



NIGERIA
Development *or*
Underdevelopment
?

(Selected Seminal papers)

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Chapter Four

ECONOMIC REFORMS AND THE NATIONAL QUESTION IN NIGERIA

INTRODUCTION

The national question is not a Nigerian, but a human problem. When two or more nationalities live in a single state the possibility of a national question may arise. Consequently, it is vital to ascertain how various nationalities living in one country came to be together, that is, the historical processes involved. Humans who decide to live together usually do so in an attempt to conquer nature and survive economically.

There is no part of the world where the national question is not an issue and it exists, in South America, Canada, Japan, Western Europe, Eastern Europe, Africa and the United States of America. There was a time when some scholars argued that socialism in the former Soviet Union had resolved the national question, but recent developments have substantially challenged that position.

In Nigeria, where there is a conglomerate of nations, ethnic groups, tribes, clans, etc., the national question has been a major political issue both before and after independence. The British colonial power was able to administer the country as one because of its military might. It can safely be argued that after independence, the Nigerian Military has also endeavoured to rule the country as one nation. In fact, the very existence of Nigeria as one nation was vigorously challenged by an almost three year (1967-70) civil war - the Nigeria-Biafra war. All attempts to resolve the national question in Nigeria through the adoption of a federal structure, and the creation of states and local governments do not seem to have resolved the matter.

In the last five years, however, we have witnessed an unprecedented call to resolve the national question. There has been agitation for the creation of new states and local governments and repeated requests for a national conference. The mineral oil producing areas are clamouring for a greater way of sharing the

national cake citing gross exploitation of their oil resources. An interesting corollary has been the fact that these new waves of demand for resolving the national question have come at a time when the nation is implementing a major economic reform programme - the Structural Adjustment Programme (SAP).

An economic reform programme is generally expected to move a nation to greater heights and invariably improve the standard of living of its people. Yet it appears that the implementation of SAP has re-echoed and rekindled the national question in Nigeria. Is there any relationship between economic reforms and the national question? Can the national question be resolved through a successful economic reform programme? This paper endeavours to contribute to the debate on economic reform and the national question in Nigeria. It is organized as follows:

Section 2 briefly examines some theoretical underpinnings. The relationship between SAP and the national question in Nigeria is elucidated in Section 3. In Section 4, we offer some suggestions and conclude the paper. We do argue, as part of our findings, that the vital variable in the link between economic reform and the national question, is the social (class) character. Ethnic, tribal, and linguistic factors though important are secondary.

2. Theoretical Underpinnings:

The Latin concept "natio" expresses the ethnic peculiarities of different communities of people. It also connotes the early forms of community - community of family, language, customs and beliefs. Previously only applied to tribal communities, the concept later encompassed the population of territories, states and individual nationalities. With the decay of feudalism and the birth of capitalism, a qualitatively new formation arose and became known as the nation.

Many scholars have developed the theory of nations with the debate often coloured by curiosity, empiricism and ideological orientation. The nation is an extremely complex social organism whose essence and peculiarity arise from ethnic and social factors. Kohn (1961) argues that the decisive factor in the development of nations is the will - the national idea. According to Lipset (1967), the nation is a psychic phenomenon, a reflection of people's historical

experiences. On the other hand, Boulding (1965) perceives the nation as an embodiment of the national awareness described 'as the most active force of the 20th century'.

The notion of a nation described so far appears subjective - it refutes the idea that the nation is a social category, a historical community. It suggests that a nation is created by the common desire of people to live together.

Another trend in the interpretation of the essence of nations is to refuse the notion of the development and existence of nations to purely ethnic factors. People who have the same language, culture and beliefs are generally found living within certain geographical areas. This perception ignores the social character in the development of nations. It may be necessary to investigate how a group of people have come to speak a similar language and even have similar beliefs.

Another theory of nations is the dialectical-materialist view, which includes the following tenets: (1) the law-governed inception of the national form of social development, following the birth and consolidation of capitalism, and emphasizing the national economic factors in the formation and progress of nations and the development of national relations; (3) the strong bearing of class factors on the development of national and international processes; (4) the importance for the formation of nations of a common language and common territory and (5) the strong influence on the development of nations and the mutual relations of the national culture, national mentality and character which are socially (class) contradictory in antagonistic societies (Marx and Engels, 1976; Lenin, 194

The dialectical-materialist theory of nations is all embracing. It does not reject, per se, the notion of ethnicity but rather sees in it the form, not the substance, of the processes of social development. The ethnic characteristics in the national ethos are principally the language, territory, and features (but not the entire content) of the culture, way of life, beliefs, traditions, mentality and psychology shaped by the geographical environment, common origin and centuries of historical development.

