	-	-	-	-	58
CHAPTER FIVE: CONCLUSION										
Assessment -	-	-	-	-	-	-	-	-	-	59
Conclusion	-	-	_`	-	-	-	-	-	-	65
References	-	-	-	-	-	-	-	-	-	66
Sources and E	Bibliogra	phy	-	-	-	-	-	-	-	67
Appendix 1	_	-	-	_	_	_	_	_	_	73

CHAPTER ONE INTRODUCTION

BACKGROUND OF THE STUDY

The significance of good governance in any given nation cannot be underestimated. Therefore, the essence of governance is to ensure the development of every sector of the national entity. To this end, every emerging and successive government formulates policies in order to reform the political, economic, cultural and social structures. Irrespective of reformed policies, they are primarily intended to ensure the uplift of the societies in all ramifications-education, health, transportation, etc. Hence, considering the significance and how vital reform policies are made, they attempt to meet the needs and aspirations of the people of a particular country as instituted by existing government.

Because of the above reason, the administration of Olusegun Obasanjo (1999-2007) embarked on certain economic reforms during his tenure in office (1999-2007). In the 1999 elections, the first in sixteen years, he decided to run for the presidency as the candidate of the People's Democratic Party. On 29 May, 1999, Obasanjo took office as the first elected civilian head of state in Nigeria after 16 years of military rule. The month of May is now commemorated as Democracy Day. It would be recalled that prior to his election in 1999, the nation had been under the yoke of military rule. The military regime did not help matters when it postponed severally the return to civilian rule. Many people were of the view that the worst civilian administration is better than enlightened military dictatorship.¹

From the 1960s, when Nigeria gained her independence, development plans of varying durations were launched. The Nigerian leaders were aware that political independence without economic independence would endanger the countryøs sovereignty. Hence, they were out to protect this hard won sovereignty as well as give their people the best. The major initiative and plans fell on governments for national economic and social developmet.² Before and during Obasanjoøs reform, the economic conditions in the country could be considered as dire.

According to Otese Simon, the economic situation of the country prior to Obasanjoøs administration, could be said to be a period when the political leaders of

newly won independence sought to consolidate their hold on power, and not actually doing the peoples biddings. It was a period of scramble for power and political positions at the expense of the nation of real economic needs.

By any yardstick, military rule was a monumental disaster for Nigeria. Despite the country huge endowments in human and material resources, Nigeria under military rule had all the classic features of a failed state. Infrastructure such as schools, roads, and hospitals were barely functioning. In view of the sordid record of military rule, there was a widespread expectation in the country on the eve of the military departure from politics that the elected civilian administrators would set to work immediately to improve the living standards of the people.

From 1983 when General Muhammed Buhari toppled the civilian government of Alhaji Shehu Shagari to the era of General Sani Abacha, the economic situation of the country was bad.³ The apparent improvement during this period was made worse by the Structural Adjustment Programme of the General Ibrahim Badamosi Babangida administration. As if these were not enough, the national currency was devalued; thereby causing further worsening socio-economic condition in the country.⁴ All the sectors of the nation economic activities were jeopardized. This ranged from the health, education, transportation to other sectors of the economy.

The Structural Adjustment Programme (SAP) was embarked upon due to series of global economic disasters during the late 1970s, the oil crisis, debt crisis, multiple economic depressions and stagnation. The Structural Adjustment Programme favoured reduction of trade barriers and free market. The programme included internal changes such as privatization and deregulation, as well as external ones, especially the reduction of trade barriers. Since the late 1990s, the term õStructural Adjustmentö has emphasized õpoverty reductionö. The SAP was controversial and the critics emphasized that it created hardship for workers and the poorer classes.

In specific terms, Nigerians expected that the termination of military rule would lead to a drastic reduction in corruption, criminal and wanton violations of human rights. Nigerians also hoped that the termination of military rule would put an end to the divide and rule tactics which had become the hallmark of military administrations. It was hoped that a civilian government had would be ushered in and bring an end to such tactics,

ethnic and communal violence, which had claimed so many lives. It was believed that a civilian administration was expected to lead to a better management of the nationøs resources and with good governance, unemployment, insecurity and criminality would be reduced.

After a comprehensive study of all aspects of Nigerian society, a Bureau was set up in 1986, and submitted its report on March 1985.⁵ The third part of the report was mainly concerned with the programme of transition to civil rule. It noted that for a transition to civil rule to be successful, there was need to democratize all the process and institution of government. It called for a broadly spaced transition in which democratic government can proceed with political learning, institutional adjustment and a reorientation of political culture at sequential levels of politics and government beginning with local government and ending at the federal level.⁶

Assuming office in 1999, as an elected President, following the handover of power by General Abdusalami Abubakar, President Olusegun Obasanjo embarked on policy formulation and implementation in order to redress the dilapidated economic condition in Nigeria. These policies were seen in his effort to curb corruption, by the inauguration of Economic and Financial Crimes Commission (EFCC) in 2003. Reforms were also carried out on other aspects such as electricity, transportation, agriculture, infrastructures etc.

The economic reforms of Obasanjo were intended to transform the Nigerian society, compared to what existed before his election in 1999. It is to these reforms in economic policies that this study addresses. It hopes to emphasize that during the eight-year leadership of Obasanjo, there was a remarkable improvement in the economic sectors of the nation. The appointment of Prof. Chukwuma Soludo as Governor of the Central Bank of Nigeria and that of Dr. Ngozi Okonjo-Iweala as Minister of Finance whose handling of our finances helped drastically to reduce our foreign debt profile. The Presidentøs actions here were on the credit side of that regime.

STATEMENT OF THE PROBLEM

When President Obasanjo came to power in 1999, the government stated its desire to bring about õdemocratic dividendsö through responsive participatory, transparent and accountable government. Many believed that democracy was going to immediately cure all of the ills of Nigeria, bring about security, stability and re-launch the nation on the path of substantial economic development.

The contradictions which have arisen from democratic transitions and processes of democratization have led to increased questioning of the relevance of the prevailing models and institutions of democracy to the reality of contemporary Nigerian political and economic development. Many have come to believe that the democratic administration of Obasanjo failed to redress the economic power of the average Nigerian. For example, Professor Wole Soyinka, the Nobel laureate, asserted othere and a half years of elected civilian rule have created a big disillusionment to virtually all those who had staked high hope on democracy as the panacea for our national woes, and socioeconomic predicamentö. Some have also opined that the regime was corrupt, leaving Nigeria both in economic and political uncertainty.

Although some of these claims may be disputable, it is necessary to examine historically and dispassionately how the regime of Obasanjo aided the economic growth and development of Nigeria, through his economic reforms.

PURPOSE OF THE STUDY

The purpose of this study is to examine how Obasanjoøs administration brought economic improvement to the country by looking at the various economic reforms in the communication sector and his fight against corruption, by the establishment of certain agencies to tackle them (ICPC and EFCC).

Furtherance to this, there were some reforms which the administration initiated that were thought to have been of great urgency and importance to the country, but which have evoked criticisms. To this effect, the work examined them, in order to see the extent they had gone in contributing to the economic development of the country at large or otherwise.

SIGNIFICANCE OF THE STUDY

The coming into power by Chief Obasanjo as an elected president gave a lot of hope to many Nigerians. The then president promised the people that his government should be a people oriented and participatory government that would be beneficial to the people. This work attempts to provide insights into Obasanjoøs democratic governance and the extent it went in solving and meeting the needs of the people. The study will also stimulate more research in this area of study. The outcome of this work will help present and future politicians, economic policy planners and others.

SCOPE OF THE STUDY

The time-span of this study is 1999 to 2007. The choice of 1999 as the beginning of the democratic rule which was terminated by the army in 1966. Chief Olusegun Obasanjo came to power as the civilian Head of State. His regime ended in May 2007 after serving as President for two terms as allowed by the Nigerian Constitution. This study concentrates on the aspects of communication reform and the fight against corruption (ICPC and EFCC), to be precise.

By 1999, when Obasanjo came to power, the combination of economic crisis (symbolized by high unemployment, output stagnation, external indebtedness, and depleted foreign reserves), corruption and internal inefficiency, as well as globalization, had all made economic reforms very attractive. Thus, Obasanjoøs government embarked upon this, to resolve the crisis generated by these factors as the regime claimed and embarked upon.

LITERATURE REVIEW

At present, it appears, very limited work has been devoted to thee study of the democratic administration of Chief Olusegun Obasanjo 1999-2007. The materials sieved out for this work, are in bits and pieces. Most of them have been written on the general social, political and economic dispensation of the Obasanjo administration.

Democracy has been given a wide extensive attention from the academic circles, and hence has received varied definitions. Olusegun Obasanjo and Akin Mabogunje, conceptualize democracy, like all human interaction and relationship, must not be taken for granted. It must be nurtured and sustained. The establishment, growth and sustenance of democracy with its complement of protection of human rights have never been without

struggle, sweat and blood throughout history.8 they also stated that democratic state operates in such a manner as to guarantee individual liberties through the observance of separation of powers.

Kayode Fayemi and Otive Igbuzor have abiding belief that no democracy survives around abject poverty and unremitted hopelessness among the citizenry. They also hold the belief that poverty itself is potential violence, the cure of which democratic governance remains a critical component. Their work also analyzes New Economic Empowerment Development Strategy (NEEDS) as a framework for tackling the deepening crisis of poverty.

Science Today in Nigeria, edited by O.E. Alexander et. al., highlights the priorities of the Olusegun Obasanjo administration in the development of science and technology in the country. The priority highlighted in the book includes information technology, biotechnology and space science and technology policies among others. The scope of the book has put in proper focus our vision of a market-driven strategy as the way forward for economic development.¹⁰

Another book is *Democracy, good governance and development in Nigeria*, in which Attahiru Jega brought out the themes of democracy, governance and development in Nigeria.11 These have been the dominant themes in intellectual discourse by social scientists on the trials and tribulations of the post-colonial Nigerian state as it grappled with crises of nationalism and nationhood, authoritarian military rule and the challenges of development, using a hybrid of a neo-liberal theoretical framework in an intensely unequal world. The book also highlighted some of the economic, social and political reforms carried out by the Obasanjoøs administration. For the purpose of this study, we shall take into account the economic development strategies.

Ralph Chiemeka, in his work on *Revenue allocation and resource control in Nigerian Federation*, traces the genesis of the management of the revenue accruing to the Federal government, and by diving into the historical background of the evolution of the federal system of government in Nigeria. The book also brings into focus the various commissions on revenue allocation set up by various governments from the colonial to the present, and how the political and economic climate at the respective times influenced their recommendations. It critically examines the provisions of the 1999 Constitution

being adopted by the present civilian federal government in the management of the centrally-collected revenues and comments on their inadequacies which have recently heightened the political tension and disagreements between the state and the federal governments.¹²

In his other work titled, *Power Sharing in Nigerian federation*, Ralph Chiemeka provides background information and suggestions to conference delegates, the federal and state governments, legislators and indeed all Nigerians who would be involved in the discussions and decision-making process of evolving a new and popular federal constitution.¹³ It asserts that the Presidential system under the 1999 Constitution has accentuated the defects in the federal system. This gives undue leverage to the president over the legislature and the judiciary and tends to undermine the doctrine of separation of powers with concomitant cheeks and balances, which guarantees their effective operations under a federal democracy.

Another relevant work is *Policy and Contending Issues in Nigerian National Development Strategy*, in which Aja Akpuru-Aja and Emeribe argue constructively that a stable political system is indispensable for an economic restructuring and prosperity as well as the evolution of a socially harmonious Nigerian society. The work has cognate issue areas: politics, policy, budgeting and planning, economics, rural development, agriculture and infrastructure, environmental issues, health and industry. The book brings out certain key areas that needed development during Obasanjoøs administration.

Hassan Saliu et.al contend that the Obasanjo government in 2003 introduced a programme of reforms which was expected to positively affect all sectors of the political economy. The thrust of the reform programmes was to re-launch the country in a way that, in a couple of years, it would be one of the stable and developed economies in the world. Judging by the commitment so far displayed by the government, Nigeria would seem to be on its way to attaining the objective, especially if due care was taken on all issues which three years of implementing the National Economic Empowerment Development Strategy (NEEDS) brought out, 15 according to the book.

Nigeria Real Problems, Real Solution; Bedford Nwabueze opines that the problems of development in Nigeria are fundamentally linked to the prevalent value system in Nigeria, inferiority complex, language and collective ignorance. In the book, he

presents their dimensions, mechanism, processes of operation, and their moral, social, economic and political implications on Nigeriaøs problems of development. He also provides concrete policy prescriptions and strategies to solve the problems they have created in Nigeria. For the purpose of this study, we shall restrict our knowledge to the aspects of strategies to solve the economic problems they have created in Nigeria.

Chukwu Umezuruike; *State and Economy in Nigeria*, states the contradictions between democracy and economic reforms for national development in Nigeria, which have been informed by the confrontations between the forces of contemporary global development and the domestic forces of democratization in Nigeria. These forces of global development have been the key purveyors of economic reforms in countries such as Nigeria. The book considers the context of the National Economic Empowerment Development Strategy (NEEDS) with regard to the resolution of social conflict and violence in Nigeria¢s Fourth Republic.

Another relevant book to this study is the *social and political history of Nigeria*, 1970-2006. Ngozi Orijakor has attempted an examination of the critical issues in contention from one regime-military or civilian-to the other. She demonstrates in large depth of knowledge of the critical issues of the period. From the social angle, a major challenge was to build an egalitarian society of equal or fair opportunities to all citizens and to bridge what seemed an ever-widening gap between the minority õhavesö and the vast majority õhave-notesö. The extent to which these fundamental desiderata were attained remains controversial, not least because most of thee principal players shaping the political contour of Nigeria are still very much at thee helm of national affairs.¹⁷

Aaron T. Gana and Yakubu, *Democratic Rebirth in Nigeria*, provide critical analyses of the first four years of the post-military era in contemporary Nigeria. It carefully examines political institutions, political processes and specific policies of the new civilian leaders. The book is comprehensive and thematically rich in its coverage of Nigerian policies in the post-military era. Among the institutions examined are the National Assembly, the executive arm of government, and the political parties. The volume also analyzes other aspects of the post-military era including inter-governmental relationship particularly the relationship between the executive and legislative arms of the federal government. In addition, the volume probes the place of women under the, new

political system, and looks at the foreign policy thrust of Nigeria in the aftermath of military rule.

METHODOLOGY

The work cuts across various other disciplines such as political science, public administration, among others. Thus, using inter-disciplinary approach, the study draws from the data supplied by other disciplines such as public administration. Going by the nature of the subject area under study, that is, the economic reforms of Olusegun Obasanjo democratic administration, one will discover that it is relatively contemporary. Effort is being made, despite limitations of accessibility, to critically analyze and bring to the fore perspectives and issues relevant to the study. In methodology both chronological and thematic approaches were adopted for the general framework.

SOURCES

For this study, primary sources such as oral interviews and government gazettes have been used. Secondary sources of information such as books, journals, newspapers, magazines, seminar and conference papers which are relevant to this study, have been consulted.

ORGANIZATION

The study is organized into five chapters. Chapter one is the introduction, which gives the background, statement of the problem, purpose, scope and significance of the study, as well as the conceptual framework, literature review, methodology, sources and organization. Chapter two examines the political, social and economic issues prior Obasanjoøs administration. Chapter three deals with the reform in the communication sector during the administration. Chapter four looks at the economic reforms undertaken by the administration, particularly to combat corruption (Independent Corrupt Practices Commission and Economic and Financial Crimes Commission), Finally, chapter five is the conclusion, which contains summary and assessment.

REFERENCES

ORAL SOURCES:

- 1. Otese Simon, Lecturer, University of Agriculture Makurdi. Interviewed on April 18, 2011.
- 2. Okey Isikwe, Lecturer, University of Agriculture Makurdi. Interviewed on April 20, 2011.

SECONDARY SOURCES:

- 1. Richard A. Joseph, *Democracy and Prehendal politics in Nigeria*, Ibadan: Spectrum Books Ltd., 199, p. 45.
- 2. A.E. Afigbo et.al. *The Making of Modern Africa: The 20th Century*, England: Longman, 1975-p. 67
- 3. J.I. Dibua, õCollapse of Purpose; Ibrahim Babangida, 1985-1999ö in Levi A. Nwachukwu and G.N. Uzoigwe (eds.), *Troubled Journey, Nigeria since the civil war*, U.S.A: University press of America, 2004, p. 209
- 4. Ngozi Ojiakor, Social and Political History of Nigeria 1970-2006, Enugu: Ewans Press (Nig), 2007, p.112.
- 5. *Ibid.* p. 104
- Lai Joseph, Nigeria; Shadow of a Great Nation, Lagos: Dubeo press Ltd; 1995,
 p.314
- 7. http://www.wikipedia.com/nigeria
- 8. Olusegun Obasanjo and Akin Mabogunje, *Elements of Democracy* (eds.), Abeokuta: ALF publications, 1992.
- 9. Kayode Fayemi and Otive Igbuzor, *Poverty eradication in Nigeria* (eds.), Abuja: Centre for Democracy and Development, 2005
- 10. O.E. Alexander et. al, Science Today in Nigeria, Enugu: SNAAP Press ltd., 2002
- 11. Attahiru M. Jega, *Democracy, Good Governance and Development in Nigeria*, Ibadan: Spectrum Books Ltd., 2007.
- 12. Ralph C. Nwokedi, Revenue Allocation and Resource control in Nigerian Federation, Enugu: SNAAP press Ltd., 2001

- 13. Ralph C. Nwokedi; *Power Sharing in Nigeria Federation*, Enugu: SNAAP press Ltd., 2002.
- 14. Aja Akpuru-Aja and Emeribe C. Augustin, Policy and *Contending Issues in Nigeria National Development Strategy* (eds.), Enugu: John Jacobs publishers Ltd., 2000
- 15. Hassan Saliu et al., *Nigeria's Reform Programme: Issues and Challenges* (eds.), Ibadan: Vantage publishers, 2007.
- 16. Chuku Umuezurike, *State and Economy in Nigeria*, Enugu: SNAAP Press ltd., 2010.
- 17. Ngozi Ojiakor, *Social and Political History of Nigeria*, 1970-2006, Enugu; EWANS press Ltd., 2007
- 18. Frestinger and Katz, *Research Method in Behavioural Sciences*, New York: Chandler, 1966.

