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## Privatisation and Public Sector Reforms in Nigeria: Implications for Social Democratic Conception of Citizenship

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### Introduction

Privatisation is meaningless without a robust understanding of what is involved in public sector reforms. Public sector reforms are equally meaningless without an adequate conceptual clarification and analysis of what structural adjustment programme is. This is because the conceptualisation and evolution of public sector reforms in most African countries, Nigeria inclusive, can be traced to the existence of development thinking ingrained in the structural adjustment programme initiative. Structural adjustment programme, *ab initio*, was an imposition of the IMF and the World Bank.

Conceptually, structural adjustment programme can be conceived in two interconnected ways: as a policy measure and as a mechanism to implement the policies in question. According to Pedersen et al (1996:3), structural adjustment implies 'a shift in economic policies from an interventionist stance, which permits and sometimes encourages state intervention in the economy, towards a neo-liberal position which aims to minimise it, letting the market allocate resources wherever possible'.

In a related sense, structural adjustment programme is the implementation of economic measures which aim at reducing the spending and direct economic involvement by the state in the operations and running of the economy of a particular country. The essence of the measures principally is to ensure the move towards market allocation of resources and the

provision of an enabling economic environment for the growth and development of private enterprises.

Structural adjustment programme is essentially an aspect of neo-liberalism, which has gained currency especially in western economies. Two most important features of neo-liberal ideology, in contemporary times, is the emphasis on protection of private property rights and the entrenchment of democratic rights which forbids the use of violence through the weapon of law. Besides, structural adjustment programme is a promoter of a free market economy in which the forces of demand and supply, rather than the state, determines, defines and regulates what is to be produced, where produced, when produced and why it is produced. Moreover, from this definition, it can be inferred that the idea of privatisation is located within the context of the structural adjustment programme. Last, but not the least, the structural adjustment programme is also projected as a developmental economic strategy for developing countries.

In a general sense, it can be stated that structural adjustment programme emphasises the removal of the dominant nature of the state from the running of the economies of developing countries. In this sense, it is often projected as a people-oriented market economic policy in which the people, by their choice through the interplay of the forces of demand and supply, determine what happens in a given economy.

In very detailed form, it follows that structural adjustment is the anchor on which many of the public sector reforms in African countries particularly are based. Seen from this perspective, it shows that structural adjustment can be seen as a vehicle on which public sector reforms are driven. On the other hand, it shows that structural adjustment programme is a challenge on one of the central emphasis of state ideology, which is the promotion of the welfare of all through state control of market forces. It is therefore a reactive policy when we bear in mind the nature of contemporary strategy for infrastructural development and general economic development.

The political economy of the twentieth century is noted for two major contending strategies of infrastructural investment and general economic growth and development. In the first place, there is the state ownership of the means of production, as reflected in the socialist model. Secondly, there is the capitalist model, which thrives on private ownership of the means of production.

Structural adjustment programme is a reactive economic policy measure against the first dominant strategy outlined above and a move towards, in the principal sense, the second dominant strategy. It therefore follows

that public sector reforms in Africa, particularly as championed by the IMF and the World Bank and as encapsulated in the structural adjustment programme, are and have been generally tailored towards the second dominant strategy, which is the private ownership of the means of production rather than public ownership. It is the nurturing of these policies that explains the widespread attention to and move towards the concept of privatisation and commercialisation in most African countries, Nigeria inclusive.

### **Objectives of Public Sector Reforms**

Public sector reforms in Africa generally has a long history. Despite the ideological mindset in that historical background, the major goals underlying public sector reforms on the continent can be seen in four perspectives:

- (i) Removal of central planning and control through the release of markets and enhanced private sector development;
- (ii) Reduction of government budget deficits through removal of subsidies, privatisation of public enterprises and transfer of public services to private institutions;
- (iii) Modernisation of the public sector through increased wage differentiation, decentralisation and civil service reform (based on reduction of number and functions);
- (iv) Liberalisation of government-controlled regulation over prices and allocations, foreign exchange and essential commodities.

The heart and substance of public sector reforms in Nigeria can be interpreted and defined in the light of these four objectives. However, a critical look at each of the objectives shows that the reforms are still a recent development. For instance, the removal of central planning in the Nigerian economy has been a difficult exercise until now. The state is still an active participant in major economic activities. Rather than invent innovative strategies for personal development, it appears very clear that even the private sector is still tied very subjugatingly to the aprons of the state. This is why Ralph Miliband (1973:1) notes in one of his numerous analyses on the nature of the state that:

More than ever before, men now live in the shadow of the state. What they want to achieve, individually or in groups, now mainly depends on the state's sanction and support. But since that sanction and support are not bestowed indiscriminately, they must, ever more directly, seek to influence and shape the state's power and purpose,

to try to appropriate it altogether. It is for the state's attention, or its control, that men compete; and it is against the state that men beat the waves of social conflict. It is to an ever greater degree the state which men encounter as they confront other men... It is possible not to be interested in what the state does; but it is not possible to be unaffected by it.