On the other hand, the social aspects in the formation and

development of nations are primarily the economic ties of people and the intrinsic unity of classes and strata these ties create. Also, the meaning of social is rooted in class, and accordingly in the political divisions of society on the basis of class aims and interests. It follows that social and ethnic in the context of nations and national relations are dialectically connected with the social (class) factors playing the determining role. Thus:

"The nation is a lasting historical community of people constituting a form of social development based on the community of economic life in combination with the community of language, territory, culture, consciousness and psychology. (Fedoseyev et al., 1977)"

It must be noted that this definition of a nation does not negate the Marxist concept of a state as an organ of class domination, and oppression of one class by another aimed at the creation of 'order' which legalizes and perpetuates oppression by restraining the collisions between the classes.

There is no doubt that the application of the theory of dialectical materialism to the Nigerian situation will initiate meaningful discussions. These could give an insight into the nature and character of the present debate on the national question. In fact, the national question or problem in Nigeria may not connote a call to disintegrate the Federation, rather, it may be seen as the desire to discuss how resources are to be shared - who gets what and in whose interests?

By economic reform, the fundamental objective of which is to restore sustainable economic growth, we are alluding to the implementation of comprehensive shifts in macro and micro-policies, both in response to various shocks and to rectify inappropriate past policies that have hampered economic performance. These shocks have adversely affected the whole range of economic policy objectives, including the balance of payments, price stability, full employment, economic growth, the protection of the environment, and equity/poverty reduction. The impact or implications of economic reform are far reaching and could alter the equilibrium configurations of stated objectives. For example, the 1986 Structural Adjustment Programme (SAP) of

Nigeria is an economic reform programme. A critical analysis of Nigeria's SAP is in Ekpo (1988;1992;1993). A discussion of the relationship between economic reform and the national question in Nigeria follows.

3. Economic Reform and the National Question: Is There a Link?

The 1986 SAP was introduced with the objective of directing the economy along the path of sustained growth with minimal inflation within the medium term. The decision to implement SAP was subjected to a national debate. At the end of that debate, the nation was informed that Nigerians had rejected the idea of obtaining the International Monetary Fund (IMF) loan and its conditionalities. Government then went ahead to design what it termed a homegrown structural adjustment programme, which mirrored a typical IMF/World Bank, supported adjustment programme. It is apparent that even at the beginning, the interests of the majority of the populace were not respected. The nation or state, which is a reflection of the class in power, decided to implement the SAP whether or not it augured well for the populace.

The perception of the ruling class was that if properly implemented, the economic reform programme would improve the living standards of the people. Of course, if the material conditions of the people improve then tension and antagonism would be reduced. In reality, this was not the case. The structural adjustment programme was introduced because the State, represented by its policy makers appreciated that SAP would benefit the interests of capital more than labour. Hence, certain people whose interests are organically linked with capital, designed, formulated and implemented the economic reform programme. By doing so, they arrogated to themselves the right to decide the material condition of others. They did not, however, anticipate that the effect of these economic reforms would invoke the national question.

It may be argued that the national question was an issue during the struggle for political independence and after. However, it has been observed that during the period of relative 'prosperity' demands for addressing the national question were never these intense. It therefore, follows that there must be some correlation

between the wealth of the nation, the living standards of the people and the issue of the national question.

The call to resolve the national question has been intense in the last five to seven years. During the period 1980-1992, Nigeria moved from a middle income country with a per capita GNP of about US\$1500.00 to a low-income country. By 1987, GNP per capita stood at US\$370.00. Current estimates put Nigeria's GNP per capita as between US\$200-270 a year. Between 1965-1973 and 1973-1980, GNP per capita for Nigeria grew by 5.3 per cent and 1.2 percent, respectively. For the period 1980-83, GNP per capita grew negatively by 4.8 percent (World Bank, 1989). If we combine the above evidence with deteriorating social services (education, health, public utilities), continuous high rates of inflation, declining productivity and high rates of unemployment, then the average Nigerian is poor by all standards. It is thus not surprising that the demand to address the national question has picked up momentum during the period of economic depression (1986-1993).

However, there is need to ascertain the content of the economic reform programme in order to better understand its implications for the nationality problem. The objectives of the structural adjustment programme are: (1) to restructure and diversify the productive base of the economy in order to reduce dependence on the oil sector and on imports; (2) to achieve fiscal and balance of payments viability; (3) to lay the basis for a sustainable non-inflationary or minimal inflationary growth; and (4) to lessen the dominance of unproductive investments in the public sector, improve the sector's efficiency and intensify the growth potential of the private sector. The policies and strategies designed to achieve the above objectives are well discussed in (Federal Republic of Nigeria, 1986).

Fiscal viability was one of the measures applied to reduce government expenditure. The impact of this policy was the retrenchment of thousands of workers either directly or as a result of the restructuring of public sector enterprises. These workers joined the reserve army of the unemployed. In addition, appropriate pricing policies involved either the elimination or drastic reduction of subventions to the health, education and public utilities sectors. The resultant deterioration in social services led to government's

reduced ability to provide basic amenities. In a country without unemployment benefits, persistent unemployment causes serious social and psychological problems.