CHAPTER TWO

NIGERIA ON THE EVE OF OBASANJO'S RULE: AN OVERVIEW.

POLITICAL ISSUES

Before the 1999 general election and handover of power to a civilian President, a lot of issues played out in Nigeria® economic, political and social management. The nature of thee Nigerian state before the presidency of Obasanjo in 1999 stems from the inability of leaders to manage the state apparatus in a way that would aid the growth and development of the state. The political class has been described as a hybrid of sort reflecting Western values against a Nigerian background. Nigeria at independence inherited a weak socio-political structure, a defective and unbalanced federation, an intensification of ethnic consciousness and rivalries, a subverted indigenous ethos of government and culture, and above all, an inexperienced leadership. It us is not surprising therefore that due to insufficient time granted Nigerians in thee management of their own affairs prior to independence, the leadership bequeathed to the nation by the British authority lacked national consciousness and constituency. They were equally inexperienced in the art of governing a large complex state as Nigeria.

Party politics has been the bedrock of political activities in Nigeria since the colonial period, apart from the period of long military rule. Since Nigeria attainment of independence in 1960, different party systems have emerged. From independence to the First and Second Republic, there existed a multi-party system. Between the period of independence and the First Republic, the National Congress of Nigeria and Cameroon, the Action Group and the Northern People Congress, remained the most formidable parties in the country.⁴

In the Second Republic, that is, 1979-1983, the country also practised multipartism. The five political associations that fulfilled the stipulated conditions and requirements for party formation were registered as political parties in December 1978. These were the National Party of Nigeria (NPN), the Unity Party of Nigeria (UPN), Nigeria People Party (NPP), Great Nigeria Peoples Party (GNPP), and the Peoples Redemption Party (PRP). The NPN dominated the politics of the Second Republic.

In the botched Third Republic by Babangida that is, 1992-1993, the pendulum changed as the country witnessed the emergence of a two-party systems, following the

sudden cancellation of the eleven political associations formed by the politicians. The Babangida military government imposed two political parties, the Social Democratic Party (SDP) and the National Republican Convention (NRC), on the country. Following the collapse of the Third Republic and the emergence of Abachaøs military regime in November 1993, the nation was returned to a multi-party system.

Subsequently, three out of the nine political associations that contested the local government elections in December 1998, were finally registered as new political parties. These were the Peoples Democratic Party (PDP), All Peoples Party (APP), and the Alliance for Democracy (AD). Thus, the PDP emerged the dominant party in all the elections. The party had majority seats in local councils, state and national assemblies. It also won the governorship election in 21 states of the federation. Above all, the PDP¢s Presidential flagbearer, General Olusegun Obasanjo, (Rtd.) emerged the President-elect.⁵

During the First Republic, there was a parliamentary form of government structured along the :Westminster modelø in which there was a fusion of power between the legislature and the executive. However, the American presidential system of government in which there existed separation of power between the legislature and the executive was the pattern the country operated in the Second Republic of Shehu Shargari. In this regard, President Shagari was the key figure and the central institution within the constitutional frame of the new Republic.

In spite of the checks and balances entailed in the presidential system of government that was operated in the Second Republic, the constitution could not stand the test of time as the operators (the political class) failed to meet its hopes and aspirations. It became known that the Shagari regime was deeply engrossed in excessive acts of corruption, impropriety, mismanagement and squandermania. Therefore, the military in the guise of saving the situation, staged a ÷come backø into the political scene after only four years of experimenting the presidential system of government.

Following the collapse of the Second Republic and the return of military rule in Nigeria, there was no action initially to move the nation towards a constitutional government. The Buhari regime that took over power after the coup, concentrated attention on the resuscitation of the battered economy and had no time for any political programme. General Buhari made it abundantly clear that the issue of political

programme had to wait until the economy had improved drastically. He was still at the verge of economic resuscitation when his government was toppled in a õpalace coupö staged by General Ibrahim Babangida on August 27, 1985. On assumption of office, Babangidaøs first task was to abrogate some of the draconian decrees promulgated by the Buhari regime and set the victims free. He also pledged to respect human rights and disengage the military from governance. He then set the machinery in motion to produce a new constitution for the Third Republic.

Significantly, there were no fundamental changes to the 1979 constitution, e.g. the establishment of a two-party system, creation of traditional councils and conferring on states the power to create local government areas among others. Unfortunately, the constitution was merely promulgated and operated bit by bit. It did not wholly come into operation due to lack of full democratic governance in the country. To cap it all, the government of General Babangida annulled the results of June 12, 1993 presidential election which would have ushered in a properly constituted democratic government in the country.

The annulment of the June 12, 1993 presidential election by Babangida was the climax of political intrigues and manipulations embarked upon by General Babangida in order to realize his self-succession bid through a process of transformation from military to civilian president. The two presidential candidates, Chief M.K.O Abiola, of the Social Democratic Party (SDP), and Alhaji Bashir Tofa, of the National Republican Convention (NRC), contested on the tickets of the two government-formed political parties; hence, they both bore the implicit stamp of military consent and cronyism.⁹

Although the 1989 constitution was not allowed to operate, the military government of General Sani Abacha decided to produce a new constitution that would usher in the Fourth Republic in Nigeria. This represents the Sixth phase of constitution making in the country. It was preceded by the establishment in January 1994 of a Constitutional Conference Commission, charged with the responsibility of organizing a National Constitutional Conference. While inaugurating the conference on June 27, 1994, General Abacha observed that Nigeria had, since independence, been plagued by a vicious cycle of crisis. According to him:

Our nearly thirty-four years of sovereign existence have been beset with a history of continuous political uncertainties. We have had crisis of legitimacy, crisis of succession, crisis of authority and crisis of nationally accepted leadership. Our country is today resolved to terminate the vicious cycle of crisis. ¹⁰

A fundamental recommendation made by the constitutional conference was the division of the country into six geographical zones for the purpose of power sharing at the federal level, notably, the rotation of the office of the President, Vice President, Prime Minister, Deputy Prime Minister, Senate President and Speaker of the House of Representatives. The conference also recommended the establishment of a Federal Character Commission.¹¹

On October 1, 1995, Abacha announced a transition timetable for the restoration of democratic civilian rule in October 1998. This was a repetition of the Babangidaøs aborted transition programme, prescribing election into local councils, state assemblies, state governorship, the National Assembly and the Presidency. He also promised that the new constitution would include provisions for \pm otational power sharingø at federal and state levels as recommended by the constitutional conference. The idea of rotation gained popularity, particularly in the South. Rotational presidency was potentially seen as a panacea to the lingering political crisis and economic stagnation of Nigeria. As noted by the committee on power-sharing in the constitutional conference, opower sharing is invariably touching on questions of equity, fairness and justice in the allocation of the fundamental indices of power.ö¹²

The greatest obstacle to Abachaøs transition programme and the democratization process, however, was the politics of self-succession embarked upon by General Sani Abacha, who wanted to hand over power to himself in October 1998. Towards the realization of this objective, Abacha and his agents resorted to intimidation, blackmail and unbridled massive repression and elimination of all internal opposition.

The coercive measure employed included the enactment of draconian decrees in which the courts had no jurisdiction, preventive detention order facilitating the arrest and indefinite incarceration of human rights and pro-democracy activists, particularly leaders

of the National Democratic Coalition (NADECO), the cold assassination of prominent opposition leaders (these included Alfred Rewane, Mrs. Kudirat Abiola), the forcing into exile of some of the dissenting leaders (Prof. Wole Soyinka, Chief Anthony Enahoro, Lt. General Akinrinade, Prof. Bolaji Akinyemi, Senator Bola Tinubu and others), as well as the closure of õhostileö media houses. The first half of 1998 was dominated by General Abachaøs bid to succeed himself as civilian president on October 1, 1998. Apart from violating and ruthlessly suppressing all real and perceived opposition to the realization of his self-succession presidential ambition, he coerced the support of the five political parties.

On May Day, some notable pro-democratic activists, including Chief Bola Ige, and others were arrested in Ibadan and called õPrisoners of Warö by Col. Ahmed Usman, the Oyo State Military Administrator. Those arrested were alleged to have disrupted a pro-Abacha rally organized by Lamidi Adedibu and Arisekola. In spite of the widespread opposition to the decision to succeed him, Abacha might have succeeded himself had he not died suddenly on June 8, 1998.

There was an immediate succession by General Abdulsalami Abubakar, after the death of Abacha as the new head of state on June 9, 1998. Since then, the general political atmosphere improved as the self-succession saga was terminated. The first step taken by Abubakar, which received international applause, was the release of some political detainees, including General Obasanjo, who serving a 15-year jail term for his alleged complicity in the 1995 coup plot, Beko Ransome Kuti, human rights activist, Chris Anyanwu, publisher of the defunct TSM magazine and now a Senator, Ibrahim Dasuki, the deposed Sultan of Sokoto and the trade Unionist, Chief Frank Kokori.

General Abubakar, in the bid of rejuvenate the political structures established a new electoral body, the Independent National Electoral Commission (INEC), headed by Ephraim Akpata, a former university administrator. He also announced a new transition programme which set May 29, 1999, as thee hand-over date of power to an elected civilian president. This was followed up by the release of a full time-table of the transition programme by INEC. The promulgation of a new constitution (1999), into law was made. On May 29, 1999, as fixed by General Abubakar, a new democratic government was ushered in, which had Chief Olusegun Obasanjo as the President-elect.

By the time President Obasanjo took over the reins of government, Nigeria was more or less a pariah state among the comity of nations. The situation was foisted on the country by several military regimes, especially during the inglorious era of General Sani Abacha whose iron fist earned his regime more enemies than friends in the international community. The newly elected President saw the need to reintegrate the country into the mainstream of global politics, using diplomacy as baseline. He decided to do that by visiting various countries across the globe.

Within the first month of the Obasanjo presidency, the country was re-admitted into the Commonwealth, after a four-year suspension caused by the hanging of Ken Saro-Wiwa and eight others by the Abacha regime. Nigeria was also immediately elected into the eight-member Commonwealth Ministerial Group for the first time. The same year that Obasanjo became President, Nigeria was elected into both the United Nations Human Rights Commission and its sub-commission on the promotion and protection of human rights.

ECONOMIC ISSUES

The Nigerian economy has had some problems since the attainment of independence. Successive governments, both military and civilian have tried to offer solutions. What are not generally agreed upon are the explanations or causes of this economic crisis and solutions to it. Some have blamed the crisis on the disarticulated nature of the economy; others blame it on military rule which lacked public accountability and was enmeshed in the passion for primitive capital accumulation. Others have blamed it on the blocked capitalist thesis, yet others blamed it on the corrupt practices of those at the helm of affairs. Others have explained it in terms of thee present global recession.

The most recent Nigerian economic crisis prior to the Obasanjoøs administration started in the early 1980øs. This does not mean that between 1960 and 1981, Nigeria did not witness economic problems or acquire debts. Indeed, the economic strategies of õtransfer of technologyö and õimport and substitution industrializationö which were adopted after independence did not address the structural problems and contradictions of the Nigerian economy and served to predispose Nigeria to foreign borrowing or loans.

The crisis of the 1980¢s was occasioned by the fall in the price of oil in the world market and worsened by the contradictions of dependent accumulation pattern and a preponderantly mono-cultural economy based on oil. Nonetheless, it suffices to say here that the Nigerian economy is characterized by lack of organic linkages between agriculture and industry, production and consumption, an autochthonous capital base, development of indigenous manufacturing sector, heavy debt burden, high unemployment rate, inadequate provision of social services and poor maintenance of infrastructural facilities, etc. All these were clear manifestations of a neo-colonial capitalist economy.¹³

Various attempts have been made by successive Nigerian governments to tackle this menace through all sorts of policy consideration ranging from \div green revolutionø to \div austerity measuresø and lately, \div structural adjustment programmeø (SAP) and the (privatization and commercialization) policy. It should be noted that SAP and the privatization policy were foisted on the Nigerian military regime by the World Bank and IMF. These agencies introduced various policies such as the Agricultural Development Programme (ADP) and the River Basin Development Programme (RBDP), etc., which have all failed.

Agriculture was given a degree of attention by some successive governments of Nigeria, especially the Shagari administration. The crucial issue is that the strategy or approach had always been faulty and served as conduit for primitive accumulation and siphoning of external loans taken for each programme. To date, the peasant is still the major source of food production in Nigeria, yet the õpeasant questionö has not been properly addressed and tackled. It is not surprising therefore that the external policy measures have not resolved the crisis but have rather deepened it.

The British carefully created and promoted a class of comprador bourgeoisie chosen middle class professionals, bureaucrats and merchants (to serve as intermediaries between foreign interests and the indigenous polity and economy) and power relations that ensured the domination of the Nigerian economy by international capitalism. The colonial Nigerian state, at independence, was only able to consolidate itself and it was not transformed.¹⁴

Nigeria was caught in thee trappings of neo-colonial capitalist contradictions which have produced a distorted dominant capitalist class whose interest is not in the development of an autocentric capitalist economy. Olaitan highlights the organic relationship between the state and the economy in the development process. ¹⁵ Thus, for as long as the Nigerian economy is not in the firm control of Nigerians the state cannot be independent to pursue development projects for the well-being of the toiling masses.

Nigerian government at various times had established poverty alleviation programmes (PAP) to reduce poverty in Nigeria. The various PAPs had different structures and outlooks, but maintained the central objective of reducing poverty and making life meaningful for the masses. However, several studies on the various PAPs show that the past PAPs ended up benefitting the rich and not the poor, thereby increasing the inequality and poverty in Nigeria.

General Obasanjo first administration went for and established Operation Feed the Nation (OFN) on 21th May, 1976 as a poverty alleviation programme. According to Agedah, the main aim of OFN was to õmake the country self sufficient in basic food and impart on Nigerians a new sense of purpose and bring home to everyone the need for self-resourcesö. In a bid to achieve poverty reduction in Nigeria through food security, OFN embarked on provision and distribution of fertilizer, improved seedlings, pesticides and the necessary support services to the farmers to food security. The OFN also embarked on mass mobilization through radio, jingle, music, television and advert, etc., to create awareness. Regulation and stabilization of basic food prices such as rice, beans, etc. with a view of protecting both the farmers and customers.

The OFN embarked on restructuring of the existing Nigerian Produce Marketing Company (NPMC) and other State Marketing Board as a way forward. Despite the above activities of OFN, it could not achieve her set objectives as the programme could not in any way reduce poverty in Nigeria. The OFN viewed Nigerian poverty from agricultural sector only and neglected other sectors, such as socio-cultural, political, economic, technological, national security, etc. It was obvious that the wide gap between the policy formation, policy implementation and monitoring of the programme accounted for the total failure of OFN.¹⁷ While the Federal Government through OFN was town crying for increase in food production locally on one hand, the same government was busy

importing food items into Nigeria, thereby killing the desire for indigenous produced food. The Army Generals and top bureaucrats used the OFN as a better market where they acquired both lands and fertilizer at ease to the detriment of the masses.

The emergence of Alhaji Shehu Shagari in 1979 as an elected President of Federal Republic of Nigeria gave birth to another PAP in terms of insufficient food and distribution in Nigeria. Hunger was seen as the only consequences of poverty and such, could be tackled by empowering and improving the agricultural sector. To that effect, the administration established the Green Revolution (GR) programme as a PAP. The GR had two major objectives, namely, reducing importation of basic foods and improving crop and fibre production locally through mechanized farming.

The GR only survived as long as Shagari lasted in office as President, 1979-1983. At the end of the Shagari regime, the GR could not achieve its objectives. Foods were even imported more than ever, the local farmers were discouraged and food insecurity was on the increase. The GR only succeeded in making the top military officers, serving and retried politicians and bureaucrats wealthy than ever. The lands acquired by individuals were not even used for farming, rather as assets and collateral to enable collect bank loan for other investments. Indeed, the GR could not reduce poverty, rather induced poverty by enhancing income inequality and poverty in Nigeria.

The General Ibrahim Babangida administration established the highest number of PAPs in Nigeria; amongst the PAPs were National Directorate of Employment (NDE), Directorate for Food, Road, and Rural Infrastructures (DFRRI), Better Life Programme (BLP), Peoples Bank of Nigeria (PBN), Community Bank (CB), Mass Transit Programme (MTP), etc. The PAPs of Babangida administration were indeed the most diversified PAPs in Nigeria.¹⁹

The Peoples Bank of Nigeria was established on 3rd October 1989, though it is no longer in operation now. It had a wider scope on poverty and is aimed at reducing poverty through financial empowerment of the poor. PBN was a financial institution established to provide soft loans for the lower and middle income citizens. Beneficiaries were given one year for repayment, and on complete repayment, such beneficiary is qualified for another loan. At the end of the day, the management was faced with crisis,

coupled with political influence; the bank could no longer operate effectively. Thus, the bank could not reduce the expected poverty.

Community Banks established on 16th July, 1991, with Dr. Akin Mabogunje as the Chairman of the National Board of Community Bank (NBCB). The Banks were aimed at promoting savings and extending credit facilities to small scale producers throughout the country.20 The Banks were meant to improve and empower the poor in Nigeria. Indeed, it is obvious that in the record of PAPs in Nigeria, CB is the longest surviving and has created impact on the life of the Nigerian poor. Although it has not totally alleviated poverty in Nigeria, but stand the wider chance of continuity and as such could continue to improve the life of the poor.

The National Directorate of Employment (NDE), was established in 1966 by the Babangida administration.21 The NDE was basically established to create jobs for Nigerians as a means of reducing poverty in Nigeria. The NDE had four basic programmes to achieve its objectives. They are the Youth Employment and Vocational Skill Development; Small-scale Industries; and Graduates Employment, Agricultural sector employment and Special Public Works. In 1987, NDE is reputed to have generated 142,075 jobs for Nigerians and in 1988 through the various programmes created another 94,365 jobs. In the same 1988, about 10,000 NDE graduates benefited from kits and material loans for the initial take off of their self-employment scheme. Ever since, the NDE has been making tremendous impact in job creation as PAP. Although, faced with some difficulties, which included poor implementation strategies, poor revenue allocation, corruption, political influence, ethnicity, etc., these difficulties had to an extent hindered the effective operation of the NDE. NDE was actually creating job opportunities, but not enough compared to the number of unemployed in the country.