Even though structural adjustment programme dates back to the early 1980s in Nigeria, civil service reforms, however, have remained a topical and contentious issue for much longer. An example was the popular Udoji Civil Service Reforms in Nigeria. Although the civil service reforms are a continuous exercise in Nigeria, their efficacy has been a subject of controversy among scholars. Even then, the demands for civil service reform have also created more difficulties because of many extraneous factors within the polity.

However, the major obstacle to the goals and the drive towards public sector reform has essentially been the fact that these goals, while quite laudable, have been conceived and developed without recourse to national sentiments as set out in the national development goals which ensures, on the long run, the relations between the state, market and the civil society on one hand, and the goals themselves. In other words, the bane of the structural adjustment programme is that it has failed to carry along and reflect the sentiments of the civil society in understanding the propriety of the adjustment programme and the public reforms in general.

It is in the present sense that privatisation as a component of the public sector reforms is being examined. The question is what is privatisation?

### **Privatisation and Commercialisation: Conceptual Analysis and Clarification**

Public sector reforms in Africa generally have not been that successful. For example, the public sector and its size have not been seriously affected. Apart from this, the end of military rule has brought, in its wake, revival not just in democratisation but also in terms of the responsibility which politicians in the country have made the civil society to believe requires huge expenses. In other words, the drive towards democratisation has increased the number of parastatals and government institutions. The bane of these programmes, as defined in the structural adjustment programmes and public sector reforms in Nigeria, is that they have been structured to take effect in the short run. The questionable character of the sector reforms lies very tellingly in the fact that they are short-term programmes, with the state made to abdicate its control also in the short term, if not in the long run.

In recent times, therefore, international donors led by the IMF and World Bank have seen the necessity of creating a long-term plan which only creates a step-by-step withdrawal of state participation in the economy of the country over a long period of time. In the midst of this, a concept which has failed to lose recognition and importance in the general outlook of public sector reforms in Nigeria is the second objective of public sector reforms, which is 'the reduction of government budget deficits through removal of subsidies and the privatisation of public enterprises and transfer of public services to private institutions'.

It is in general a necessary proposition that the concept of privatisation and commercialisation making waves all over Africa today owe their origin to the substance and theoretical emphasis of the second dominant strategy, that is, the private ownership of the means of production. In other words, public reforms in Africa take as necessary the recession of the state from the control of public enterprises, emphasising that private ownership of the means of production is the only viable approach to the efficient production of goods and services, as well as economic growth and development. Consequently, there is a move all over the world to privatise erstwhile public enterprises.

Historically, the idea of privatisation was introduced into the Nigerian political economy through the Privatisation Act of 1988. The 1999 Act further intensifies the government's drive towards privatisation. This chapter takes issues on the concept of privatisation and commercialisation and their implications on the social democratic conception of citizenship in Nigeria. In doing this, it is necessary to examine the concepts of privatisation, commercialisation as well as the social democratic conception of citizenship. Equally to be examined are the implications of privatisation and commercialisation for the social democratic conception of citizenship.

Within the ambience of structural adjustment programme in Nigeria, the definition of the concept of privatisation appears very controversial. According to Peter (2004:214) 'privatisation signifies the personalisation of ownership'. In the words of Atake (1992:57), privatisation means general and financial independence of a company, without dependence on subsidies or grants from the government. It shows financial independence, with finances and funds sought entirely, not from the government but from the capital market. In his analysis, Atake reiterates that privatisation also shows that the government has abdicated its responsibilities in the choice and election of directors and managers of firms. This is done by the shareholders. Jackson and Price (1994:5), in their received wisdom, highlight the following as menu in the consideration

of what privatisation means. For them, privatisation includes sale of public assets, deregulation, opening up state monopolies to greater competition, contracting out, private provision of public services, joint capital projects using public and private finance, reducing subsidies and increasing or introducing user chargers. In the 1988 Act called the... PCA, privatisation is defined as 'the relinquishment of part or all of the equity and other interests held by the Federal Government'. In the same vein, commercialisation was defined as 'the reorganisation of enterprises, wholly or partly owned by the Federal Government, in which such commercialised enterprises shall operate as profit-making commercial ventures and without subventions from the Federal Government'.

However, structural adjustment programme has necessarily encouraged the idea of privatisation in two senses that we can conveniently tag as dissolution and evolution. In the first place, dissolution means dismantling or dissolving governmental utilities and parastatals charged with the provision of certain services such as electricity, postal services, telecommunication services, and similar other services. This is the first dimension of privatisation. The second dimension concerns, or relates closely to, the evolution or introduction of private enterprises into spheres of economic activities hitherto monopolised by government parastatals. The strong appearance of such non-governmental providers of public services is meant to usher in a dose of competitiveness into the provision of such goods and services.