The deregulation of interest rates, the liberalization of the foreign exchange market, etc., encouraged speculation and trading more than production. as a result, genuine investors were unable to obtain loanable funds for investments to generate or create employment. Speculative activities have led to a 'boom' in the financial sector, but the boom is not linked to the industrial sector. Consequently, the poor become poorer; and the erstwhile middle class caught in the breach, engage in other activities outside their employment in order to survive.

The implication of this scenario is that politicians, tribalists and so-called representatives of the people, noticing the material poverty of the majority, have begun to agitate for a more equitable way of distributing the national wealth. Thus, they have been insisting on a forum to discuss the national question, in the hope that in the final analysis their class or group will benefit.

3.1 Efforts at resolving the national question, 1986-1993

We maintain that the present regime conceptualized and implemented SAP, based on its perception of the national question. It believed that the economic philosophy best suited for the Nigerian nation was capitalism. All the features and elements of the present SAP point to that conclusion. This is not to suggest that previous regimes thought differently. On the contrary, they also believed in the development of capitalism, but their approach was tempered with the Keynesian economic theory of management. However in the final analysis, the economy of the Nigeria has remained a dependent and peripheral capitalist economy. The present regime has been the first to implement comprehensive restructuring of the entire Nigerian economy with the objective of making it capitalist. Whether it succeeds or not is another matter. what is certain is that the programme was implemented ruthlessly, at least at the beginning.

This regime inaugurated the Directorate for Social Mobilization (MAMSER) on 2nd September 1987, with the objective of establishing an appropriate framework for the 'positive

mobilization and education of all Nigerians in order to bring about economic recovery and self-reliance through a new social and political order. an obvious implication of this function is that the erstwhile socio-economic and political order was decadent' (Ekpo. 1992b:81). Invariably, MAMSER was meant to, among its other functions, concretize the new economic philosophy. This regime, given its own perception of Nigeria's objective condition, has been consistent in insisting that the present economic reform programme is the best for the nation and that there can be no alternative economic reform programme. The negative results, after almost seven years of implementing SAP, have not changed the position of the ruling class.

The government, however, cognizant of the natural side effects of capitalist development, introduced programmes and strategies like DFFRI and the National Directorate for Employment to tackle rural development and growing unemployment. Furthermore, after the riots of 1988 and 1989 some relief measures were introduced to 'cushion' the adverse effects of SAP.

The present regime has endeavoured to find a political solution to the national question by creating more states and local governments. In 1987, the nineteen-state structure was increased to twenty-one. By 1991, it had increased to thirty. Before 1986, local governments were less than 200. In 1990, they increased to 301 and by 27th August 1991, the number of local governments stood at 453. At present, the country has 589 local governments. The agitation for more states and local governments has not and will never cease. The granting of some 'autonomy' to ethnic groups and/or clans by establishing more states and local governments amounts to chasing the shadow in our view. The fundamental issue lie in enhancing the economic wellbeing of the people- it is the only serious way to minimize the call to resolve the national question. The system is essentially economic driven, other factors are secondary. We argue that even if every village in Nigeria becomes a state or a local government, the national question will continue to surface until the material wellbeing of the majority of the people is enhanced and sustained.

The reaction to the economic reform programme (SAP) manifests itself in strikes by the working people, agitation by

mineral/oil producing states for a better share of the resources and requests by virtually all states for an increased share of the Federation Account. Declining standards of living, the deterioration in the provision of basic needs and social services, high rates of inflation - all outcomes of the economic reform programme - have convinced individuals and groups of the need to either break up the Federation, and/or decide on a better method of sharing the country's resources.

Let us illustrate our position through an example. Let us assume that through mutual understanding, the Ibibio ethnic group (in Akwa Ibom State) is allowed to become a sovereign state or country as one way of resolving the national question. Despite its size and resources, the national question will still be relevant as long as the majority of the people remain poor and exploited. The poor and exploited will feel alienated until a group within the ruling class addresses their material condition. An alternative would be for those whose interests are linked with the poor and exploited to assume state power and re-organize production relations differently. As long as there exist significant contradictions among social classes or groups, the national question will remain relevant and fundamental. At any point in time the social force that is in power decides on how best to tackle or resolve the national problem. While doing this, that social force will likely ensure that its interests are paramount.

4. CONCLUSION

We have tried to argue that a link exists between the present economic reform programme and the national question in Nigeria. The negative results of the economic reform programme are to be expected, because, for example, the continuous deterioration of the living standards of the majority of the people is inevitable, given the laws of capitalist development.

The creation of more states and local governments represents one method of resolving the national question. However, the unending demand for more states and local governments by various individuals, and ethnic/tribal groups, demonstrates that the fundamental issue at stake is the material well-being of every Nigerian. This paper deviates from the current debate on the national question by arguing that the class variable is fundamental. Also, the

national question is not necessarily a call for the break-up of the Federation.

We, thus, suggest that for any regime to be relevant in Nigeria, it must, as a necessary condition, enhance and sustain the living standards of most of the people. In this way, the agitation to resolve the national question in Nigeria will be minimized.