The Better Life Programme (BLP) was established in September 1987 by then First Lady of Nigeria, Mrs. Maryam Babangida. The BLP had the following objectives: to raise the social consciousness of women about their rights as well as their social, political and economic responsibilities; to mobilize women for concrete activities, including seeking leadership position in all spheres of national life; to improve and enrich family life, and also improve the condition of children; Educate women on simple hygiene, family planning and importance of children; and to encourage and

institutionalize recreation.²² The BLP established markets in Lagos State and other States of the Federation. The markets were supplied with foodstuffs with the aim of making foodstuffs cheaper and affordable in Nigeria; Encouraged Nigerian women by providing financial assistance for their agricultural production, small scale business, craft works etc., through soft loans for them in PBN and CB; Introduction of some small scale industries to employ Nigerian and boost food production. Amongst the small scale industries are the Funta soap and pomade industries, Kankia groundnut extraction and processing centre, Ajiwa ceramic industry and the Malumfashi grain processing and catering services. All initiated by the Katsina State chapter of BLP.

The BLP organized trade fairs in Lagos and other states of the country. The BLP participated in foreign trade fairs-the 50th Servile Expo (Spain) in 1992 and subsequently in Atlanta, Georgia, Texas, Houston, Mali etc. These fairs showcased several products of Nigerian women and exposed their talents locally and internationally. BLP further recorded achievements in the areas of agriculture-teaching the rural women new skills in food production, preservation and packaging. In the educational sector, BLP in partnership with State agencies and ministry of Education organized literacy programme for rural women.²³ They organized campaign against child labour, abuse and trafficking, drug abuse and prostitution. BLP in conjuncture with UNICEF and Federal Ministry of Health educated the rural women on the need to participate in National immunization exercises. BLP made tremendous impact on the life of Nigerian women and recorded huge success in poverty reduction among the womenfolk. The programme was more or less hijacked by the elite and it ended serving the interest of the rich rather than the poor.

Directorate of Food, Roads and Rural Infrastructure (DFRRI) was established in January 1986 during the President Babangida® Nation-wide-broadcast, but was given constitutional life by Decree No. 4 of 1987. DFRRI was charged with the responsibility of improving and developing quality of life of the rural people, through provision of rural roads, basic infrastructures, increased food and industrial raw material output and facilitating agricultural activities. The basic areas of attention of the DFRRI as a PAP were in provision of rural roads, rural water sanitation; and rural electrification programme. By January 1990, DFRRI completed 22,260.24 kilometers of feeder roads and 4,000 water stations serving 5,101 communities were completed in different parts of

the country as part of its phase one project. Their achievement prompted their merging with the Federal Ministry of Agriculture to sustain and expand their focus in rural development by the Shonekan Administration.

When Obasanjo came to power, the economy was in shambles with foreign debts totalling over 30 billion dollars. As we have stated above, there were all sorts of experimentations and measures to revive the economy but none seemed to have succeeded in stemming the decline. In looking at the eight years of the administration of President Obasanjo, it must be stressed that some of economic measures had positive impact while others did not. One of the first tasks that Obasanjo set for himself upon assuming office was to redress the negative international status that the country had earned under the military. To say he succeeded in that would be an understatement. For not only has Nigeria regained its place of respect in the comity of nations, the reform programme and the governmentos fairly transparent and focused revamping of the nationos have earned it the confidence it never enjoyed before in the international business place.

But, perhaps, the greatest achievement of the administration so far was that it relieved the country of its external debt burden that previously sucked the nationøs finances, no matter how much it was serviced. Nigeria has exited the Paris Club of debtor nations, having settled some \$30 million debt while arrangements were on to exit the London Club. The ripple effect of this relief is, indeed, enormous. For the first time in decades, the government found it possible to pay the debt that was owed local contractors for years.

The Bank sector reform of the Obasanjo administration, under the leadership of Charles Soludo, has done a lot of good in the Nigerian banking sector. He announced a banking sector reform agenda which mandated all banks in the country to recapitalize to the tune of #25 billon minimum level of face liquidation. After an initial outcry against the directive, all operators complied with the directive and since then the banking sector has not remained the same again. The reform reduced the number of operators from 89 to 25 active and strong banks. The Soludo regime adopted the Wholesale Dutch Auction System, WDAS, for the sale of foreign exchange, which led to the convergence of the official and parallel foreign exchange rates.

As a result of the consolidation exercise, Nigerian banks are now financing multi-billion-naira mega projects in the manufacturing and telecommunication sectors. One of such projects was the \$150 million provided by a consortium of thirteen local banks to partly finance the Obajana Cement company in Kogi state, a company owned by the Dangote group. It is believed that this new trend of mega project financing by indigenous banks would jump-start the comatose economy. The banks are now further increasing their capital base through a combination of mergers and acquisition, in a second round of consolidation which is not policy induced, thereby increasing their capacities to fund long term projects.

National Economic Empowerment Development Strategy, NEEDS, the plank of the reform agenda, targeted the creation of seven million jobs between 2004 and 2007. To achieve this, the administration introduced several employment initiatives that have accounted for the decline in unemployment rate from 17 per cent in 2004 to 10 per cent in 2006.²⁴ One of the measures introduced to reduce unemployment was the establishment of the National Poverty Eradication Programme, NAPEP. The programme was introduced in 2001, to prosecute the Obasanjo administration crusade against poverty in line with the central objective of the United Nations Millennium Development Goal, MDGs. About 1,000,000 unemployed graduates were registered under the Mandatory Acquisition Programme, MAP. of NAPEP. Another group of about 140,000 unemployed youths were trained in over 190 different under the NAPEP MAP, 40,000 graduates were attached to manufacturing industries, construction companies and financial institutions since 2001.

A total of 2,000 units three-wheel vehicles, known as keke Napep, were distributed throughout the 36 states and the Federal Capital Territory for mass transportation on a credit-owner operator basis. NAPEP also disbursed micro credits to 10,000 unemployed beneficiaries in the information sector. The privatization exercise was another aspect that yielded good fruit under the Obasanjo administration. In the first instance, the first programme focused on the facility sector, to sell government shares in banks, insurance companies and oil marketing companies. Most of the institutions that were privatized like the power sector, the portøs terminal at Apapa, NICON, Tin Can Island and Calabar terminals, required huge dose of courage because they were truly the

ones that are described as the very live-wires of the economy. The privatization exercise was however, criticized because some of the property and industries were sold to politicians, their friends and relatives

A number of other economic measures were embarked upon by Obasanjo regime but this work would look at the reforms in the telecommunication sector, otherwise known as the telecommunication revolution that took off in 2001 and the anti-corruption crusade which was spear-headed by two key institutions, the ICPC and EFCC. As a matter of fact, these key areas have been discussed in chapters three and four, respectively.

SOCIAL ISSUES

Social issues and planning are closely related to economic ones. Any planning in health, education/housing and labour depends on how well the resources are managed and the way sectoral allocations are made and executed. The overall purpose of public programmes in Nigeria is for a sustainable economic and social development of the country. Some development elements and objectives are: to help countries define and carry out poverty reduction strategies; promote the social, economic, legal and political status of women in developing countries; to promote human development, including better education and health. The promotion of participatory processes both within and outside states structure contributes to social development goals.²⁵ This, the Nigerian government sets out to achieve.

From all indication, economic reform can facilitate social development through creating the condition for poverty reduction and greater investment in human resources development, such as in education and health programmes. Tackling environmental problems can involve helping local people manage the natural resources they use on a more sustainable basis, and thereby improve their quality of life. This can be said to contribute to aspects of social development in Nigeria. In helping people meet their social development objectives, successive Nigerian governments needed to look at what was happening within the country to understand the social reality so that, for instance, planned provision of services and infrastructure, actually corresponds to people own needs and situation. All the evidence from evaluations of the past aid by all donors is that

failure to address social and cultural issues has been one of the key reasons why projects have not achieved a sustainable impact in the country.²⁶

Successive administrations in Nigeria have differed over the strategy most likely to promote the development of the nation, but have agreed substantially over methods. The methods essentially are *development plansø Tordoff writes that there is a consensus that the instrument of both diagnosis and remedy to development is the development plan.27 This is probably why despite many instances of failure, development plans have not been abandoned and goes to explain why the pursuit of socio-economic development in Nigeria after independence was signalled by the acceptance of National Plans as the surest and most direct route to development.

It is important from this viewpoint to recall that Nigeria had since the past three decades embarked on development plans in order to accelerate the rate of growth of the economy and social status, and as well improve the standard of living of her people. This is quite understandable because when resources, material and manpower are scarce, it is important to assign priorities to the way in which they are allocated. Basically, because centralized national planning was widely believed to offer the essential and perhaps the only institutional and organizational mechanism for overcoming all obstacles to development, the question that faced Nigerian leaders have not been whether to plan or not, but what kind of development plan to adopt in dealing decisively with the problems of widespread poverty, large scale unemployment, technological backwardness, low physical infrastructure, illiteracy, urban congestion and environmental degradation. In this type of plan, it is expected that the power of the state is invoked to secure the implementation of a comprehensive development plan in order to achieve a given rate of economic, social and cultural growth and sustainable development.

The era of Rolling Plans is seen as part of a larger perspective plan and its role is to translate the larger vision into short-term reality. The key instrument of plan implementation is the National Annual budget^{.28} The instrumentality of Rolling plans was adopted in Nigeria in 1988, following which the First National Rolling Plan was launched in January, 1990. This was followed by the Rolling Plans of 1994-96, and that of 1997-1999. Good planning and governance in Nigeria require an accurate population database. But Nigeria is still striving to develop a timely and high quality population database. The

major sources of population database in Nigeria are still census surveys, vital statistics and administrative records. The 2006 population census plus post-enumeration survey provides added population characteristics and dynamics of data.

Despite Nigeriaøs continued efforts to improve the quality of life and standards of education, the population has continued to rise and impact on national development. In the past decades, unplanned population growth has virtually outstripped the social and economic development of the country. For instance, high fertility and large family size continuously impinge on adequate nutrition, education, healthcare, and good shelter that could be provided for all family members.

The housing situation in Nigeria was an issue of great concern of Nigerian population. Despite the emphasis of National Housing Policy on the need for every Nigerian to have access to adequate shelter, many urban and semi-urban areas are still plagued with shortage of housing, overcrowding and spread of slums and shanty towns. Housing in the rural areas are not planned to allow for effective development.

Labour force and unemployment have continued to impact national development while labour force production in Nigeria increased by leaps and bounds; the unemployment has increased at greater rate. Although a large population could be a great asset to the nation, population growth can place an extra demand on the ability of the economy to provide jobs for all new entrants to the labour force.

In 3rd National Development Plan, the then military government of Obasanjo embarked the sum of 2.5bn to provide some 202,000 housing working units, mostly for low and middle income families. Each of the 19 states was expected to have 8,000 units, while Lagos areas would have 50,000 units. The Federal military government, through the Federal Housing Authority (FHA) was to be responsible for fully financing 4,000 housing units in each state; the state was to bear the loss of providing the other 4,000 units.

President Shehu Shagari promised Nigerians that his administration would improve the quality to lives of the people, particularly in the area of providing cheap and affordable housing.²⁹ To prosecute this project, the then Honourable Minister of Housing and Environment, Arc. Ibrahim Bunu, proposed to build 40,000 low cost housing units

annually out of a target total of 200,000 units for the pan period. Though commendable as the scheme was, it did not record desired success.

The administration also made some improvement in the area of education. Prominent among these achievements included adoption of the revisited policy on education in 1981, introduction of Nigerian Educational Research Development Council (NERDC), amongst others. In addition, seven new Federal Universities of Technology were built. The administration made bold efforts to ensure that the quality of education was improved upon at the primary, secondary and tertiary levels.

With respect to the creation of local government areas, the Babangida administration collected the report of the Dasuki committee, political Bureaus, and that of National Service Scheme for local government employees. After critical assessment of their reports, the government came up with a far-reaching package of policy reform aimed at giving autonomy to local governments in Nigeria. Sequel to the request made to the political bureau for creation of more states, Akwa-Ibom and Katsina States were created in 1987. Shortly afterwards, Enugu Abia, Jigawa, Delta, Osun, Yobe, Kebbi, Taraba and Kogi States were created in 1991. In 1996, General Sani Abacha created additional six states which include Ebonyi, Bayelsa, Ekiti, Nassarawa, Gombe and Zamfara, thus, bring the total number of States in Nigeria to thirty-six.

The Abacha Administration established the Petroleum Trust Fund (PTF), headed by Retired General Mohammed Buhari. The body executed a lot of capital projects such as the construction of roads, supply of laboratory equipment and stationary to our schools, amongst others. The administration embarked on the reformation and reorganization of key institutions such as the military, the police, the customs, the judiciary, NITEL, NEPA, NNPC, the banking and industry and higher institution of learning.

In the health sector, the following number of health institutions spread in every LGA of every State of the Federation, were being rehabilitated. 76 comprehensive/primary health centres, 33 general hospitals, 29 teaching/specialist hospitals, the procurement of drugs worth #2 billion under the Drug Revolution Fund (DRF) Scheme, and sale to the public at 568 designated selling outlets nationwide. Rehabilitations of facilities of the National Institute of Pharmaceuticals Research and

Development (NIPRD) at Abuja, completion and commissioning of University of Maiduguri Teaching Hospital (UMTH) kidney centre at Maiduguri, establishment of two accident and emergency rescue centres for Federal Road Safety Corps, located at Birnin Yero (Kaduna) and Shagamu (Ogun).³¹

From the onset of Nigeriaøs independence, one such reform policy relates to the combating of corruption in the social, economic and political fabric of Nigeria. General Mohammed Buhari administration instituted several probe panels into various aspects of public institutions both in the Federal and State levels. While the probe at the Federal government level revealed gloomy pictures of corruption, the probes at the State level equally revealed more disturbing scenarios. The successive governments and administrations have continued this quest to combat corruption in Nigeria.

When Obasanjoøs government was sworn in on May 29, 1999, the electric power output was very low at between 1.520 megawatts and 140MW. It represented a power crisis and the expectations were high that there should be immediate improvement. The government accepted the challenge and promised to double the output in two years. It achieved this and output rose to 3800MW. But even this increase proved inadequate to the growing needs of the people and an economy on the quick way to recovery. Though the government achieved its target of doubling the output, it still fell far below the national power demand.

In health sector, efforts were not limited to primary healthcare, tertiary healthcare has equally received a major boost. About 10 teaching hospitals nationwide have been turned around. The teaching hospitals in Jos, Maiduguri, Port Harcourt, Ibadan, Lagos, Enugu, and Ilorin have so far benefited. Other achievements of the administration in the area of health are the National Programme on Immunization, which has recorded success in its renewed efforts at immunizing all Nigerian children up to the age of five against polio and other child killer diseases. The National Agency for Food and Drugs Administration and Control (NAFDAC) is another area where the administration has received accolades worldwide and has made many multinational drug manufacturing companies to return to the country for operation.

In education sector, the national mean scores in the studied skills did not exceed 400 per cent in any of the areas. This was the state of things two years before Obasanjo

assumed office. He set about fixing it. Thus, the Universal Basic Education (UBE) programme was born. Significantly, the administration UBE programme has moved the sector a notch up in its own right. The programme is a policy reform measure aimed at correcting the lapses in the area of basic education.

In conclusion, reform process in Nigeria did not begin with the Obasanjoøs democratic administration of 1999. Since independence in 1960, reform policies of varying degrees have been launched, some were modestly successful, while others were not due to mismanagement, poor leadership or lack of funds. But it is pertinent to know that the reform policies initiated during the Obasanjoøs administration succeeded more than that of his predecessors.

REFERENCES

- 1. Obi. C., Nigeria: Democracy on Trial, Lagos: A publication of NJJA, 2004, P.8
- 2. Solomon O. Akinbove and Remi Anifowose, Nigerian government and politics, in Anifowose Remi and Francis Enemuo, Elements of politics (eds.), Lagos: Sam Ironusi publications, 1999, p.15
- 3. *Ibid.* p. 244
- 4. *Ibid.* p.246
- 5. *Ibid.* p. 249
- 6. Billy Dudley, *An introduction to Nigerian Government and Politics*, London: Macmillan Press, 1982, p.159
- 7. *Ibid*.
- 8. Report of the Constitutional Conference containing the Resolutions and Recommendations, vol. 11, Abuja, 1995, p.43
- 9. Remi Anifowose, õPolitical Development in Nigeria to dateö, an unpublished paper delivered at the 1997 ICAN Mandatory continuing professional education, in Lagos, Ibadan, Enugu and Jos.
- 10. Report of the Constitutional Conference, containing the draft constitution, Abuja, 1995, vol. 1, p11
- 11. Ibid
- 12. Ibid
- 13. Bode Onimide, *Imperialism and Underdevelopment in Nigeria*, Ibadan: Macmillan Press Ltd., 1983, p.12
- 14. Gavin Williams, State and Society in Nigeria, Idanre: Afrografika, 1980, p.24
- 15. Wale Olaitan, õThe State and Economyø, A conceptualization in Adejan and Momoh, *The Political economy of Nigeria under military rule* (eds.): 1984-1993, Harare: SAPES Books, 1995.
- 16. D. Agedah, *The Military in Politics from Aguiyi-Ironsi to Ibrahim Babangida*, Lagos: Perception communications, 1993, p.67
- 17. F. Heady, Public Administration: *A comparative perspective*, New York: Mardel Deker Inc. 1979, p. 102

- 18. E. Akpakan, *Cross Road in Nigerian Development:* A Programme of Action for a better Nigeria, Port Harcourt: New Generation Publishers, 1987, p.18
- 19. J. Anyanwu et.al, *The structure of the Nigerian Economy* 1960-1997, Onitsha: Janee Education Publishers, 1997, p.31
- 20. Agedah, p.116
- 21. *Ibid.* p.127
- 22. Fab. O. Onah, *Managing Public Programmes and Projects*, Nsukka: Great AP Express Publishers ltd., 2010, p. 93
- 23. Ibid. p.95
- 24. Tell, President Obasanjo, His Unforgettable Years, 1999-2007, May 2007.
- 25. Fab.. p.30
- 26. Ibid.
- 27. W. Tordoff, *Government and Politics in Africa*, London: Macmillan Press Ltd., 1993, p.140
- 28. H. Alapiki, *Politics and Governance in Nigeria*, Owerri: Corporate Impressions, 2000, p.190
- 29. New Year message of President Shehu Shagari, 1st October, 1980, Ikoyi-Lagos, Published by the Executive office of the President, Department of Information, Domestic Publicity Division.
- 30. Sam Ugwu, Federal System, The Nigerian Experience, Enugu: Echisis, 1998, p.42
- 31. Easterly Williams, *The Elusive Quest for Growth*, MIT Press, 2002, p.248
- 32. Daily Times, January 17, 1970. P.1

CHAPTER THREE

INFORMATION, COMMUNICATION AND TECHNOLOGICAL REFORM, 1999-2007

The Olusegun Obasanjo administration of 1999-2007, saw Information and Communications Technology (ICT) as vital parts of the nation infrastructure as its economic development depends, to a large extent, on the efficiency of its communications systems. This is because the closeness of any two given communities is really not dependent on the physical distance between them but more on the accessibility of various means of communication. These foster not only intra-community relationships at various levels in the country but also enhance the fundamental basis for relationship between the country and the rest of the world. It was on this basis that his reform on ICT was inevitable.