From a purely academic and intellectual perspective, both classical liberal and neo-liberal economic theories provide quite convincingly the theoretical background of the concept of privatisation. According to Adam Smith, some factors can be set aside as useful clues to the enhancement of rapid economic growth in a nation. For Smith, the role of the state should be conceived only as one that is directed towards protection of life and properties. It has no business with the economic sphere. For Smith, the economy and the way it operates should be left in the hands of private individuals. In his opinion, the forces of demand and supply should dictate the direction of economic policies and objectives. In other words, the market should determine the operating techniques and strategy of the economy. In recent times, neo-liberals, while trying to push further the arguments of Smith, reiterate that the advantage of privatisation consists in ensuring a superior allocation of resources. In fact, according to them, privatisation provides for greater incentives for cost minimisation, encourage more effective managerial supervision, and stimulate greater employee effort (Peter 2004:214).

Neo-liberals have received, in intellectual terms, the greatest challenges from the Marxist school. In the opinions of prominent Marxist scholars, privatisation is a cardinal principle of capitalism and it is immoral. For Marxists, privatisation is one of the ploys for creating alienation in the society. This is because privatisation alienates individual citizens, from a whole lot of factors such as the environment where he lives, his fellow citizens, from himself and from the fruit and reward of his labour. Privatisation, as a cardinal principle of capitalism, reduces society to a huge deal of instability and crisis, since it is a class thing. It sets one class against the other in an irreconcilable antagonism which leads to revolution. The arguments between Adam Smith and Karl Marx over privatisation have been carried to higher levels of intellectual analyses ever since the 19th century.

However, the popularity of the privatisation concept, stemming from this intellectual debate and controversies between the Liberals and Marxists, was awakened in practical details and depth by the former Prime Minister of Britain, Baroness Margaret Thatcher, in the early and mid-1980s. She argues that privatisation is a subset of *Thatcherism* which means 'creating a framework which honours freedom within which individuals and firms can compete in fair terms, to the benefit of the consumer and the nation' (see Dewan 1999:61). She further argues that within this framework, government's role should be limited to five key areas:

- (i) Keeping the finances and currency of the nation sound and strong;
- (ii) Upholding the rule of law;
- (iii) Defending the territorial integrity and sovereignty of the state;
- (iv) Providing a basic education system which enables children to make the best of their abilities;
- (v) Providing a safety net of services for those unable to look after themselves.

In her opinion, while these goals and objectives of state participation in public life are laudable and worthwhile, it is evident that states have not been able to perform these goals. Poor performance of state in these five key areas can be attributed to the following reasons:

- (i) Priorities of elected politicians are necessarily different from the priorities of effective business managers and cannot therefore be simultaneously pursued;

- (ii) The huge subsidies expended on state industries are at the expense of the tax payers and leave the managers of such enterprises with the plain and unpalatable illusion that a nationalised industry does not have to succeed in order to survive;
- (iii) The basic philosophy of state ownership denies, and therefore fails to harvest positively, the powers of self-interest.

The conclusion of Baroness Thatcher is obvious: privatisation is the key to revitalising self-interest and freedom of citizens in a given economy. Self-interest is therefore the clue to understanding, for Thatcher, the gains of privatisation. The question of self-interest implicit in Thatcher's argument on privatisation, though subject to many interpretations, has been strongly challenged as flawed and that the only attention it deserves, in interpretive terms, is a focus on class interests. It is in the light of this focus on class and self-interests that serious intellectual arguments have been levelled against the idea of privatisation. Dewan (1999) provides one of such robust analysis of the flaws of privatisation in Nigeria.

According to him, Thatcherism and privatisation expose the control of strategic industries such as power, defence, security, health, education and public utilities to the hands of the few, taking in the process, the provision of such services beyond the reach of the common which may end up threatening such commonly shared values and ideals. In other words, for Dewan, privatisation, as set out in Thatcherism, if implemented in Nigeria may lead to the transfer of state sovereignty, in terms of both economic and political power, to corporate entities. Of interest to Dewan is the view that privatisation may lead to a kind of colonialism of a curious sort which is multinational colonialism. In his words:

The new International Economic Order is gradually being steered by western capitalists where ownership and control over the natural resources of the earth will no longer be determined by the sovereignty of nations but by the economic interests of individuals and multinationals in the economies of nations (1999:61).

In very clear terms, Dewan says privatisation seeks to diminish the significance of national boundaries and sovereignty and to replace them with multinational corporations.

Pedersen et al argue that one lasting weakness of the privatisation agenda in African countries is the lack of attention to the question of private capacity to take over from the public sector. While this is not entirely true, our understanding of the weakness of the privatisation agenda concerns its implication for the growing notions of citizenship in Nigeria. Dewan seems to have captured a little of our concern on the implication

of privatisation on the idea of citizenship in general. This borders on the relationship between privatisation seen from the prism of capitalism and its relationship with citizenship.

However, transcending the limitations interred in their analyses, this chapter assumes that very pertinent in the discussions of privatisation in Nigeria is the idea of the shift from the public to the private. Thus, privatisation is basically in line with the restoration of the right to private property without a corresponding right to welfare programmes by the citizenry. The right to private property is a veritable aspect of global capitalism. As explored by Marshall in his seminal paper (1949), and other scholars such as Bryan Turner (1990), global capitalism and citizenship have been at perpetual war with each other. Thus, privatisation, seen from the perspective of right, elicits some of the lingering concerns over the idea of capitalism and citizenship. Thus, citizenship stands as a very important concept to underscore in relation to privatisation.