To him, Information had become a major factor to be considered in the socioeconomic development of every nation. ICT now plays a major role in education, learning and research in general, agriculture, health, commerce and even in poverty alleviation, by generating or creating new jobs and investment opportunities. Prior to his ICT reform, the Tele-density (number of telephone lines per 100 people) in Nigeria was about 0.5, while that of South Africa was 10.1¹

The internet connectivity index shows the same trend for telephones. His Government had therefore recognized the urgent need to develop the National Information Infrastructure (NII) for access into the Global Information Infrastructure (GII) for Nigeria to be part of the information society. In recognition of the above, the Federal Government of Nigeria embarked on major steps to build a solid foundation for science and technology for national developments. Some of the steps taken included launching of new National Telecommunication policy in September 2000 to further liberalize the sector; declaration of information communication as a national priority project; the approval of the National Policy on Information Technology by the Federal Executive Council (FEC), and establishment of NITDA as the implementing organization; the launching of a programme for the Nigerian Satellite System by the National Space Research and Development Agency (NASRDA).²

Before Obasanjoøs regime, the provision of postal and telecommunications services in Nigeria was, for a long time, delivered by public sector monopolies (NITEL and NIPOST). However, in an attempt to enhance service delivery during Obasanjoøs administration, the Government licensed a number of private companies to provide courier, telephone operators, GSM and other related services and the sub-sector has grown tremendously into a multi-trillion naira range of activities.

The overriding objective of the National Telecommunications Policy of Obasanjo was to achieve modernization and rapid expansion of the telecommunications network and services. This would enhance national economic and social development, and integrate Nigeria internally as well as into the global telecommunications environment. Telecommunications services should, accordingly, be efficient, affordable, reliable and available to all.

The rapidly changing nature of technology in telecommunications made it difficult to set long term policy objectives; therefore, the administration thought it to be more appropriate to set short to medium term policy objectives with the following time frames: short term (3 years) and medium term (5 years).

The functions of the Nigerian Communications Commission (NCC) which was in existence but became formidable and more operational during the Obasanjoøs administration, as a result of the NCC policy reform, included the following:

- 1. Licensing of telecommunications operators;
- 2. Assignment and national frequency to duly licensed operators;
- 3. Administration of national numbering plan
- 4. Facilitating private sector participation and investment in the telecommunications sector of the Nigerian economy;
- 5. Promoting and enforcing a fair competitive environment for all operators, as outlined in this policy;
- 6. Promoting and enforcing a fair competitive environment for all operators, including tariff regulation as outlined in this policy.
- 7. Establishing mechanisms for promoting universal access to telecommunications services in Nigeria, as outlined in this policy;

8. Establishing and enforcing technical operational standards and practices for all operators including the imposition of penalties for violations.

Ensuring that the public interest is protected.³

The National Telecommunications Policy shall be implemented through the following instruments:

- An implementation machinery shall be set in motion immediately after approval of the policy;
- A National Telecommunications Forum shall be organized by the Ministry of Communications with the participation of relevant organizations and stakeholders; and
- Annual reports on telecommunications development in Nigeria shall be prepared and published by the Ministry of Communications.⁴

The policy shall be reviewed from time to time by government to take cognizance of changes in standards, technologies, markets, and any other matters that may arise from its implementation.

The global trend is to evolve telecommunications policies that integrate the advantages of rapid technological developments in telecommunications, broadcasting, and the global information super-highway. Consequently, Nigerian communication laws should be reviewed and made more all encompassing in line with the international best practices, towards convergence of technological and market forces in the communications and information technology.

MOBILE COMMUNICATION

Telecommunication is a general term for a vast array of technologies that send information over distances. Mobile phones, landlines, satellite phones and voice over internet protocol (VOIP) are all telephony technologies-just one field of telecommunications. Radio, television and networks are a few more examples of telecommunication. While most people associate telecommunications with modern technologies, the strict definition of the term encompasses primitive and even ancient forms of telecommunication. Among these is the use of smoke signals as a kind of visual telephraph.⁵

The importance of communication in any country whether developed or developing is so obvious. In fact, the interrelationship between the economic development of a country and effective communication services is so interwoven that it is difficult to tell which one comes first. Suffice it to say however, that most developed nations have the more developed telecommunication infrastructures and services.

While the existence of information does not necessarily ensure its use, the real value of an information system lies in the servicing of specific user needs. In order to solve this problem, and hoist the country on the path of greater technological and over all socio-economic development as well as create a new lease of life for the citizenry, the Obasanjoøs administration planned increase in penetration of telecommunications services which was seen as a welcome development for national growth.

To Obasanjo, every facet of the basic rights is dependent on telecommunication. Such basic rights of the individual as the right to life, the right to personal liberty and dignity, the right to free expression and information and right to free movement, all of which enhance the quality of life of the individual, are facilitated by communication. Telecommunication is both dynamic and capital intensive. Its necessity for the commercial, socio-economic and political development of the country made Obasanjo to see the need for an orderly and efficient development of infrastructure in Nigeria.

For almost 40 years after independence, Nigeria did not witness significant growth in her telecommunications sector. There were no infrastructural developments and thee number of telephone lines was grossly inadequate. Decades later at the inception of President Obasanjoøs government in 1999, there were only 700,000 telephone lines out of which only 450,000 lines were said to be functional, an indication that the growth was less than 10,000 lines per annum. NITEL, the national telecommunications carrier and a government monopoly, was characterized by inefficiency and poor service delivery, prompting a deregulation of the sector in 1996, with the issuance of licences to private telephone operations, PTOs.⁶

The overall national objective on telecommunication may be stated in general terms as the provision of modern, efficient, reliable and adequate telecommunications services in the country subject to the constraints of available resources. In addition to the overall national objective of the communication reform of Obasanjo, there are several

sub-objectives which deal with specific aspects of telecommunications such as types of services to be provided, quality of service, operational and equipment standards, etc. These objectives have often led to a set of policies within the framework of the national policy.

The Nigerian Communication Commission, NCC, which was established in 1993 to regulate the sector, made little achievement as telephone facilities remained the exclusive preserve of government and a few privileged Nigerians. Following the dismal performance of the PTOs, the Obasanjo administration embarked on a restructuring of the sector, in line with government economic reforms programme, through the policy of liberalization, deregulation and privatization. A review of the 1987 telecommunications policy, which eventually led to the release of a new National Telecommunications Policy in 2000 kick-started what is now referred to as a revolution in the telecommunications sector, but the real revolution came in 2001 with the successful auctioning of the 2G digital mobile licences by NCC.

The long term objective of this communication policy of Obasanjo was to enable all Nigerians have access to all forms of modern information and communications technologies and services. This would support the economic, social, and political development of the country and its integration into the global information society. Government encouraged the development of telecommunication services in the rural areas to promote rapid socio-economic development. Furthermore, our educational institutions would be afforded access to basic and advanced telecommunications services in order to enhance and sustain educational standards nationwide. Toward these ends, the Government, the Ministry, the Nigerian Communications Commission and other public agencies, as well as all private operators and market participants, would collaborate on the development and implementation of policies and strategies to achieve these goals as rapidly and effectively as possible.

Obasanjo thought it wise that a developing country like Nigeria that wants to participate effectively and become equal partners in the emerging global market needed to have in-place a functional and efficient telecommunications system. In order to be relevant in this new millennium and beyond, Nigeria must join the international telecommunications network as a step towards improving and positioning itself to

compete in the economy. Global telecommunications provide the opportunity for a country to share in the wave of science and technology developments, and the general economy in positive ways that account for the remarkable economic growth in advanced countries and the newly industrialized countries.

No doubt, the world is fast becoming a global village and a necessary tool for this process is communication, of which telecommunication is a key player. The quantum development in the telecommunications industry all over the world is very rapid as one innovation replaces another in a matter of weeks. A major breakthrough is the wireless telephone system, which comes in either fixed wireless lines or the global system for mobile communication (GSM),⁷ which was launched in Nigeria under the Obasanjoøs administration.

The development of GSM in the world and Nigeria in particular, was prompted by the need to provide seamless telecommunications through Europe. Back in the early 1980s, analogue mobile telephony was growing rapidly and operators found it increasingly difficult to interconnect the various networks in Europe. This was so because each implementation of the analogue service was fundamentally different, which made inter-working a serious challenge. To address this challenge, a study group called -Group Special Mobileø (where GSM got its name) was formed and was tasked to provide a standardized system for mobile telephony. Out of this group (and seven years later), the GSM standard was realized. January 1992, the first GSM network, OY Radioing AB in Finland went on air. Today, GSM covers 1.2 billion users on 630 networks in over 210 countries, and is the fastest growing technology of all time.

When Nigeria gained her independence in 1960, there were only 18,724 functional telephone lines for an estimated population 45 million, which was a Tele density ratio of 0.04 telephones per 100 people. During the thirty-odd years of military rule, there was very little by way of investment in telecommunications, and other sectors did not fare better. But with the transition to civil rule in 1999, the story changed, as reforms at various capacities were launched, thus, changing the countryøs tele-density ratio to a higher percentage.

According to the International Telecommunication Union, by 1996, Nigeriaøs Tele-density ratio was a mere 0.36. It rose slightly to 0.4 by 1999 according to the

Nigeria Communication Commission (NCC). Nigeria Tele-density was a far cry from the African average of 1.67. Even the NCC admits that Nigeria has had a very limited telephone network for many years before the reform of Obasanjo and the waiting list is estimated at over 10 million people, who have applied to the incumbent monopoly, NITEL (established in 1985) for services.

However, with the liberalization of the telecommunication industry in 2001, the story changed dramatically. The Tele-density ratio had tripled within just one year of GSM operation. By May 2005, Nigeria, with an estimated population of 128, 771, 988, had more than 9million GSM subscribers, making the country one of the fastest growing GSM markets in the world. The GSM revolution in Nigeria began in August 2001 and changed the face of Information and Communication Technology in Nigeria, under the then President Olusegun Obasanjo administration. Nigeria is often identified as the fastest moving economy and one of the most advanced ICT market sectors in the Africa. It has the largest population in Africa, and Nigerian market¢s high level of sophistication makes it an existing and attractive market. In just a few years, Nigeria has become the telecom hotspot for both telecom operators and equipment suppliers. ¹⁰

Tariff, connectivity, customer services, coverage, free sms are the main feature of network services. All the above are evaluated by the subscribers when they are making subscribing decision in Nigeria. However, under the keen competition of different GSM network providers in Nigeria, every GSM network provider hopes to understand subscriber preference in order to give the best services to subscribers.¹¹

Since 1999, the NCC has issued various licences to private telephone operators. These licences allow private telephone operators (PTO) to roll out both fixed wireless telephone lines and analogue mobile phones. The return to democracy in 1999 however paved the way for the granting of GSM licences to three service providers, MTN, ECONET and NITEL plc in 2001, with GLOBACOM joining in 2003. 12

In Nigeria, the National Economic Empowerment Development Strategy (NEEDS), an economic empowerment strategy of the Obasanjo administration, highlights the nation socio-economic development aspirations. Specifically, it call for the reform of the public sector, enabling a robust private sector-led economy and the implementation of an effective social charter to reduce poverty, create wealth, generate employment and

re-orientate national values. One fundamental feature is that it clearly delineates responsibilities between government and the private sector. While government would provide the enabling business and regularly environment, the private sector is to invest in and manage ventures that stimulate and support socio-economic development.

Under the Obasanjo administration, GSM mobile communication was one of the most explosive developments ever to have taken place in the telecommunication sector. ¹³ Marrying the convenience of mobility with the rich multi-media content of thee internet, it has become a good riddance to bad rubbish. In addition, the integration of the mobile phone-palm-sized computer cameras and content related information makes it almost inevitable that the ubiquitous access point to the telecom is the PC but some form of mobile appliance. Audile describes GSM as part of evolution of wireless system mobile telecommunication that includes high speed circuit, switched data, general packets radio system and universal mobile telecommunication service. ¹⁴ According to him, the overall system definition for GSM describes not only the air interface but also the network.

The Nigerian telecommunications sector is one of the better performing sectors of the Nigerian economy and one of the fastest growing employers of labour in the country since its inauguration in 2001 by Olusegun Obasanjo. Three companies (NITEL, MTN, and ECONET) were licensed to provide GSM cellular service nationwide in 2001. As of 2004, the sector had an impact of creating 5000 jobs directly and more than 400,00 indirectly. In 2006, estimates placed the telecommunication industry revenue at \$1.2 trillion or just under 3% of the gross world product. Its importance on economic and social development cannot be underestimated. Although deregulation of the telecommunications sector in Nigeria began in the 1990 with eleven companies given licence to provide fixed-line services to consumers, it was not until the arrival of mobile phone operators in 2000 and its inauguration in 2001 by Obasanjo, that the Nigerian telecommunications market took-off. 16

The administration organized a workshop held on Information technology policy in Abuja in March, 2000 to bring together all major stakeholders in information technology to consider all aspects of information technology policy in order to develop an IT policy framework. Professional bodies such as the Computer Association of Nigeria (COAN), the software professional bodies such as the Computer Association of

Nigeria (COAN), the software professional bodies and others submitted proposals to the Federal Ministry of Science and Technology (FMST) on a national IT policy. Several sub-committees set up by the FMST worked on various aspects of sectoral applications of IT towards the promotion of the draft policy on Information Technology.

The Federal Executive Council (FEC) approved the implementation of the draft IT policy early in March, 2001. The stage was therefore set for the development of IT infrastructure and the creation of an enabling environment for private sector initiative and investment to drive thee IT industry. The vision of the IT policy which was set by Obasanjo was to make Nigeria an IT capable country in Africa and a key player in the information society by the year 2005, using IT as the engine for sustainable development and global competitiveness. Nigeria stood tall in Barcelona, Spain as industry and thought leaders in global telecom gathered in February for the 3rd GSM World Congress of the GSM Association. According to a survey report by Price-water-house Coopers for the GSM Association, Nigeria has run a regulatory regime that has impressed the world, adding, ôThe Third World and emerging markets have something to learn from Nigeriaøs regulatory environmentö. The stage of the development in the stage of the development in the information society by the year 2005, using IT as the engine for sustainable development and global competitiveness. Nigeria stood tall in Barcelona, Spain as industry and thought leaders in global telecom gathered in February for the 3rd GSM World Congress of the GSM Association, Nigeria has run a regulatory regime that has impressed the world, adding, ôThe Third World and emerging markets have something to learn from Nigeriaøs regulatory environmentö.

Such commendations became common for the Nigerian Communications Commission (NCC) with the appointment of Eng. Ernest Ndukwe as the Executive Vice Chairman by Olusegun Obasanjo. NCC has also provided a foresighted and enabling regulatory environment that has contributed to the growth of the Nigerian telecom sector and successful sector reforms of the administration. Part of the NCC reforms of the sector, was to modernize and expand the telecom network and services. Mobile cellular lines grew from 35,000 in early 2001 to 18.5m as at December 2005; Nigeria¢s Teledensity increased from 0.45%; strong inflow of foreign investments, estimated at \$10b between 2001 and 2005, making telecommunications the largest generator of foreign direct investment into the economy after the oil and gas sector.¹⁹

The sector has also impacted tremendously on the social and economic lives of Nigerians, irrespective of where they reside in the rural or urban centres. Telephones are no longer for the rich only as connection costs and tariffs continue to fall. The SIM cards for instance, which sold for N15,000 naira in 2001 now goes for less than #300. The prices of mobile devices like handsets have also gone down, making them affordable.

The sector provides employment, both direct and indirect, to millions of Nigerians who could have remained unemployed. Most youths have taken to operating umbrella call centres and recharge card vending, thus expanding the informal sector of the economy. Most businesses have been revolutionalized by leveraging on to telecommunications. The market for mobile handsets, accessories and recharge cards is also expanding.

Nigeria has the highest number of Internet users on the African continent. Much of the recent growth has been attributed to the number of people accessing the internet using their mobile phones. According to analysts at Nielsen Online, an internet research group, 7.3m Nigerians accessed the internet using mobile phones during the second and third quarters of 2008, representing a change in 25% while those who accessed the internet using a PC slumped by 3% during the same period. It is thought that the increase in mobile internet use is due to operators offering flat-rate tariffs for data, more user-friendly handsets, and improved network technology. The pattern of use also indicated that mobile users were going online to catch up on weather, sports and news as well as the e-mail.

Ernest Ndukwe opined that the period from April 2000 when the Board of the Nigerian Communication Commission was inaugurated, to April 2005 can be described as the era of Telecommunication Revolution in Nigeria.²¹ The National Telecom Policy was revised and published in year 2000 and a new Communication Law enacted in year 2003. Several regulations and guidelines were also enacted and published for the guidance of the industry.

The result is a massive growth in subscriber lines from less than 25,000 analogue mobile lines in the country in May 2000 to about 12.8m digital mobile lines by the end of May 2005. Fixed lines grew from about 450,000 lines to over 1.2m lines during the same period. Thus giving a total subscriber level of about 14m lines. According to him, ICT remained a priority of the Federal Government and an important sector in the reform agenda of President Olusegun Obasanjo administration.

The maxim, õGovernment is news and the news is governmentö, was very true of radio broadcasting in the past. The over 50-year-old Federal Radio Corporation of Nigeria, FRCN, like other government-owned media, was regarded as a government organ of propaganda. This negative view created a credibility problem which the corporation had to contend with for years. But since the enthronement of democratic rule in 1999, government has provided an enabling environment for FRCN to discharge its traditional functions more efficiently, without government interference.

The Obasanjo administration saw the media as an indispensable agent of development in the nation, given their invaluable contribution to governance as a watchdog and partner in progress with other arms of government. In a developing country like Nigeria, the mass media have been instrumental in the delivery and consolidation of the current democratic experience.

In modern day government arrangement, especially in democratic politics such as Nigeria, among others, there exist three arms of government, namely, the executive, the legislature and the judiciary with the media being the fourth as it is an institution that checks the excesses of the other three arms. The history of modern media of mass communication in Nigeria dates back to 1859 when a newspaper, *Iwe Irohin*, was established by a cleric, Henry Townsend, in Abeokuta, in todayøs south-west Nigeria. The print media sub-sector has grown tremendously over the past 148 years. There are over 100 newspapers and magazines, most of them owned by private commercial interests. The *New Nigerian*, originally owned by governments of the 19 northern states and taken over by the federal government in 1976, was transferred back to its original owners in 2006.²² The federal government divested from the *Daily Times* in 2003 under its privatization Programme of the Obasanjoøa administration.

The biggest and most vibrant newspapers and magazines are located in the Lagos area, the countryøs commercial capital. The most influential newspapers include *The Punch, The Guardian, Vanguard, Daily Trust, This Day, Nigerian Tribune, The Nation, The Sun* and *The Daily Independent*. Among the news magazines, *Tell, The News, Newswatch, The Source* and *The Insider* have the strongest influence. Indigenous language newspapers, which grew remarkably over the past decade, are competing strongly with

their English language counterparts. Some circulate to all parts of the country. The most influential one are *Gaskiya* (Hausa language) and *Alaroye* (Yoruba).

There is one official news agency, the News Agency of Nigeria (NAN), established in 1976 with offices in all states of the country and serving both print and broadcast media. The agency comes under the Ministry of Information and is supervised by a board appointed by the Minister. The act establishing NAN guarantees the agency a monopoly for gathering and disseminating news. The broadcast sector has expanded in the past ten years of civil rule. Stations owned by the federal government have embarked on fresh expansion programmes, since the media reform of Obasanjo, the Federal Radio Corporation of Nigeria (FRCN) established 32 new stations while the Nigerian Television Authority (NTA) built 95 new stations. These were to operate with full-blown programming. All the state governments operate radio stations, and most run television stations, and most run television stations as well. Radio broadcasting was introduced in Nigeria in 1932 as an experiment of the empire service of the British Broadcasting Corporation (BBC).²³

Before the transition to civil rule in 1999, full broadcasting services in the country began with the establishment of the Nigerian Broadcasting Service (NBS) in 1952. The NBS was transformed into the Nigerian Broadcasting Corporation (NBC) in 1956. Seizing the opportunity of colonial constitutional review which gave federal and regional governments concurrent powers in the ownership of broadcasting stations, the government of the western region established television and radio stations in 1959. The governments of the eastern and northern regions followed suit in 1960 and 1962 respectively. The federal government also set up a television station in 1962.²⁴

After the military had overthrown the civilian constitutional government in 1966, it created 12 states to replace the regions as the second tier of government. New states established their own broadcasting stations. The federal broadcasting corporation, NBC, also began to expand in 1967, building a station in each state. But this was reversed by a policy change in the 1970s. Government ordered the transfer of most NBC stations to the states, with the exception of those in Lagos, Ibadan and Enugu, and added the Kaduna station of the Broadcasting Corporation of Northern Nigeria. It also transformed the NBC into the Federal Radio Corporation of Nigeria (FRCN). At the same time, the government

centralized all federal and state television stations under the control of a new body, the Nigerian Television Authority (NTA).

When the country returned to civilian rule in 1979, state governments exploited a constitutional provision which granted them powers to establish new television stations. Federal radio also expanded its operations through building stations in all states. The military seized power again and scrapped the new federal radio stations in 1984. In another reversal of policy, government promulgated a decree in 1992 which established a regulatory body, the National Broadcasting Commission (NBC), and opened the door to private participation in the ownership and operation of broadcasting stations. The NBC began its work in 1993 and issued the first set of licenses the same year.

Under the Obasanjo administration, the NTA and FRCN started on a new expansion programme with the setting up of more stations beginning in 2000/01. The FRCN has already relaunched its network nationwide to take care of various interests. Radio Nigeria 1 is now known as Radio 1, while Radio Nigeria 3 has been renamed Bond FM. Metro FM is now a city station for listeners in Lagos. The administration initiated a review of the 1990 mass communication policy in 2004, and started to design new policies for community radio development and frequency spectrum management in 2006.

The present management of FRCN, has transformed the corporation to uplift the people and unite the nation through its programmes. Another achievement of the FRCN is the digitalization of its FM stations to improve its audio quality as well as the expansion of its station nationwide. Beyond these, FRCN has introduced many innovative programmes which have given a boost to its listenership. With the proposed privatization of government media, the stage appears set for a new dawn in the nationøs information sector.

NTA, indeed witnessed a revolutionary transformation in terms of programming infrastructure development and network expansion in the first few years of the Obasanjo administration, and now leads the change in Nigeria@s media landscape. From 21 in 2003, NTA now has over 68 transmitting stations, 47 of which were either completed or rebuilt and then commissioned by the Obasanjo@s administration. The establishment of NTA International is considered a significant achievement. President Obasanjo, who commissioned the international arm of the NTA, November 2006, charged the broadcast

outfit to project the good image of the country. For all its achievements since 1999, NTA has been receiving recognition, both nationally and internationally. Its viewership is said to have increased from 30 million to 90 million within a few years.²⁵

In 2001 member states of ECOWAS, Nigeria under the administration of Obasanjo, adopted a protocol to the treaty which established standards on good governance to apply in the West Africa region. Heads of state agreed to respect a range of principles relating to free political activity, the rule of law and respect for human rights. One of these principles, set out in section 1.1 (k), is that: The freedom of the press shall be guaranteed.²⁶

Under the Obasanjo administration, African Charter on Broadcasting 2001 (ACB), was adopted by media practitioners and international media and other human rights organizations at a UNESCO conference to celebrate ten years of the Windhoek Declaration. Although it has not been endorsed by any inter-state structures, it represents a consensus of leading African and other international experts on freedom of expression and media. The Charter specifies, amongst other things, that there should be a three-tier system of broadcasting (public, private and community), demands that all state and government controlled broadcasters should be transformed into public service broadcasters, and states regulatory frameworks should be based on #respect for freedom of expression, diversity and the free flow of information and ideason.

The Nigerian Press Council Act 85 of 1992 and the Nigerian Press Council (Amendment) Act 60 of 1999, by Obasanjo establishes a statutory media regulatory body, the Nigerian Press Council. Its governing body consists of a chairman and sixteen other members, including a secretary. These members are to be drawn from such constituencies as the Nigeria Union of Journalists (NUJ), the Nigerian Guild of Editors (NGE), the Newspapers Proprietors Association of Nigeria (NPAN), the Broadcasting Organizations of Nigeria (BON), educational institutions, the News Agency of Nigeria (NAN), the general public and the federal ministry of information.²⁸

In order to qualify for registration, the Act stipulates that a person shall have attended a course of training (in journalism/mass communication) at an institution approved by the NUJ, or shall have acquired not less than five yearsø experience in journalism before the law came into effect. In addition, an applicant for registration must

satisfy the Council that he/she is of good character, has attained the age of 18 years, has not been convicted of an offence involving fraud and dishonest, and has a good knowledge of the politics and socioeconomic affairs of the country acquired from an approved institution.

If the 1992 law gave rise to a certain amount of criticism, its subsidiary, the 1999 Amendment Act, attracted strong condemnation from stakeholders. Its controversial provisions include: (i) the powers of the council to register journalists as well as newspapers and magazines annually; (ii) the imposition of sanctions on journalists who fail to register (fine of between N3 000 (US\$ 25) and N5000 (US\$ 41) or imprisonment for a term not exceeding two years, or both fine and imprisonment); (iii) the replacement of an industry-wide ethical code by a new version to be approved by the council, and (iv) a series of penalties ranging from a fine of N30000 (US\$250) to six months suspension from practice.²⁹

Between 1993 and 2001, a total of nine television, eight radio, two global satellite television and 15 satellite re-transmission stations were licensed. In 2002, during the Obasanjo administration, a further 16 radio and five television licences were granted. The latest batch of licence approvals for 28 radio and ten television stations was announced in February 2007. Seventeen private stations now operate in the radio category, 14 in television and 38 in pay-TV. The Obasanjo government said it was committed to enhancing diversity in the sector to achieve goals which include democracy-building. Announcing the 2002 set of licences, information minister, Prof. Jerry Gana said that #this administration in issuing these licences is demonstrating its firm belief that only an enlightened citizenry can sustain democracy@30 His successor, Frank Nweke Jnr, also told industry stakeholders in July 2006 that #the government appreciated the importance of a plural and diverse media landscape in the expansion of the country@ democratic space.

The administration made commercial radio licensing in two categories: Category A, which applies to locations in Lagos, Port Harcourt and Abuja, attracts a fee of N20 million (US\$ 167000) while category B, which is for all other locations countrywide, costs N15 million (US\$ 125000). For television, the fees are N15 million (US\$ 125 000) and N11.25 million (US\$ 93 7s50) for categories A and B, respectively. A commercial licence has a five-year life span, and each renewal costs N12.5 million (US\$ 104 000) for

Category A and N10 million (US\$ 83 0000 for Category B. In addition, each station was required to pay to NBC 2.5 per cent of its gross turnover as annual charges.³²

Despite being relative newcomers on the broadcasting scene, the commercial stations were acquiring appreciable audience shares during the period. According to 2007 data, 47 Silverbird Television (29 per cent), AIT Lagos (28 per cent) and Galaxy TV Lagos (16 per cent) lead in the Lagos area; AIT Kano (14 per cent) tops the chart in the North West; while AIT Abuja (10 percent) is fourth in North Central. In ratio, five stations (Ray-power FM, Star FM, Brilla FM, Cool FM and Rhythm FM) together had 72 per cent of listenership in the Lagos area; Cosmo FM, Enugu, alone has 20 per cent in the South East, 10 per cent in the South-South and 25 per cent in the South West. Freedom Radio, Kano (28 per cent) was the leader in the North West, where Nagarta Radio, Kaduna (9 per cent) was also in the top-ten bracket. Zuma FM (9 percent), Cool FM, Abuja (7 per cent) and Okin FM, Offa (6 per cent), occupied the third, fifth and seventh positions, respectively, in North Central.³³

The NBC indicated its willingness to waive or modify these requirements, seemingly relying on its powers under the NBC Act, which gave the commission the broadcasting landscape under section 2(a) the function of ÷advising government on broadcasting policy implementationø Section 2(p) also empowers it to carry out ÷such other activities as are necessary or expedient for the full discharge of all or any of the functions conferred on it under or pursuant to this decreeø³⁴

The Commission had made provision for community broadcasting in its National Broadcasting Code. The Code described community broadcasting as a key agent of democratization for social, cultural and economic development...a non-profit grassroots public broadcast service medium through which community members are able to contribute and foster civic responsibility and integration.

The Code lists the community corporate entities which could run broadcast stations as \pm a local not-for-profit organization; an educational institution (campus); a cultural association; a cooperative society; and a partnership of associationsø It disqualifies religious organizations, political parties, individuals, and profit-oriented corporate bodies from being granted community broadcast licences. In determining the sustainability of applications, the commission will consider, among other things,

ownership, funding, the constitution of the board of trustees, and the nature and content of programming, particularly on political and religious matters throughout the lifespan of the licence.³⁵

The Obasanjo Communication Policy provides in its section 4(4) that #here shall be an equitable spread of the categories of licence to ensure that no community or segment of the population is denied access to information through the electronic mediaø and that #the development of community broadcasting shall be promotedø. The draft Community Radio Policy elaborates a framework for community radio development which deals with such issues as access, participations and ownership; licencing; programming content and language; governance and management; technical arrangements; sustainability and funding; research and capacity-building; and monitoring and evaluation.

These documents on broadcasting regulation and on-going policy reform efforts of the Obasanjo administration appears to have informed the granting of a radio broadcasting licence to the University of Lagos in 2002 and eight other institutions of higher learning in 2007. A campus radio station pays a licence fee of N1 million (US\$ 6 600) for a five-year period. The University of Lagos station (Unilag FM) began official transmission in 2003. The station saw itself as the first university radio station as well as the first community radio stations in Nigeria. They explained that although they were a small community station, they had a lot of overheads to take care of in the daily running of the operation. Media experts observed that the programming of Unilag FM was not substantially different from that of commercial stations in the country. They claimed that entertainment had become dominant. The station@ management said that changes had introduced to make the programming reflect the taste and needs of the university community.

Stations of the major national radio broadcaster, the FRCN and those of the regional (state) broadcasters transmit on amplitude modulation (AM) or frequency modulation (FM) while private/commercial radio broadcasters use FM. Except for a few government-controlled stations which are still on very high frequency (VHF), television operators have migrated to ultra high frequency (UHF). Transmitter power at federal radio ranges from 20 to 25KW for AM, and from 10 to 20 KW for FM stations. In the

(states), transmitter power was between 10 and 50 KW for AM and between 10 and 30 KW for FM. Commercial stations operated with transmitters of between 5 and 10 KW. Most of the country was covered by the combined networks of government and commercial stations.

Anegbode and Azelma, with particular reference to Nigeria contend that: the press remains the fourth estate of the realm, the watchdog and the conscience of the nation. It is the organ that informs the public about the activities of the executive, the legislature and the judiciary. For information is the basis of effective change as well as tackling the consequence of change.³⁶ The information needed to run an open and successful government is, to a large extent, provided by the media.

In conclusion, the Olusegun Obasanjo communication reform no doubt, went a long way to bring credit to the administration both within and internationally. The administration has been recognized by international bodies on its achievement in the communication sector, which did not only boost the communication sector, but other aspects of the Nigerian economy.

REFERENCES

- 1. People Monthly, July 2007, Issue 08.
- 2. Ibid
- 3. õRoles and functions of NCCö http://www.competiveness.in.th/.../role.htm
- 4. http://www.ncc.gov.ng>home>about ncc
- 5. Chris Anekwe, (Informant) Computer Scientist, Lagos. Interviewed on 20th May 2011
- 6. J.I. Wojuade, Impact of global system for mobile telecommunication on Nigerian Economy: A case of some selected local government areas in Oyo State, Nigeria, A Med. Thesis. University of Ibadan, Nigeria, 2005.
- 7. Charles Ugwu, (Informant) GSM Operator, Lagos. Interviewed on 13th March 2011
- 8. Alexander Chernev, õThe impact of common features on consumer preferences: A case of confirmatory reasoningö, *Journal of consumer Research*, vol. 27, 21-22
- 9. J.I. Wojuade, *Impact of global system...*p.45
- 10. Ibid
- 11. Ibid
- 12. Ibid
- 13. N.O. Audile, õMatters Arising on Mobile Wireless Licensingö, *The Guardian*, November 7, 2000, p.41
- 14. Obi Igbokwe, Nigeria: A 12 Steps *Recovery Programme from oil addiction*. Sterling and Greenback, 2009, p.5
- 15. Ibid
- 16. People Monthly July 2007, Issue 08
- 17. Nigeria Monthly, vol.3 No.2, April 2006
- 18. Ibid.
- 19. Ernest Ndukwe, õTelecommunication in Nigeria: The next frontierö, A paper presentation at the New Age/NCC Seminar, at Golden Gate Restaurant Ikoyi, Lagos. 31st May, 2005.
- 20. http://www.internetworldstats.com/stats.htm
- 21. õCentralism is Suffocating, Killing Nigeriaö, *The Guardian*, 3 August 2008, p. 22.

- 22. õNBC¢s reforms attract sharp reactions from industry operatorsö, Vangard, 7 Apirl 2004, p.27.
- 23. http://en.wikipedia.org/wiki/federal radio
- 24. Ibid
- 25. http://en.wikipedia.org.wiki/nigeria tele
- 26. Ibid
- 27. *Ibid*
- 28. http://www.presscouncil.gov.ng/
- 29. õGovernment Grants 21 Broadcast Licencesø, *Media Rights Monitor*, March 2002, p. 4.
- 30. õMinisterial Support for Community Radioö, *The Guardian*, 17 July 2006.
- 31. õAn utterance that made me change the former cast of Papa Ajasco-Wale Adenugaö, *Saturday Punch*, 21 June 2008, pp. 48-49.
- 32. õHistory of the Nigerian Press Councilö- Ralph Akinfeleye books.google.com/books/about/history
- 33. Nigeria Broadcasting Code (4th edition), 2006, pp. 72-74.
- 34. *Ibid*
- 35. http://www.presscouncil.gov.ng/.
- 36. Anegbode J. Azelma, J. õThe mass media and nation building in Nigeriaö. *International Journal of Government and Development*, Vol. 1. (1), pp. 209-210.

CHAPTER FOUR

THE FIGHT AGAINST CORRUPTION (ICPC AND EFCC)

As we have stressed in this study, a great bane of the Nigerian society, particularly since independence has been corruption. This has affected all facets of the government and stalled development. The effects of years of dictatorial and corrupt governance by military administration are glaringly manifest in the poor state of development in all the sectors of the nation if life. The acknowledgement of corruption constitutionally and judicially, as one of the foremost challenges to governance and development in Nigeria, informed the making of the õAnti-Corruption Campaignö as a fundamental policy of the President Olusegun Obasanjo government, that was established by the 1999 Constittion.¹

Corruption, many Nigerians agree, has been a problem whether under the military or civilian governments in the past. The global malaise has always pervaded national life, first, manifesting in the 1960s in mild forms, particularly in government. By the 1990s corruption in many faces, including bribery, extortion, fraud, counterfeiting and embezzlement, had become endemic and constituted a major problem. Studies have shown that corruption retards economic and social growth and aggravates poverty. But interestingly, past administrations did not take serious measure to address the problem.