This proceeds from the fact that, in recent times, the recession of economic performance of many countries has induced the need to pay attention to citizenship more than ever before. Moreover, the threat generated by the increasing wave of international migration, makes the issue of citizenship worthy of intellectual attention. Migration, unwittingly and unwillingly, has created an expansive parameter in the definition of citizenship. Given the increasing wave of migration, particularly from the south of the globe to the north, what it often and initially takes to consider who a citizen of a given polity is has continued to be mired in contestations and controversies. Moreover, the rise in global capitalism, furthered by the rising tide of globalisation of economic forces towards one world government, has also deepened interests in the issue of citizenship.

With these contrasting views on the idea of citizenship, our intention is to take issues on the implication of privatisation on the nature of citizenship in developing countries of the world. Our focus is on the Nigerian case. While citizenship has been hotly contested as a purely social or political concept, it is incumbent to say that the totality of citizenship considerations in recent times relates very closely also to the realms of economics. In other words, it is said that some political moves may, in the long run, generate some adverse consequences in economic terms. In the rest of the chapter, how the economic policy of privatisation impinges or has implication on the notion of citizenship is what we are set out to underscore. The relevant questions here are, what is citizenship and what is the connection between citizenship and privatisation?

## The Concept of Citizenship

The 1990s appears to be the decade of citizenship discourse. This is particularly true of a series of discussion in social and political philosophy. Major controversies in these areas seem to have been centred on the idea and concept of citizenship. For example, gender studies in the United States placed a great deal of emphasis on the idea of citizenship. Feminist scholars are prone to consider most societies as essentially patriarchal in relation to the entrenchment of citizenship rights. According to Pateman (1986), citizenship is a patriarchal category. Masculinity, for her, is the standard definition of citizenship.

Apart from the gender consideration of citizenship, the analysis of economic and political systems of the world seems to have brought to fore the salience of citizenship. In other words, the analysis of the economic and political systems of most advanced countries and developing nations have often been tied down to the facts and figures relating to citizenship ideals. Curiously, therefore, this makes the concept of citizenship the most popular concept and subject matter in popular discourses in social and political philosophy.

It is no misnomer, however, to contend that even though philosophical terms derive from everyday usage, evidently, it does not follow that it should arise from them. In philosophical usage, citizenship transcends mere belongingness to a country by legal definition. It refers to the normative substantive ideal of membership and participation in a political community. In other words, it reflects the idea of equality of political members of that society. It is, in the philosophical sense, a democratic ideal incorporating the elements of justice and fairness. However, just what the ideals of democracy, equality and participation are make the idea of citizenship as contestable as the terms used in aiding its definition.

According to Gallie (1968), 'Citizenship' is an essentially contested concept with its meanings having always emerged in disputed and recursive use. Basically, citizenship is taken to be the meaning of membership in a political community. Just what membership means in a political society can be troubling. Again, even though membership may be formally or procedurally specified, the idea of a community has all the vagueness of both its popular and social scientific usage. It too is recursive, being a 'birth-to-presence of a form of being which pre-exists' the conditions of its re-inventions (Rose 1999:177).

Consequently, citizenship has become entrapped in bewildering conceptual complexities. In fact, according to White and Donoghue (2002:3), as long as the meaning of citizenship is entrapped in a form of dependence on words and terms such as membership, participation,

community, etc., what it means and what it is meant to be must remain uncertain and possibly, too, unsettled. One of the earliest treatments of the concept of citizenship, although with serious intellectual criticisms, is the Marshallian analysis.

According to Marshall (1949), citizenship can be understood in relation to rights. In terms of history rather than logic, citizenship consists of three elements which Marshall calls civil, political and social. The first refers to rights necessary for individual freedom and right to justice. It tells of the right to equality with others in terms of the adherence to the due process of law, using the court of law. The political element of citizenship refers to the right to participate in the exercise of political power at all levels. In the Marshallian analysis, the social elements of citizenship refer to the 'whole range from the right to a modicum of economic welfare and security to the right to share to the full in the social heritage and to live the life of a civilised being according to the standards prevailing in the society'. This is enhanced and protected through the provision of social services. The combination of these three elements constitutes the anatomy of citizenship for Marshall. It is in this sense that he defined citizenship as a 'status bestowed on those who are full members of a community. All who possess the status are equal with respect to the rights and duties with which the status is endowed'(1949). Even though Marshall's analysis of citizenship suffered a setback, the social elements of citizenship he raised are very significant for the understanding of the implications of privatisation for citizenship. This shall be discussed later.

In the modern world, particularly with the world reeling under the influence of globalisation, the demands of citizenship have always been couched in the message and gospel of political equality. It is in this sense that Barker (1994:133) sees citizenship as a rational and egalitarian blueprint to solve the problems of irrationality in terms of ethnic, cultural and religious divisions. On the other hand, even though the question of identity cannot be thrown overboard in the definition or conception of citizenship, since citizenship is also created by the interplay of the qualities that people bring into political activity from their other identities and membership of groups conceived along the lines of race, religion, class or gender, we will still have to agree with Turner that 'the emergence of modern notion of citizenship requires the constitution of an abstract political subject no longer formally confined by the particularities of birth, ethnicity or gender (1990:194).