It is not as if efforts were not made at all, just as we have seen in chapter two, those official interventions were intentions that lacked political will. For example, in the past, governments launched such mass reorientation programmes as ethical revolution and War Against Indiscipline, WAI. In more concrete terms, there were also legal initiative like the Recovery of Public Properties (Special Military Tribunal Act of 1990), and others. But apart from the fact that the governments that initiated these efforts were either not committed or sincere in fighting corruption, the efforts did not also proffer solutions to the problems from a realistic point of view.

Combating corruption was not just a Nigerian thing, since most countries of the world were victims of this cankerworm that has eaten deep into their blood stream. As a matter of fact the upsurge in the adoption of international instruments on combating and preventing corruption did not only raise global focus on corruption in developing nations, but resulted into a change of approach and pressures by international financial

institutions, like the World Bank, IMF, African Development Bank, on the developing countries to implement õanti-corruptionö laws within their domestic legal framework.²

When Olusegun Obasanjo stepped into government in 1999, the Nigeriaøs Constitution (1999) contained several provisions geared towards good governance, supported by the enactment and judicial validation of accountability and transparency. These anti-corruption legislations, and the articulation and vigorous pursuit of the anti-corruption policies were the creation of the President. Olusegun Obasanjo Administration.³ However the nascent constitutional democratic government grappled with thee problems of governance and how to effectively combat and prevent corruption in the country.

Generally, it was acknowledged that constitutional democracy is the basis for good governance, as good governance is the antidote for corruption. It was based on this that the 1999 Constitution which was enacted just before the Obasanjo administration. It established a Code of Conduct for Public Officers⁴ and made it a Political Objective for the state to abolish all corrupt practices and abuse of power. However, it did not define corruption or give a list of acts that would amount to corruption. It has also been observed that the statutory criminal laws, the Criminal Penal Codes, do not define corruption. The criminal code for example merely states that õan offence of corruption is committed, where a public officer corruptly asks, receives, or obtains any property or benefitö.⁵

Though the Independent Corrupt Practices (and Other Related Offences) Commission (ICPC) Act 2000, and the Economic and Financial Crimes Commission (EFCC) Act have now broadened the definition of corruption. The EFCC Act empowers the Commission to investigate, prevent and prosecute offenders who engage in:

Money laundering, embezzlement, bribery, looting and any form of corrupt practices, illegal arms deal, smuggling, human trafficking, and child labour, illegal oil bunkering, illegal mining, tax evasion, foreign exchange malpractices including counterfeiting of currency, theft of intellectual property and piracy, open market abuse dumping of toxic, wastes, and prohibited goods.⁶

Whatever may be the case, the term ocorruption has not been defined in any of the documents that African leaders have signed. However the African Union Convention on Combating Corruption and related offences define acts of corruption in such pragmatic and broad manner that can be applicable to existing corruption practices in an African country like Nigeria. The Government of Obasanjo ratified and domesticated the Convention which gave impetus to the oAnti-Corruption policy and campaign of the Government.

Corruption in Nigeria and efforts to combat it did not begin during the Obasanjo administration, hence, contemporary study on development of corruption in Nigeria dates back to the First Republic of 1963 to 1966. Moreover, allegations of election fraud and corruption characterized the later part of the First Republic, and this was evidently used as justification by the military to intervene in our body politics in 1966. Despite the anti-corruption crusade of the military interventionists, they were themselves caught in the web of corruption. The oil boom, arising from the sudden upsurge in the foreign revenue from the petroleum products exports fuelled the growth of corruption under the various military administrations.

Suffice to say here that it was during the Olusegun Obasanjo administration that formidable and more vibrant anti-corruption crusade began. President Obasanjoøs anti-corruption strategy involved a wide variety of measures, two of which were particularly outstanding. The first one was the creation of specialized anticorruption agency, the Independent Corruption Practices and other Related Offences Commission (ICPC), in September 2000 and the Economic and Financial Crimes Commission (EFCC) in April 2003, to investigate and prosecute corrupt individuals and corporate bodies. These measures were complemented by other important steps taken by the Obasanjo government to advance the anti-corruption crusade: signing and adoption of several anti-corruption laws and international treaties, sacking of some prominent officials accused of corruption, establishments of the ad-hoc commissions of inquiry to probe specific allegations of corruption, regular public statements or speeches denouncing corruption and calling for an ethical reorientation.

INDEPENDENT CORRUPTION PRACTICES COMMISSION (ICPC)

In 1999, following the election of President Olusegun Obasanjo, the country launched a new crusade against corruption, after many years that the country grappled with the challenge of eradicating corruption from the polity. Due to its more elaborate nature, international pressure and President Obasanjoøs personal involvement in anti-corruption activities in the past, the campaign attracted considerable attention and interest. The heightened attention was also due to the fact that it was the first time a Nigerian leader made the fight against corruption his number one policy priority, which indeed culminated in the fall of quite a number of highly placed public officials (Senate Presidents, Speaker of the Federal Parliament, State Governors, Ministers, Head of public parastatals, etc.).

In the quest to eradicate corruption, the ICPC was inaugurated in September 2000, by Olusegun Obasanjo. Unlike similar institutions set up in Nigeria in the past, the agency was given relatively broad powers and mandates to fight corruption and related offences. For instance, the powers of the ICPC as provided in Section 6(a) to (f) of the ICPC Act, include the power of receive and investigate complaints from members of the public on allegations of corrupt practices and to arrest and prosecute those responsible. The agency is also empowered to examine the practices, systems and procedures of public bodies, and in cases where such system aid corruption, it would direct and supervise a review. In other words, it would instruct, advice and assist any office agency or parastatal of government on the ways fraud or corruption may be eliminated.⁹

Each initiative of government has been targeted at addressing different strains of the virus of corruption. The ICPC was set up specifically to bring about a refreshing and holistic approach of fighting official corruption which encompasses prevention, enforcement and educational orientation. The commission of role in the anti-corruption war is twofold. First, it is empowered to receive and investigate complaints from members of the public on allegations of corruption and prosecute cases as they arise. The commission was also expected to engage in prevention of corrupt acts being perpetuated. The Act was passed and signed into law on the 13th of June 2000. The Act establishes the Independent Corrupt Practices and Other Related Offices Commission (ICPC), which is the apex body saddled with the responsibility of fighting corruption and other related offences. The ICPC was inaugurated on the 29th of September 2000. The Act in Section 3

(14) provides for the independence of the Commission and gives the Chairman authority to issue orders for the control and general administration of the Commission. The Commission has a chairman, 12 members and a secretary.

At inception, they had the daunting task of venturing into an uncharted territory which involved putting in place a structure capable of meeting the challenges that lay ahead, building up human resource capacity and pushing for infrastructural base to meet the demands of the new Commission. The mandate of the Commission is <code>+to prohibit and prescribe punishment for corrupt practices and other related offences</code>

Section 6 of the Act confers three main responsibilities on the ICPC. They are:

- To receive and investigate reports of corruption and in appropriate cases prosecute the offender[s].
- To examine, review and enforce the correction of corruption prone systems and procedures of public bodies, with a view to eliminating corruption in public life.
- Educating and enlightening the public on and against corruption and related offences with a view to enlisting and fostering public support for the fight against corruption.¹⁰

With time, the Commission has come to be accepted by the populace and expectations on its activities are high. The volume of work of the Commission has been on the increase since inception due to its public enlightenment strategies. The Commission goes all out to raise public awareness on corruption and its negative effects and the fact that the money being stolen is public money and it is therefore their duty to complain when officials behave corruptly. This has yielded results going by the number of petitions received on a daily basis by the Commission. The Commission has gone further to create links with other government institutions by creating anti corruption units in Federal ministries and Parastatals with 100 of such units now established. In the coming year, the Commission hoped to increase its staff base by opening offices in the 6 geopolitical zones of the nation.

Currently, the Commission in partnership with the United Nations Office for Drug Control and Crime Prevention has an on-going pilot project-the Judicial Integrity Project, the purpose of which is to strengthen judicial integrity and capacity in Nigeria.

The Commission has seven departments, as follows:-

- Investigation Department
- Prosecution Department
- Special Duties Department
- Public Enlightenment Department
- Education Department
- Finance and Administration Department
- Planning, Research and Review Department

Operationally, the Commission is structured into a committee system put in place to determine and enforce policy directives on Investigation and Prosecution; System Studies and Review; Public Enlightenment and Education respectively.¹¹

Some Special Features of the Act

- Evidence of tradition or custom in the offering and/or acceptance of gratification is not admissible.
- The burden of proving innocence, in certain offences has been shifted to the accused person.
- The Commission has been granted the power to investigate petitions against persons hitherto granted constitutional immunity, i.e. the President, the Vice Presidents, Governors and their Deputies.

The Commission is guided by the principle of confidentiality, giving protection to both the accused and the petitioners. Allegations made to the Commission are referred to the Investigation Department, for preliminary investigation. The investigation officers prepare a report, which is sent to Legal Department to determine whether or not a prima facie case can be established. If a case is established, a charge is drafted with proof of evidence and filed before a designated High Court Judge. Where petitions do not fall under thee offences provided for by the Act, they are forwarded to the appropriate bodies such as the Police, Public Complaints Commission, Code of Conduct Bureau, Human Rights Commission and the Economic and Financial Crime Commission etc. 12

Ever since Nigeria First Republic collapsed in July 1966 amid allegations of massive corruption, the fight against corruption has developed into an important public policy issues. But current steps taken towards a corruption-free society in Nigeria are mainly a result of the efforts of the Obasanjo regime, which for eight years erected it as a

major policy priority. The elevation of corruption to an urgent national issue by Obasanjo was itself motivated by a combination of some domestic and global development.¹³

At the domestic level, Obasanjoøs anti-corruption drive was propelled by an unprecedented disclosure of evidence of corruption perpetrated by his immediate predecessors, especially the Late General Sani Abacha, who ruled Nigeria from 1993 to 1998. After his death in 1998, his successor, General Abdusalami Abubakar, launched a probe into his financial dealings. These investigations uncovered large evidences showing that Abacha and his collaborators had diverted billions of dollars in public funds into several local and overseas bank accounts, while also corruptly acquiring choice properties in many locations within and outside the country.

Public call for a strong anti-corruption stance by the newly elected civilian government of Obasanjo was further fuelled by the caution with which General Abubakar treated those indicted by his probe. Apart from seizing few assets held within Nigeria, publishing a list of dozens of foreign bank accounts used to stash looted funds and writing letters to some foreign governments urging them to support efforts to recover assets kept within their territories, the regime refused to undertake any serious anticorruption measures. It made little or no tangible effort in recovering Abachaøs estimated \$4-6billion overseas assets.

At the global level, the war against corruption of Obasanjo was motivated by a genuine desire to correct Nigeria frequent appearance at the top of the table of the world most corrupt nations. This became not only a source of personal embarrassment to Nigerian officials travelling overseas, especially President Olusegun Obasanjo who was himself one of the founding members of Transparency International, but also an obstacle to the government much desired goal of reconciling Nigeria with the international community, after many years of diplomatic isolation, of securing debt forgiveness, and much anybody foreign investments.

Although Nigeria had never convicted any high profile person for corruption in a regular court, the wide powers given to this agency raised considerable hope that corrupt officials were in for a tough time. Immediately after its inauguration, ICPC took steps to implement its mandate. Within the first year of its existence, four individuals were

charged to court for various corrupt offences. The number rose to 23 at the end of its second year (September 2002), and 49 at the close of its third year in September 2003.

From its inception to 2007, the ICPC is said to have received over 2000 petitions. So far, some 202 persons have been charged to court in about 102 cases. Many others were still being investigated. The most successful and telling of the commission of achievements in recent times have come through a new tool introduced by the commission, tagged õSting Operations of It is aimed at arresting public officers who demand and collect bribes or gratification. No fewer than 31 persons have been arrested by the commission in the course of several sting operations of carried out in government ministries, agencies and parastatals.

Also, as part of its educational and reorientation programme, the ICPC has encouraged the formation of anti-corruption clubs in secondary schools as well as a volunteer corps programme in the pubic domain.

ECONOMIC AND FINANCIAL CRIMES COMMISSION (EFCC)

Due to the alarming rate of corruption in Nigeria, and the inability of the ICPC to function effectively, the Economic and Financial Crimes Commission (EFCC) which is a Nigerian law enforcement agency that investigates financial crimes such as advance fee fraud and money laundering was established. The EFCC was established in 2003 by Olusegun Obasanjo, partially in response to pressure from the Financial Action Task Force on Money Laundering (FATF) which named Nigeria as one of 23 countries non-cooperative in the international community efforts to fight money laundering.

According to the Economic and Financial Crimes Commission (Establishment) Act, 2004, the EFCC is the designated Financial Intelligence Unit (FIU) in Nigeria, which is charged with the responsibility of coordinating the various institutions involved in the fight against money laundering and enforcement of all laws dealing with economic and financial crimes in Nigeria. The Nigeria Financial Intelligence Unit (NFIU), set up by the Federal Government as parts of its effort to combat money laundering and the financing of terrorists activities in Nigeria, is domiciled in the Economic and Financial Crimes Commission (EFCC).

In 2002, the Government of Nigeria under the presidency of Olusegun Obasanjo, established the Economic and Financial Crimes Commission (EFCC) with the passage of the Economic and Financial Crimes Commission Establishment Act of 2002 in order to address the growing problem of corruption and fraud in Nigeria and in an attempt to counteract the impact of such upon Nigeriaøs national reputation. Having been appointed by President Obasanjo, Nuhu Ribadu became Executive Chairman the following year. Under Ribaduøs administration, the EFCC has charged prominent bankers, former ministers, Senate presidents, high-ranking political party members and large-scale 419 gang operators.

Ribadu once described the impact of the EFCC thus:

"The \$100 million we've confiscated from spammers and other defendants is the least that cybercrime has cost our country. Our economy has lost hundreds of millions of dollars in foreign investment because our credibility and the trust of the international community have been affected. Nigerians can't even use financial instruments as basic as mail orders; if it comes from Nigeria, its suspect". 14

Under the lead of EFCC chairman, Nuhu Ribadu, who actually worked with great alacrity, the agency has addressed financial corruption by prosecuting and convicting a number of high-profile corrupt individuals, ranging from Nigeriaøs former chief law enforcement officer to several bank chief executives. One of the key areas where the commission has excelled in the last few years is fighting advance fee fraud or 419 to a halt. Before the EFCC came into being, Nigerians, both at home and abroad, had turned 419 into an international business that not only gave the country a bad name and image but also discouraged doing business with Nigeria.

The Obasanjo government established the Commission due to the severe negative perceptions of the country as a money laundry heaven and other forms of economic and financial crimes. The preponderance of these criminal activities had discouraged numerous potentials investors to Nigeria, thus diverting much needed FDI for the country & economic growth.

Obasanjoøs vision of the EFCC was õTo make Nigeria a safe and corruption-free Business environment for the sound health and positive image of the countryö¹⁵. The EFCC is to curb the menace of Corruption that constitute the cog in the wheel of progress; protect national and foreign investments in the country, imbibed the spirit of hard work in the citizenry and discourage ill gotten wealth, identify illegal acquired wealth and confiscate it; build an upright workforce in both public and private sectors of the economy and; contribute to the global war against financial crimes and terrorism financing.

In conclusion, the ICPC and EFCC which were both inaugurated by Olusegun Obasanjo as medium of combating corruption in Nigeria, served in different capacities to actualize this goal of fighting corruption. Many have come to believe that these institutions fared no better, but from the ongoing, their positive achievements cannot be overemphasized. With their respective establishments, there was reduction in corruption and public embezzlement, which one can say has rid Nigeria of its economic quagmire.

REFERENCES

- 1. Mallam Nuhu Ribadu, õ*Nigeria's Struggle with Corruption*ö, being an abridged and edited version of presentation to US Congressional House Committee on International Development, Washington D.C. on May 18, 2006.
- 2. The Compendium of International Legal Instruments on Corruption Second Edition, publication of the United Nations Office on Drugs and Crime 2005.
- 3. Striving for Good Governance in Africa: Synopsis of the 2005 African Governance Report prepared for the African Development Forum IV, by the Economic Commission for Africa. Christian Schiller õImproving Governance and Fighting Corruption: An IMF Perspectiveö Washington, March 31, 2000.
- 4. Section 98 Criminal Code Cap 77 Laws of the Federation of Nigeria 1990.
- 5. Alejandro Posadas, õ*Combating Corruption under International Laws*", 10 Duke J. of Comp. & IntøL 345 (@http://www.law.duke.edu/journals/djcil/articles/djci/lop345.htm.)
- 6. Section 46. EFCC Establishment Act 2004.
- 7. Noel Kutukwa, õ*African Ant-Corruption Commitments: A review of eight NEPAD Countries*". AHSI Paper 7/January 2005 @http://www.iss.org.za/pubs/other/ahsi/Paper7Jan05 Kutukwa.pdf
- 8. R. Tignor, õPolitical Corruption in Nigeria Before Independenceö (1993) Journal of Modern African Studies 175-202.
- 9. õTransparency and accountability in the public serviceö http://en.wikipedia.org/wiki/independent_corrupt
- 10. http://www.icac.org.hk/.../button2.htm
- 11. Ibid
- 12. http://www.nairaland.com/41334/real-difference
- 13. J.O. Magbadelo, *Nigeria's Transition to Democracy and Development:*Contributions of the Obasanjo Administration, Ibadan, Spectrum Books Limited,
 2006. P. 46.
- 14. Economic and Financial Crimes Commission Act 2002.
- 15. Ibid.