In whichever way it is construed, citizenship is argued to be claims to membership in a nation or nation-state conceived in the political, not the natural, sense. The claims in question refer to a set of rights and duties.

This, however, is the right-centric approach to citizenship implicit in the analysis of Marshall above. In recent times, there is more to the understanding of citizenship than the right-centric approach. One major flaw of Marshall's right-centric approach, apart from being legalistic, is that it fails to address the problem of social inequality in relationship to individual freedoms. In other words, the right-centric approach fails to account for the perennial sense of inequality generated by the capitalist order with the allowance of private property in a free market situation.

It is this setback in Marshall's right-centric approach, especially in relation to the idea of social policy in education, welfare and social services that necessitated the evolution of other conceptual considerations in the understanding of citizenship. This is the concept of elitism and universalism. The import of this distinction between elitism and universalism has implication, not only on citizenship equality but also on the nature of citizenship that exist by virtue of the implementation of the policy of privatisation. In fact, it is a proposition too plain to contest that the deliberate emphasis on one form of citizenship conceptualisation draws into the heart of the other. It is this drawing effect and consequences that we hope to rely on in the understanding of privatisation, commercialisation and citizenship in the social democratic sense.

### **Citizenship: Elitism versus Universalism**

The elitist conception of citizenship involves the idea that the status of citizen ought to be restricted to those whose living conditions actually meet those which are expected of a citizen. In relation to liberal ideology, elitism connotes the view that citizenship ought to be restricted to those who actually enjoy a life rooted in the conditions of liberty, equality, and fraternity (see John Scott 1994:62). It follows that the right to full membership can legitimately be withheld from those who lack the material and cultural resources that are necessary for them to act as citizens.

The universalist conception, on the other hand, states that citizenship involves the belief that the status of citizen ought to be extended to all adult members of society. For this reason, the universalist conception creates an obligation on the part of the state to establish the material and cultural conditions that are needed for effective citizen participation. A universalist conception, as defined here, carries the implication that the State, in a highly unequal society, should follow an economic policy of redistribution of wealth and a social policy of welfare provisions.

Deriving from the interplay of the elitist and universalist definitions of citizenship, the liberal, radical and social democratic conceptions of citizenship have equally been developed. Thus, the implications of

privatisation on citizenship therefore follow necessarily from the type of citizenship that is in vogue in such societies. It therefore also follows that the very nature of specific societies is very important in determining the implications of privatisation for citizenship.

### **Liberal Conception of Citizenship**

Liberal conception of citizenship emphasises the notion of rights in the definition of citizenship. Thus, citizenship, in liberal ideology is right-centric in nature. In other words, for liberals, discussion of citizenship must be in the light of right concepts and the absence of citizenship in terms of right is empty. However, for liberalism, rights must have a context and that context is what makes the notion of citizenship, in relation to rights, meaningful. This context, for liberals, is the sphere of the private. In other words, citizenship must be linked to actions of rights and duties which exist within private market relations. According to Macpherson (1962) citizenship exists and places emphasis on the property market.

This kind of liberalism was implicit in the basic philosophy of Thatcherism. The individual citizen, in the liberal sense here, is the property owner. According to Mead (1986), public definition of citizenship exists only in the private sphere of the market where the forces of demand and supply determine market relations. For the liberal conception, the role of the state is a limited one. State provision is to be held at a minimum level signifying that welfare, for instance, should come not from the state but from private charity and philanthropy. It follows that the liberal conception of citizenship, as highlighted here, is bound to be a good soil for the implementation of privatisation and commercialisation of public enterprises. As a matter of fact, state ownership of public enterprises is meaningless since citizenship is defined very carefully at the level of private life. However, the major flaw of liberal conception of citizenship is that it is too myopic and parochial a conception of citizenship. It fails to address itself to the possibilities of inequalities even in the face of an entrenched system of property rights. It is in this sense that liberal conception of citizenship is capitalist in nature.

### **Radical Conception of Citizenship**

The radical concept of citizenship makes the universalism of citizenship rights its starting point. For this conception, welfare benefits must be accorded to all. Lister (1990) contends that radicalism entails the right of all adult members to enjoy the full rights of citizens, a concept that Hall and Held (1989) think is important for children as well as the environment,

including animal rights and freedom. The argument of the radicalist is that social, economic and cultural conditions that ensure the rights of all in a system of equal participation in society should be built.

In a way, it endorses a form of plurality, not only in defining citizenship but, in the consideration of the effect and scope of citizenship. In this sense, the radical conception of citizenship endorses citizenship in terms of religion, ethnicity, class and races. It means that there can be a number of equivalent forms of citizenship without each entering into the definition of other forms. Denial in terms of identity politics is somewhat a strange doctrine in radicalists' conception of citizenship. In the words of Scott (1994:149), diversity of life style and identities characterises the radical concept of citizenship. The implication of the radicalist conception of citizenship is not far to seek. For the radicalist conception, privatisation is a misnomer simply because it stifles the basic necessities of pluralism. However, modern notions of citizenship consider the radical statement on citizenship too extreme and very unlikely a conception to appropriate the nature and conditions of life in modern societies. It is based on what is regarded as the inadequacy of the radical conception of citizenship that has led, in recent times, to the emergence of a new conception of citizenship, which is practically in line with modern and societal realities. This is the social democratic conception of citizenship.

### **Social Democratic Conception of Citizenship**

The social democratic conception of citizenship not only suggests that citizenship is interred in a network of social justice but also incorporate the ideals and central tenets of democracy. It sees citizenship as eliciting the sacredness and salience imbued into public life. Thus, citizenship is a public affair and tie. In line with the doctrine of the mean, this conception of citizenship transcends the obvious limitations and setbacks of previous conceptions, such as the extremism of the radical conception and the myopia and parochialism of the liberal conception. It is in this sense that Roche (1987) contends that the social democratic conception of citizenship is the dominant paradigm of modern citizenship.

The social democratic conception of citizenship is implicit in Marshall's analysis. And, as we pointed out earlier, it questions the concept of privatisation. The social democratic conception of citizenship states that citizenship is not a private interest but a public trust system in which rights and benefits are accorded each citizen by state intervention and programme of social welfare and services. Unlike the liberal and radical conception, it underscores the view that citizenship is a public affair with every sense of responsibility. It conceptualises citizenship in terms of public equality defined in economic, social and political terms.

Essentially, the social democratic conception of citizenship sees benefits as rights inherited and enjoyed as a result of citizen-state cooperation. In this conception, just as the citizens have their responsibilities, the state equally has obligations and duties to the citizens. In this conception of citizenship, there is the need for state intervention and fiscal management of the economy. In the words of Turner, social democratic conception of citizenship sees the citizen as an active agent and bearer of effective claims against the society via the state (1990:200). The citizen is neither a subject nor a passive bearer of rights. His existence as a public agent makes him a claimant, not just to rights but also to the public standards which defines every individual in the polity. One of the elements of these public standards is what Elias (1970) describes as the existence of 'functional democratisation'.

The social democratic conception of citizenship has influenced the nature of social policies, especially in relation to the idea of welfare. In terms of welfare, therefore, it queries whether what exists in a society is deprivation or poverty. To be deprived, as defined by Scott (1994:150) is to be denied the opportunities to enjoy the standard of living that is customary in one's society. Thus, the concept of deprivation is implicative of the concept of privilege, since the opposite of deprivation is privilege. In both cases, the idea of privatisation is significant. Privatisation either enhances privileges for some and/or enhances the deprivation of others, depending on the prevailing concept of citizenship within that society. Thus, using the concept of deprivation and privilege, the concept of privatisation can be understood in relation to citizenship in Nigeria.

### **Privatisation and Social Democratic Citizenship in Nigeria: A Critical Assessment**

The move towards privatisation in Nigeria has a long history. Historically, concerted moves towards privatisation of public enterprises or state-owned enterprises began as early as the 1950s and 1960s. However, it is with the implementation of the structural adjustment programme in 1986 that serious moves towards privatisation of state-owned enterprises began in Nigeria. Thus far, the privatisation agenda can be divided into three specific phases; the first phase known as first round (1988-93), the period of inertia (1994-97) and the current phase referred to as the second round (1998 to date).

According to Odusola (2004:79), as at 1986 when SAP was introduced, public enterprises in Nigeria were totalled at about 1,500 with 600 of these belonging to the Federal Government and 900 to states and local governments. In the year 2000, there were 590 out of which 160 were

engaged in economic activities. Significantly, despite the commitment of successive governments to the process, only incidental and few results have been achieved. This entails what Stiglitz (2000:300) describes as the variance between the objectives and goals of the policy and the implementation strategy. In his words, it is not the issue of creating market or generating revenue that matters 'but the improvement of living standards and the establishment of the foundations of sustainable, equitable and democratic development'.

Given the history of Nigeria, several reasons have been adduced for the move towards privatisation of public enterprises. These reasons range from ineptitude, mismanagement and corruption to inefficiency, fiscal burden on the government and the need to involve the private sector in the growth of the Nigerian economy. Another is the desire to create more wealth and fund for the government.

Generally, citizenship is still a complex and not well defined concept in Nigeria. As reiterated by Taiwo (1996:16), 'beyond phrase mongering, there are no citizens in Nigeria, only citizens of Nigeria'. Generally, citizenship in Nigeria seems to have been entangled, historically, in the existence of some skewed conceptions of citizenship. These are:

1. The definition of citizenship notions and rights in terms of one's primordial base and ethnic origin;
2. The emergence in Nigerian politics of the view that not all Nigerians are equal in respect of citizenship claims, stakes, rewards and responsibilities. Economically, citizenship in Nigeria is defined in terms of first-class and second-class citizens;
3. The wide gap between paper truth and empirical, practical and political reality;
4. The reduction of citizenship in Nigeria to mere formal and passive membership of a Nigerian political community rather than to a concrete form of substantive participation with respect to political power, economic empowerment, public life, social privileges;
5. Constitutional and juridical citizenship in terms of the enforcement of economic rights and policy of welfare that is a cruel mockery, in abeyance and simply non-existent.