- 16. Taiwo Osipitan & Oyelowo Oyewo, õLegal and Institutional Framework for Combating Corruption in Nigeriaö in Unilag Reading in Law E.O. Akanki (ed) pp. 263-265.
- 17. Paul, D. Ocheje, õLaw and Socail Change: A Socio-Legal Analysis of Nigeriaøs Corrupt Practices and Other Related Offences Act 2000ö Journal of Africa Law, Vol. 45, No. 2 (2001) pp. 174-177.
- 18. Tell, May 2007, President Obasanjo, His unforgettable years, 1999-2007, p.50

CHAPTER FIVE

ASSESSMENT AND CONCLUSION

ASSESSMENT

ICT

The Olusegun Obasanjoøs economic reform, no doubt has benefited this country to a large extent. In the discourse of this study, one can say that the benefits of the existence of the Nigerian Communication Commission, which was part of the Obasanjoøs reformed process, derived from private sector participation and investment in the telecommunications Sector and the benefits both immediate and remote have started to manifest in greater efficiency, greater flexibility, and less stress in the way people organize their business, economic and social activities in the country. ICT has contributed to economic growth through: increasing productivity across all sectors; facilitating market expansion beyond borders to harvest economies of scale; lowering costs of and facilitating access to services, notably in administration, education, health and banking; providing access to research; development of ICT products and services; contributing to better governance, a prerequisite to growth, through increased participation, accountability and transparency.

The Obasanjo ICT reform provides positive, enhancing creativity, learning and problem-solving skills. Its impact on employment, new types of exports, and FDI requires the interplay of a number of factors: õIt is the interaction among connectivity, access, network security, capability/skills, market structures and firm governance, as well as the regulatory and facilitation environment, which determine whether firms from developing countries can participate effectively and efficiently in the information economy and compete in global e-marketplaces.ö¹

Through telecommunications which is regarded as the medium which replaces the physical movement of people across distances, the world has become smaller than at any time in the past and it is even getting smaller and smaller for the benefit and enhancement of world peace. Indeed, communications, financial transactions and trade, as well as a large share of the manufacturing sector, could come to a virtual standstill without telecommunications. Telecommunications is at the fore front of current economic and social affairs. The digitalization of networks globally has further destroyed the boundaries which separated them from the fields of electronic and computing. The resultant multiplication of tele-services and their increasing sophistication have exploded the technical and commercial limitations which previously existed. The evolution has been decisive and here in Nigeria, during the Obasanjoøs administration has followed from technical facts and not political will.

In Nigeria, the challenge of meeting the large and rising demand is being met by moving toward a sector structure that is plural and competitive, with a mix of service providers-private and public, using various technologies and offering services tailored to different user needs. Propelled mainly by current technological advances, the telecommunications arena in Nigeria during the Obasanjoøs administration started to undergo profound structural changes, giving rise to cheaper and more reliable telecommunication equipment and services on the one hand, and on the other, a whole new range of services.

During the reform process of Obasanjo, public telecommunications was moving rapidly from protected national markets with huge cross-subsidies between certain services to global competitive markets. Public Telecommunications Operators (PTOs) were now responding to this liberalization challenge by becoming corporatized and in some cases also privatized. In order to respond to global competition, joint ventures and other forms of alliances were increasingly being established between the major PTOs and equipment manufactures. The reform gave new operators the opportunity of being established focusing in particular on telecommunications growth areas such as integrated telecommunications services for multinational companies, international telephony and mobile telephony.

On a more positive note, there was a great revolution in the telecommunication sector during the Obasanjoøs ICT reform. From less than 700,000 lines the reform, the GSM worldwide growth has rubbed on the Nigerian telecoms as there were about 10 million lines at the end of his regime and it is merry times that at present in operation, even though the efficiency and cost of these services still require some improvement. The launching of an earth observation satellite, Nigeria Sat-I is also another positive development as it marks the first satellite ever built and operated by a black sub-Saharan African nation. However, the bidding process of the state-owned telecommunication outfit, NITEL at less than ¼ of the amount invested in its overhaul-over a Billion US dollars, made Obasanjo to ask for another round of bidding.

Combating Corruption

In assessing how far the Obasanjo administration succeeded in the fight against corruption, there is wisdom in taking into consideration how deep-rooted the malaise had become in the country when the anti-corruption campaign of the administration started. Corruption had not only led to a stifling of economic development as resources meant for development were cornered by a few greedy leaders, but it invariably also pauperized the people. In turn, the ordinary Nigerian sought corrupt means to make ends meet and survive.

From the year when independence was granted to Nigeria, the countryøs poor socio-economic profile is often blamed on pervasive corruption at all levels of the society. The Obasanjo regime started well in dealing with the corruption menace. In fact, the establishment of the two important institutions, the Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) tot tackle corruption is a step in the right direction. So far, the efforts of these institutions have attracted mixed reactions. It is believed that they could have achieved better results if they were properly equipped and given free hand to operate. It is believed that the two agencies were uncomfortably tied to the apron strings of the executive branch of government, and that at times they were manipulated in order to intimidate and punish those people perceived to be in opposition to the President or his policies. This was even more so as there were indications that the Executive branch often wanted to cow political

opposition in pursuit of an alleged hidden agenda of staying in power outside the constitutional provisions.

A hallmark of the Obasanjo presidency was the emphasis placed on curbing official corruption. From his very first day in office the president promised that it would no longer be õbusiness-as-usualö. He set up the Economic and Financial Crimes Commission (EFCC) and installed at its head Nuhu Ribadu, then an assistant commissioner of police. A measure of Mr. Ribaduøs success in at least instilling a consciousness of the anti-corruption war in the minds of Nigerians was reflected in the popular saying on the streets that õthe fear of Ribadu is the beginning of wisdomö. But he did much more. For the first time in the history of Nigeria highly-placed persons in both the public and private sectors were investigated and brought to justice. The EFCC also prosecuted government ministers. It arrested a sitting head of the Nigeria Police Force, prosecuted him for stealing government funds, recovered the stolen funds from him and got the court to imprison him.

The ICPC was inaugurated in September 2000, while the EFCC began operations in April 2003 during the Obasanjo administration. Unlike similar institutions set up in Nigeria in the past, both agencies were given relatively broad powers and mandates to fight corruption and related offences. For instance, the powers of the ICPC as provided in Section 6(a) to (f) of the ICPC Act, include the power to receive and investigate complaints from members of the public on allegations of corrupt practices and to arrest and prosecute those responsible.

The agency which was instituted by Obasanjo was also empowered to examine the practices, systems and procedures of public bodies, and in cases where such systems aid corruption, it would direct and supervise a review. In other words, it would instruct, advise and assist any officer, agency or parastatal of government on the ways fraud or corruption may be eliminated. Immediately after its inauguration, ICPC took steps to implement its mandate.

Within the first year of its existence, four individuals were charged to court for various corrupt offence. The number rose to 23 at the end of its second year (September 2002), and 49 at the close of its third year in September 2003.² These included a High Court judge, prominent lawyer (Senior Advocate of Nigeria, SAN), chairman of private

and public companies.³ These cases stemmed from a total of 17 criminal pursuits, which themselves emanated from hundreds of petitions submitted to the ICPC by different individuals and groups. As of December 2006, the ICPC was prosecuting 185 persons in a total of 91 cases around the country (309 were filled in 2006 alone). In 2007, the number of cases in court stood at 161 involving 309 persons.⁴ But as the number of cases filed before the court rose, the number of convictions remained stagnant.

The number of successful prosecutions from September 2000 when the Act was established to June 2006 was only two. The number only increased to 20 in 2007, none of whom was a prominent figure. In other words, the ICPC could not translate all its efforts into tangible successes. This dismal performance caused substantial discomfort among the populace and within thee international community, giving room for further pressure on the government. This renewed pressure culminated in the establishment of the EFCC in April 2003 by Olusegun Obasanjo.

The arrival of the EFCC brought some improvement in Nigeria¢s fight against corruption for two main reasons. Firstly, the ICPC was constrained by the limited coverage of its Act, which provided that ICPC could only investigate corruption involving public officers. These corrupt acts must have also occurred after the inauguration of ICPC, not before. The EFCC is endowed with wider powers and responsibilities, which include conducting investigations of crimes of financial and economic nature, including corruption, money laundering, advance fee fraud or 419, bank fraud etc., whether in the public or private sector, and arresting and prosecuting the perpetrators of such crimes. A second reason has to do with differences in their approach.

In comparison with the slow bottom-up-approach of the ICPC, meaning an emphasis on public education in contrast to aggressive measures like arrest and prosecution of high profile individuals, the EFCC right from its inception favoured a more confrontational approach to corruption. Available data showed that the EFCC indeed achieved more than ICPC in many areas, especially in the key area of prosecution and recovery of illegally acquired wealth. Between April 2004 and June 2006, EFCC recovered over \$5 billion (or N725 billion) from financial criminals, both in form of cash and assets. The proceeds from the recovery were returned to individuals who have been defrauded, or to the public treasury, in the case of assets seized from corrupt officials or

private companies who had defrauded the government in such areas as tax evasion or contract inflation.

The amount recovered by ICPC was only N212 million in 2005 and N3.9 billion in 2006. For the 2007 fiscal year, 4.7 billion naira was the amount recovered following a review of allocation and expenditure profile of personnel costs of Ministries, Departments and Agencies. The EFCC superior achievement was even more glaring in the area of criminal investigations, prosecutions and convictions. During the same period under review (2003-2007), it arraigned more than 300 persons and won a total 10 Assets recovery, which came from a wide variety of sources, including bank deposits, buildings and other landed properties within and outside the country, vehicles, ships, aircraft, company stocks, etc.

The unprecedented achievements of the EFCC brought the organization and its leadership a lot of public support but at the same time caused considerable discomfort among members of the political elite, notably federal legislators and state governors who had supported its creation. There were at least two plausible explanations for the political elite initial acquiescence, if not open support, for the creation of the EFCC. One was the mounting external pressure. Secondly, the EFCC was not considered as a threat by members of the Nigerian political class. They simply saw it as a weapon against fraudsters in the banking industry or individuals specializing in Advance Fee Fraud, commonly known as 419 in Nigeria. This thinking however proved to be a big mistake.

Contrary to the expectation of the political class, the EFCC, under a young and dynamic leadership of Nuhu Ribadu, made the political leaders, which it correctly identified as the major drivers of corruption, its first and principal target. By focusing on those whose political fortunes depended almost totally on the personalization and redistribution of state resources (a metaphor for corruption in Nigeria), the EFCC became very unpopular with this group. This was not helped by the Obasanjo government own attempt to employ the agency as a weapon to undermine political rivals ahead of the 2007 general elections. The activities of the EFCC still led to positive changes in international spheres.

The achievement of the EFCC was indicated in the annual Transparency International Corruption Perception Index after 2004, Paris Club debt forgiveness,

massive foreign financial grants and flattering commendations. Thus, even though a large number of top public officials, including a handful of former governors, have been charged by the EFCC for corrupt practices, only two senior public officials were convicted by the EFCC for using their positions to enrich themselves when Obasanjo left in May 2007. The two were Mr. Tafa Balogun, former head of the Nigeria Police, and Mr. DSP Almieyeseigha, former governor of Bayelsa state, both of whom were convicted by the EFCC for corruption and money laundering offences in 2005 and 2007, respectively. Over 200 convictions for corruption and money laundering offences in 2005 and fee fraud recorded. Assets recovery is key in any anti-corruption work. Assets worth over \$5billion were recovered in less than five years by the EFCC alone during the Obasanjo administration.

In conclusion, in assessing the reform policies of the Olusegun Obasanjoøs administration, we can say without mincing word, that the democratic administration of Obasanjo was really an antidote for the menace which the previous military regimes imposed on the country. His achievements in Information and Communication Technology, cannot be overestimated. Not only did it solve the problem of lack of adequate and consistent communication, and also enhanced the economic well-being of the country. His fight against corruption also won him international applause. Although the fight against corruption had qualified success due to some constraints and circumstances, the creation of anti-graft agencies deserve praise.

CONCLUSION

Obasanjo knew that change was required in any society; old procedures must be turned into new processes, many observers agree with the phrase that the only condition permanent on earth is change, while accepting such principles, there are also those that argue that if a situation is good, then why change it, these are the people that readily cite the phrase õif it is not broken why fix it?ö, however, our immediate realities in Nigeria portend the need for radical changes in our social, economic, and political lives which the Obasanjo administration demonstrated.

The achievements of the administration in the telecommunication sector cannot be overemphasized. Before the advent of Obasanjo civilian administration in 1999, Nigeria

was at the lower end of the digital divide. But government demonstrated a determination to join the emerging global economy, driven by ICT by establishing the National Information Technology Development Agency, NITDA, in April 2001. The agency was set up to implement the National Information Technology policy, as well as develop and regulate the IT sector in the country.

What was done within the eight years of Obasanjo administration cannot truly be said to have eliminated corruption from the society, but it has at once hit at the source of corruption and the impunity with which acts of corruption are committed. Considering, however, the situation before 1999, one is compelled to give the Obasanjo regime some credit. Democracy is a long process of learning. The Obasanjo government recognized the urgency of the need for reforms and initiated various types.

Finally, the government should begin to lead by example. This requires strict accountability in governmental affairs, every individual should be subject to the law. This approach will go a long way in attracting the trust and confidence of the citizens, and also improve the credibility of the government officials and their change agents. That way, Alphonse Karrøs observation that the more things change, the more they remain the same, may no longer apply to the Nigerian situation.

REFERENCES

- Indijian Rouben & Siegel Donald S, The Impact of Investment in IT on Economic Performance: Implications for Developing Countries. World Development, 2005, p.33.
- 2. Independent Corrupt Practices and Other Related Offences Commission, Progress Report: September 2000-July 2005, Abuja, 2006.
- 3. Ibid.
- 4. ICPC Monitor, Vol. 1 Issues 5, August-October 2008, p.34
- 5. ICPC Progress Report...p.5

SOURCES AND BIBLIOGRAPHY

PRIMARY SOURCES

ORAL SOURCES

Chris Anekwe, Computer Scientist, Lagos. Interviewed on 20th May 2011.

Okey Isikwe, Lecturer, University of Agriculture Makurdi. Interviewed on April 20, 2011.

Anthony Nwokoye, GSM/Computer Engineer, Abuja. Interviewed on 12th June 2011.

Simon Otese, Lecturer, University of Agriculture Makurdi. Interviewed on April 18, 2011.

Charles Ugwu, GSM Operator, Lagos. Interviewed on 13th March 2011.

PUBLICATIONS

õAn utterance that made me change the former cast of Papa Ajasco-Wale Adenugaö, *Saturday Punch*, 21 June 2008.

Anifowose Remi, õPolitical Development in Nigeria to dateö, an unpublished paper delivered At the 1997 ICAN Mandatory continuing professional education, in Lagos, Ibadan, Enugu and Jos.

Audile, N.O, õMatters Arising on Mobile Wireless Licensingö, *The Guardian*, November 7, 2000.

õCentralism is Suffocating, Killing Nigeriaö, *The Guardian*, 3 August 2008.

Daily Times, January 17, 1970.

õEconomic and Financial Crimes Commission Actö 2002.

õGovernment Grants 21 Broadcast Licencesö, Media Rights Monitor, March 2002.

õlndependent Corrupt Practices and Other Related Offences Commissionö, *Progress Report September 2000-July 2005*, Abuja, 2006.

õICPC Monitorö, Vol. 1 Issue 5, August-October 2008.

Indjikian Rouben & Siegel Donald S, *The Impact of Investment in IT on Economic Performance: Implications for Developing Countries*. World Development, 2005.

Independent Corrupt Practices and Other Related Ofences Commission, *Progress Report: September* 2000-July 2005, Abuja, 2006.

Mallam Ribadu Nuhu, õ*Nigeria's Struggle with Corruption*", being an abridged and edited version of presentation to US Congressional House Committee on International Development, Washington D.C. on May 18, 2006.

õMinisterial Support for Community Radioö, *The Guardian*, 17 July 2006.

Ndukwe, Ernest, õTelecommunications in Nigeria: The next frontierö, A paper presentation at the New Age/NCC Seminar, at Golden Gate Restaurant Ikoyi, Lagos. 31st May, 2005.

New Year message of President Shehu Shagari, 1st October, 1980, Ikoyii-Lagos, Published by the Executive Office of the President, Department of Information, Domestic Publicity Division. õNigeria Broadcasting Codeö (4th edition), 2006.

õNBC¢s reforms attract sharp reactions from industry operators¢, *Vanguard*, 7 April 2004. Nigeria Monthly, vol. 3, No. 2, April 2006.

People Monthly, July 2007, Issues 08.

õStriving for Good Governance in Africaö: Synopsis of the 2005 African Governance. Report prepared for the African Development Forum IV, by the Economic Commission for Africa.

Christian Schiller õImproving Governance and Fighting Corruption: An IMF Perspectiveö Washington, March 31, 2000.

õReport of the Constitutional Conference containing the Resolutions and Recommendations, vol.ö 11, Abuja, 1995.

õReport of the Constitutional Conference, containing the draft constitutionö, Abuja, 1995, vol. 1.

õSection 98 Criminal Code Cap 77 Laws of the Federation of Nigeriaö 1990.

Section 46. EFCC Establishment Actö 2004.

SECONDARY SOURCES

JOURNALS

Anegbode, J. Azelma, J., õThe mass media and nation building in Nigeriaö. *International Journal of Government and Development*, Vol. 1(1).

Chernev Alexander, õThe impact of common features on consumer preferences: A case of confirmatory reasoningö, *Journal of consumer Research*, vol. 27, 21-22.

Ocheje, Paul D., õLaw and Social Change: A Socio-Legal Analysis of Nigeriaøs Corrupt Practices and Other Related Offences Act 2000ö Journal of Africa Law, Vol. 45, No. 2. 2001.

BOOKS

Adamolekun, Ladipa, *Politics and Administration in Nigeria*, Ibadan: Spectrum Books Ltd., 1986.

Agedah, D. *The Military in Politics from Aguiyi-Ironsi to Ibrahim Babangida*, Lagos: Perception communications, 1993.

Afigbo, A.E. et.al, *The Making of Modern Africa*: The 20th Century, England: Longman, 1975.

Aja, Akpuru-Aja and Emeribe C. Augustin, *Policy and Contending Issues in Nigeria National Development Strategy* (eds.), Enugu: John Jacobs publishers Ltd., 2000

Akinbove, O. Solomon and Aniifowose Remi, Nigerian government and politics, in Aniifowose Remi and Francis Enemuo, *Elements of politics* (eds.), Lagos: Sam Iroanusi publications, 1999.

Akpakan, E, Cross Road in Nigerian Development: A Programme of Action for a better Nigeria, Port Harcourt: New Generation Publishers, 1987.

Alapiki, H, Politics and Governance in Nigeria, Owerri: Corporate Impression, 2000.