These skewed conceptions of citizenship in Nigeria have come to be so for the local conditions of citizenship in Nigeria in as much as relevant fundamental principles of democratic governance have not been allowed to thrive. Actually, one of the problems of privatisation for citizenship in Nigeria is the absence of full democratisation by which every policy is

made to pass through the tests of rules and procedures. This refers to the absence of the institutionalisation of the policy process in Nigeria.

More precisely, the implication of privatisation for citizenship in Nigeria consists in what Taiwo (1996) classifies as the absence of a moral ideological foundation and basis for Nigerian citizenship. In his words, 'Nigerian citizenship is merely geographical; it is without moral-ideological content'. The absence of such ideological basis of Nigerian citizenship explains also why democratisation is an intractable problem for Nigeria. And what is more, privatisation has a Eurocentric bias. It is the celebration of European values, of the ideals of impersonality in the definition of public life and by implication, in the definition of citizenship values.

Going by the history of Nigeria, it is contended that the implementation or the full-scale introduction of privatisation in Nigeria is a threat to the welfare state. This threat, on our part, is championed by the emergence of the New Right and dominance of Thatcherism in Nigerian politics and in the former colonies of the British Commonwealth in general. As a matter of fact, the influence of Britain on its former colonies can be used to buttress this point. In almost all former colonies of the British isles, the policy of Thatcherism seems to be having full sway, especially in the light of economic policies. In fact, the introduction of SAP in most of these colonies and particularly in former West African British colonies has been quite devastating. Writing on Ghana's experience with SAP and, impliedly, privatisation, Hutchful (1996:184) argues that 'many Ghanaians remained unconvinced of the case against public enterprises, particularly where the only viable alternative was foreign control'.

It is instructive to note that in the case of Nigeria, the Constitution provides for the establishment a welfare state. However, successive governments have cleverly abandoned that constitutional duty that they owe the citizens. In the 1979 and 1999 Constitutions of Nigeria, section 14, subsection 2 (b), provides that 'the security and the welfare of the people shall be the primary purpose of government'. This is a commitment to the ideology of welfarism. The history of Nigerian political thought has shown and manifested a gradual and slow development of what can be termed, in very strict language, the elitist conception of citizenship. When evaluated in the light of welfare packages and promises, it is the case that, historically, Nigerians have been deemed not to be equal. In other words, right from the time of independence, citizenship in Nigeria has always been cast in the language of elitism. One very important factor in the whole social process in Nigeria is the military's usurpation of public political life. This process involves the stifling of the process towards the establishment of universalism in citizenship notions.

It is important to underline the fact that the elitist construction of citizenship in Nigeria, particularly in the democratic era of the First Republic, was often cast in conjunction with the control of power. Political participation for political power was structured by ethnic criteria which succeeded in excluding many ethnic groups from the seat of power and the economic advantages that accrue from it. It is only after considerable struggles that civil and political exclusion over power was lifted. It is most recently still that there have been struggles over the extension of citizenship rights and privileges to ethnic minorities and groups particularly in the Niger Delta.

All these struggles, one way or the other, have been connected with the provision of welfare services in Nigeria. At a minimum, these welfare concerns have been defined to include investment in education, health care facilities, housing opportunities and other social services. The absence of these welfare concerns explains why Nigerians abandon their country. Mass struggles of citizenship concerns in Nigeria have been tailored towards closing the gap between what is constitutionally provided and what obtains in practice. Such struggles are attempts to give practical relevance to the spirit of the Constitution.

Given this, it is quite revealing that privatisation is bound to affect more the boundaries of citizenship in relation to people's welfare in Nigeria. Privatisation has been declared as an official plundering of national patrimony by the political elites. It has been equally described as the amalgamation and acquisition of elitist wealth through other means. What this means is the sale and divestiture of the commonwealth to the highest bidder. The conscious move inherent in the programme, given these instances of distasteful implementation, shows the conscious promotion of elitism. Monye-Emina and Omar also made this point in the preceding chapters. To privatise these enterprises and the services rendered is to restore the Nigerian political and economic terrain to the elitist order. Better still, it is to reinforce the elitist notion of citizenship.

Elitist conception of citizenship is, of course, at variance with the social democratic conception of citizenship. If elitism is an inherent aspect of privatisation, if it elucidates pertinently the substance of privatisation and commercialisation, it shows that privatisation is against universalism in the conceptualisation of citizenship. Governments' attitude towards the dispensing of welfare programmes in Nigeria is a case in point. Some 15 years back, the Nigerian government was forthcoming in the award of scholarship and bursary to Nigerian students, as well as other welfare packages that meet the needs of its citizens. Today, the story is totally different. In fact, what takes place in lieu of welfare packages is the offering

of largesse and promotion of prebendal politics, which involves only a clientele relationship between godfathers and godchildren.