Alexander, O.E. et.al, *Science Today in Nigeria*, Enugu: SNAAP Press ltd.

Anyanwu, J. et.al, *The Structure of the Nigeria Economy* 1960-1997, Onitsha: Janee Education Publishers, 1997.

Billy Dudley; *An Introduction to Nigeria Government and Politics*, London; Macmillan Press, 1982.

Diamond, L., *Political culture and Democracy in Developing countries*, London and Baltimore: The Johns Hopkins University Press; 2002.

Dibua, J.I., õCollapse of Purpose; Ibrahim Babangida, 1985-1999ö in Levi A. Nwachukwu and G.N. Uzoigwe (eds.) *Troubled Journey, Nigeria since the civil war*, U.S.A: University press of America, 2004.

Dunn, J. (ed.) *Democracy: The Unfinished Journey 508 BC to 1993*, New York: Oxford University Press, 1993.

Easterly, Williams, *The Elusive Quest for Growth*, MIT Press, 2002.

Ezeani, E.O. *Public Accountability in Nigeria: Perspectives and Issues*, Enugu: Academic Publishing Co., 2003.

Fayemi, Kayode and Igbuzor, Otive, *Poverty eradication in Nigeria* (eds.), Abuja: Centre for Democracy and Development, 2005.

Frestinger, and Katz, Research Method in Behavioural Sciences, New York: Chandler, 1966.

Heady, F., *Public Administration: A comparative perspective*, New York: Mardel Deeker Inc. 1979.

Huntington, S.P., *The third wave: Democratization in the late twenty Century*, Norman: University of Oklahoma press, 1991.

Igbokwe, Obi, *Nigeria: A 12 Steps Recovery Programme from oil addiction*, Sterling and Greenback, 2009.

Jega, M. Attahiru, Democracy, *Good Governance and Development in Nigeria*, Sterling and Spectrum Books Ltd., 2007

Jimoh, Ayodele, õIntroducing Nigeriaøs Reform Programmeö, in Hassan Saliu et.al., Nigeriaøs *Reform Programme: Issues and challenges* (eds). Ibadan: Vantage Publishers, 2007.

Joseph, A. Richard, Democracy and Prehendal politics in Nigeria, Ibadan: Spectrum Books Ltd., 1991.

Lai, Joseph, Nigeria: Shadow of a Great Nation, Lagos: Dubeo press Ltd; 1995.

Magbadelo, J.O., Nigeriaøs Transition to Democracy and Development: Contributions of the Obasanjo Administration, Ibadan, Spectrum Books Limited, 2006. Obi, C., *Nigeria: Democracy on Trial*, Lagos: A publication of NJJA, 2004.

Nwokedi, C. Ralph, *Revenue Allocation and Resource control in Nigerian Federation*, Enugu: SNAAP press Ltd., 2001.

Nwokedi, C. Ralph, Power Sharing in Nigeria Federation, Enugu: SNAAP press Ltd., 2002.

Obasanjo, Olusegun and Mabogunje, Akin, *Elements of Democracy*(eds.), Abeokuta: ALF publications, 1992.

Odey, J.O., *The Anti-Corruption Crusade: The Saga of crippled Giant*, Enugu; SNAAP press Ltd., 2001.

Ojiakor, Ngozi, Social and Political History of Nigeria 1970-2006, Enugu: Ewans press (Nig), 2007.

Olaitan, Wale, :The State and Economyø, A conceptualization in Adejan and Momoh, The Political economy of Nigeria under military rule (eds.): 1984-1993, Harare: SAPES Books, 1997.

Onah, O. Fab, *Managing Public Programmes and Projects*, Nsukka: Great AP Express Publishers ltd., 2010.

Onimide, Bade, Imperialism and Underdevelopment in Nigeria, Ibadan: Macmillan Press Ltd., 1983.

Osipitan, Taiwo & Oyewo Oyelowo, õLegal and Institutional Framework for Combating Corruption in Nigeria in Unilag Readings in Law E.O. Akanki (ed).

Saliu, Hassan et al., *Nigeria's Reform Programme: Issues and Challenges* (eds.), Ibadan: Vantage publishers, 2007.

Tignor, R, õPolitical Corruption in Nigeria Before Independenceö (1993) Journal of Modern African Studies 175-202.

Tordoff, W. Government and Politics in Africa, London: Macmillan Press ltd., 1993.

Ugwu, Sam, Federal System, The Nigerian Experience, Enugu: Echisis, 1998.

Umezurike, Chuku, State and Economy in Nigeria Enugu: SNAAP Press ltd., 2010

Umoren, Rose, *Economic Reforms and Nigerian's political crisis*, Ibadan: Spectrum Books Ltd., 2001.

Wojuade, J.I., Impact of global system for mobile telecommunication on Nigerian Economy: A case of some selected local government areas in Oyo State, Nigeria. A Med. Thesis. University of Ibadan, Nigeria, 2005.

INTERNET SOURCES

http://www.wikipedia.com/Nigeria

http://www.wikipedia.com/Africa

Alejandro, Posadas, õCombating Corruption under International Lawsö, 10 Duke J. of Comp. & IntøL 345 @ http://www.law.duke.edu/journals/djcil/articles/djci/1op345.htm

Kutukwa Noel, õAfrican Anti-Corruption Commitments: A review of eight NEPAD Countriesö. AHSI Paper 7/January 2005 @ http://www.iss.org.za/pubs/other/ahsi/Paper7Jan05 Kutukwa.pdf

http://www.efccnigeria.org

http://www.nairaland.com/41334/real-difference

APPENDIX I

Functions of the Commission

- 1. The Commission shall be responsible for
- a. The enforcement and the due administration of the provisions of the EFCC (Establishment Act 2004)
- b. The investigation of all financial crimes including advance fee fraud, money laundering, counterfeiting, illegal charge transfer, futures market fraud, fraudulent encashment of negotiable instruments, credit card fraud, contract scam, etc;
- c. The co-ordination and enforcement of all economic and financial crimes laws and enforcement functions conferred on any other person or authority;
- d. The adoption of measures to identify, tract, freeze, confiscate or seize proceeds derived from terrorist activities, economic and financial crimes related offences or the properties the value of which corresponds to such proceeds;
- e. The adoption of measures to eradicate the commission of economic and financial crimes;
- f. The adopt of measures which includes co-ordinate preventive and regulatory actions, introduction and maintenance of investigate and control techniques on the prevention of economic and financial related crimes;
- g. The facilitation of rapid exchange of scientific and technical information and the conduct of joint operations geared towards the eradication of economic and financial crimes;
- h. The examination and investigation of all reported cases of economic and financial crimes with a view to identify individuals, corporate bodies or groups involved;
- i. The determination of the extent of financial loss and such other losses by government, private individuals or organizations;
- j. Collaborating with government bodies both within and outside Nigeria carrying on functions wholly or in part analogous with those of the Commission concerning;
- i. The identification, determination of the whereabouts and activities of persons suspected of being involved in economic and financial crimes,

- ii. The movement of proceeds or properties derived from the commission of economic and financial and other related crimes,
- iii. The exchange of personnel or other experts,
- iv. The establishment and maintenance of a system for monitoring international economic and financial crimes in order to identify suspicious transactions and persons involved,
- v. Maintaining data, statistics, records and reports on persons, organizations, proceeds, prosperities, documents or other items or assets involved in economic and financial crimes,
- vi. Undertaking research and similar works with a view to determining the manifestation, extent, magnitude and effects of economic and financial crimes and advising government on appropriate intervention measures for combating same;
 - k. Taking charge of, supervising, controlling, co-ordinating all the responsibilities, functions and activities relating to the current investigation and prosecution of all offences connected with or relating to economic and financial crimes, in consultation with the Attorney-General of the Federation;
 - The co-ordination of all existing economic and financial crimes, investigating units in Nigeria;
 - m. Maintaining liaison with office of the Attorney-General of the Federation, the Nigerian Customs Service, the Immigration and Prison Service Board, the Central Bank of Nigeria, the government Deposit Insurance Corporation, the National Drug Law Enforcement Agency, all government security and law enforcement agencies and such other financial supervisory institutions in the eradication of economic and financial crimes;
 - n. Carrying out and sustaining rigorous public and enlightenment campaign against economic and financial crimes within and outside Nigeria; and
 - o. Carrying out such other activities as are necessary or expedient for the full discharge of all or any of the functions conferred on it under this Act.

The Commission has power to;

- a. Cause investigations to be conducted as to whether any person has committed an offence under this Act; and
- b. With a view to ascertaining whether any person has been in offences under this Act or in the proceeds if it appears to the Commission that the person if it style and extent of the properties are not justified by his source of income.

The Commission is charged with the responsibility of enforcing the provisions of;

- a. The Money Laundering Act 1995;
- b. The Advance Fee Fraud and Other Fraud Related Offences Act 1995;
- c. The Fail Banks (Recovery of Debts) and Financial Malpractices in Banks Act 1994, as amended;
- d. The Banks and other Financial Institutions Act 1991, as amended; and
- e. Miscellaneous Offences Acts; and
- f. Any other law or regulations relating to economic and financial crimes.

Offences and penalties

- 1. A person who, being an officer of a bank or other financial institution;
- a. Fails or neglects to secure compliance with the provisions of this Act; or
- b. Fads or neglects to secure the authenticity of any statement submitted pursuant to the provisions of this Act, commits an offence and is liable on conviction to imprisonment for a term not exceeding 5 years or to a fine of fifty thousand Naira or 10 both such imprisonment and fine.
- 2. Without prejudice to section 174 of the Constitution of the Federal Republic of Nigeria 1999 (which relates to the power of the Attorney-General of the Federation to institute, continue or discontinue criminal proceedings against any persons in any court of law), the Commission may compound any offence punishable under this Act by accepting such sums of money as it thinks fit, not exceeding the amount of the maximum fine to which that person would have been liable if-he had been convicted of that offence.
- 3. All monies received by the Commission under the provisions of subsection (2) of this section shall be paid into the Consolidated Revenue Fund of the Federation.
- a. A person who willfully provides or collects by any means, directly or indirectly, any money by any other person with intent that the money shall be used or is in

- the knowledge that the money shall be used for any act of terrorism, commits an offence under this Act and is liable on conviction to imprisonment for life.
- b. Any person who Commits or attempts to commits a terrorists act or participates in or facilitates the commission of a terrorist act, commits an offence under this Act and is liable on conviction to imprisonment for life.
- c. Any person who makes funds, financial assets or economic sources or financial or other related services available for use of any other person to commit or attempt to commit, facilitate or participate in thee commission or a terrorist act is liable on conviction to imprisonment for life.
- 4. Any public officer who, in the discharge of his duty under this Act, presents to another public officer who is to take decision thereon or do any other act in relation thereto gives information which is false in any material particular, commits an offence under this. Act and the onus shall be on him to prove that such information was supplied to him by another person and that he exercised all diligence to prevent the commission of the offence having regard to the nature of his functions in that capacity and in all the circumstances.
- 5. The penalty for offence under subsection (1) of this section be imprisonment for a term not less than 15 years and not exceeding 25 years
- 6. Without prejudice to the provisions of any other enactment, any regulatory agency or body in the financial sector shall in exercise of its functions, liaise with the Commission to investigate and monitor the commission of economic and financial crimes.

A person when-

- a. Whether by concealment, removal from jurisdiction, transfer to nominees or otherwise retains the control of the proceeds of a criminal conduct or an illegal act on behalf of another person knowing that the proceeds is as a result of criminal conduct by thee principal, or
- b. Knowing that any property is in whole or in part directly or indirectly represent another personous proceeds of a criminal conduct, acquires or uses that property or has possession of it, commits an offence and is liable on conviction to imprisonment for a term not less than 5 years or to a fine equivalent 105 times the

- value of thee proceeds of the criminal conduct or to both such imprisonment and fine.
- 7. A person who, without lawful authority;
- a. engages in the acquisition, possession or use of property knowing at the time of its acquisition, possession or use that such property was derived from any offence referred to in this section, or
- b. Engages in the management, organization of financing of any of the offences under this Act;
- c. Engages in the conversion or transfer of property knowing that such property is derived from any offence under this Act; or
- d. Engages in the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to or ownership of property knowing that such property is derived from any offence referred to in this section, commits and offence under this Act and is liable on conviction to the penalties provided in Subsection (2) of this section.
- 8. The penalties for offences under subsection (I) of this section shall be imprisonment for a term not less than fifteen years and not exceeding twenty-five years.
- a. The Federal High Court or High of a State has jurisdiction to try offenders under this Act.
- b. The Court shall have power, notwithstanding anything to the contrary in any other enactment, to impose the penalties provided for in his Act.
- c. In any trial for an offence under this Act, the fact that an accused person is in possession of pecuniary resources or property for which he cannot satisfactorily account and which is disproportionate to his know sources of income, or that he had at or about the time of the alleged offence obtained an accretion to his pecuniary resources or property for which he cannot satisfactorily account, may be proved and may be taken into consideration by the Court as corroborating the testimony of any witness in the trial.
- (9) A person convicted of an offence under this Act shall forfeit to the Federal Government

- (a) all the assets and properties which mayor are the subject of an interim order of the Court after an attachment by the Commission as specified in section 25 of this Act;
- (b) any asset or property confiscated, or derived from any proceeds the person obtained, directly or indirectly, as a result of such offence not already disclosed in the Assets Declaration Form specified in Form A of the Schedule to this Act or not falling under paragraph (a) of this subsection;
- (c) any (If the person property or instrumentalities used in any manner to commit or to facilitate the commission of such offence not already disclosed in the or not falling under paragraph (a) of this subsection.
- (d) The Court in imposing a sentence on any person under this section, shall order, in addition to any other sentence imposed pursuant to section II of this Act, that the person forefeet to the Federal Government all properties described in subsection (I) of this section.
- (e) In this section, õproceedsö means any property derived or obtained, directly or indirectly, through the commission of an offence under this Act.

For the avoidance of doubt and without any further assurance than this Act, all the properties of a person convicted of an offence under this Act and shows to be derived or acquired from such illegal act and already the subject of an interim order shall be forfeited to the Federal Government.

- (10) Where it is established that any convicted person has assets or properties in a foreign country, acquired as a result of such criminal activity such assets or properties, subject to any treaty or arrangement with such foreign country, shall be forfeited to the Federal Government.
- (11) The Commission shall, through the office of the Attorney-General of the Federation, ensure that the forfeited assets or properties are effectively transferred and vested in the Federal Government. The passport of any person convicted of an offence under this Act shall be forfeited to the Federal Government and shall not returned to that person till he has served any sentence imposed or unless or until the President directs otherwise after the grant of a pardon or on the exercise of the prerogative (mercy under the Constitution of the federal Republic of Nigeria) 1999.

(12) Any property;

- (a) Whether real or personal, which represents the gross receipts a person obtains directly as a result of the violation of this act which is traceable to such gross receipts;
- (b) Within Nigeria which represents the proceeds of an offence under the laws of a foreign country within whose jurisdiction such offence of activity would be punishable by imprisonment for a term exceeding one year and which would be punishable by imprisonment under this Act if such act or activity had occurred within Nigeria, is subject to forfeiture to the-Federal Government and no other property right shall exist on it.

Without prejudice to the provisions of any other law permitting thee forfeiture of property, the following shall also be subject to forfeiture under this Act and not proprietary right shall exist in them:

- (a) All means of conveyance, including aircraft, vehicles, or vessels which are used or are intended for use to transport or in an, manner, to facilitate the transportation, sale, receipt, possession or concealment of economic or financial crime except that
- (i) No means of conveyance used by any person as a common carrier in the transaction of business as a common carrier shall be forfeited under this section unless it shall appear that the owner or other person in charge of such means of conveyance shall consenting party or privy to a violation of this Act,
- (ii) No means of conveyance shall be forfeited under this section by reason of any act established by the owner thereof to have been committed by any person other than such owner while such means of conveyance was unlawfully in the possession of a person other than the owner in violation of thee criminal laws of Nigeria or any part thereof, and;
- (iii) No means of conveyance shall be forfeited under this section to the extent of an interest of an owner by reason of any act established by that owner to have been committed without the knowledge consent or willful connivance of that owner;
- (b) All books, records, research and data used or intended to be used in violation of any provision of this Act;
- (c) All monies, negotiable instruments, securities or other things of value furnished or intended to be furnished by any person in exchange for any illegal act or in violation of this Act or all proceeds traceable to such an exchange and all monies, negotiable instruments and securities used or intended to be used to facilitate any violation of this Act:

- (d) All real property, including any right, little and interest (including any leasehold interest) in the whole or any piece or parcel of land and any improvement or appurtenances which is used or intended to be used, in any manner or part to commit, or facilitate the commission of an offence under this Act.
- (13) Any property subject to forfeiture under this Act may be seized by the Commission in the following circumstances;
- (a) The seizure incidental to an arrest or search;
- (b) In the case of property liable to forfeiture upon process issued by the Court following an application made by the Commission in accordance with the prescribed rules.
- (2) Whenever property is seized under any of the provisions of this Act. The Commission may (a) Place the property under seal; or
- (b) Remove the property to a place designed by the Commission
- (3) Property taken or detained under this section shall be deemed to be in the custody of the Commission, subject only to an order of a Court.

The absence of an effective government supervision and oversight of the public servants and their private sector collaborators has mean that much reliance has been placed on police investigation, prosecution and sanction of corruption under the Criminal and Penal Code. Unfortunately both the Criminal Code and penal Code did not constitute an effective legal framework for combating corruption in Nigeria. The ICPC Act and the EFCC Act which Obasanjo inaugurated were therefore the direct response to the need to establish an effective legal framework for investigating, prosecuting and sanctioning corruption in Nigeria.

Even more telling is the impact of the Commission fight against corruption among public officers. The significance of what the EFCC has done really is in showing that nobody is above the law. Many of cases that the commission have investigated and brought to court concern influential members of society. Besides, the commission has put several state governors under investigations and has come out with the verdict that many of them are corrupt.

Besides the setting up of these commissions, the creation of the Budget Monitoring Unit or Due Process Office, which has mandated a transparent process of procurement, has also helped to reduce corruption in government as well as instill a culture of accountability in government business. One of the greatest manifestations of corruption in the past was in the area of contract awards. Not only were contract sums inflated but many contractors never even did the job they were paid for. Today, that situation has changed.