The move towards privatisation is an attempt on the part of the state to divest itself of the duty of restoring the days of welfare to Nigerian citizens. The impact on citizenship is grave in the sense that what it does is to entrench a normative basis for gross and stark inequalities in the country. Once the government succeeds in privatising, it becomes very difficult for citizens under the rubric of the social democratic charter of citizenship to make any worthwhile claim on the government.

The economy is then not only left in the hands of private interests whose goal is to rake the country, but very importantly, in the hands of the politicians and money mongers who have entrenched connection with foreign capitalists and multinationals to erode the culture of welfare which resides not only in the canons of the state but which equally exists as part of the privileges of the citizen given the culture of a functional democracy. This is what Nsofor (2004:65) has in mind when he argues that privatisation in Nigeria is unethical if specific groups take over what had become national institutions. In his words, 'the Nigerian system is populated by people who would pull it down anytime and walk away unscathed. Is it therefore surprising that our economy has only succeeded in taking one step forward and two steps backward?'

In addition, privatisation in Nigeria is bound to have lingering implications for the social democratic conception of citizenship in as much as it is a veritable aspect of neo-liberalism or the liberal ideology which places ethical and moral importance and emphasis on the private sphere and the running of the economy based on the principles of capitalism. As Marshall argues in his work, citizenship and the existence of social classes are two sets of opposing principles. In his words, 'it is reasonable therefore to expect that the impact of citizenship on social class should take the form of a conflict between opposing principles (1950:29).

Marshall's reasoning on the relationship between citizenship and social class is this: class politics is an aspect of capitalism. Capitalism is a system of inequality, Citizenship is a system, or at least, an endorsement of equality, whether curious or given. All, with respect to its normative standard, are equal. Capitalism is thus bound to be engaged in a perpetual war or conflict with citizenship. As Scott (1994) further argues, the social democratic view of citizenship endorses a system of institutionalised welfare. Therefore, the public status of citizenship as defined in the social democratic view of citizenship confronts most necessarily the class inequalities of capitalism. The unfettered operation of a capitalist economy constantly threatens to generate levels of inequalities that make

it impossible for some members of that society to participate fully in the public life of that society. They are excluded by the way in which the economy operates and their exclusion results in deprivation and poverty. That is what Marshall meant in the statement above that capitalism and citizenship have been at perpetual war with each other.

If capitalism endorses deprivation, therefore, it must equally endorse systems of privileging. Some are deprived while others are privileged. Privatisation, as a cardinal principle of capitalism ensures that the economy is operated in the atmosphere of deprivation and privileging, both co-existing in the same society. On both counts, privatisation leads to a distortion in citizenship consideration, since it threatens most constantly the very essence of the social democratic view of citizenship which is the creation of citizenship equality. Harold Laski's priceless and timely observation of the morality of liberalism seems to corroborate the essential defects of the principles of capitalism in relation to citizenship. According to him, one theoretical and moral weakness of the liberal tradition, and hence the liberal theory of citizenship, is its failure to address quite squarely and directly the problem of social inequality in relationship to individual freedoms (Laski 1962). If then, privatisation is a major aspect of liberal economics, its full implementation in Nigeria will fail to address the already formed and entrenched structure of economic inequality in the country.

In fact, privatisation entails a contradiction in the definition of the concept of the public and the private. The concept of the public is still as fuzzy and problematic as ever in Nigerian political history. The contradiction is how the idea of the private can be held to be in the interests of the public? How can private interests hold a future for the concept of the public where the concept is yet to be defined? The idea of privatisation is one of the hallmarks of global capitalism and as such holds a bleak future for the concept of citizenship in Nigeria. This is because citizenship and capitalism have always been at perpetual war in Nigeria. It therefore follows that the idea of privatisation has great implications for conventional definition of citizenship.

One of the implications, apart from the above, is that the customary and conventional standards of citizenship that prevail in a society such as Nigeria may be only imperfectly reflected in official practices. Conceptions of privatisation, as envisaged in Nigeria, may end up blurring the already affected notions of imbalanced citizenship sentiments. The limited nature of privatisation concepts in the country, courtesy of public reforms, is that it restricts a wider conception and theoretical construction of citizenship. Privatisation and citizenship are not complementary terms in as much as the latter is a deflection from the normal lifestyle of the

citizen. Moreover, the contrasting nature between social conception of citizenship and privatisation can be seen in the fact that the goal of privatisation is self-stultifying, i.e., there is in existence no conception of the public that the private seeks to protect.

Above all, it is believed that the tenor and thoughts of the Nigerian government on privatisation has, in relation to citizenship values in Nigeria, only created the awareness of our political and economic existence in an interdependent world, and of our dependence on some others. But in the major sense, what privatisation seeks to do is to endorse our dominance by others. In their full import, dependence and dominance, courtesy of privatisation in Nigeria, do not create or contribute to the making of authentic citizenship.

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