

## Public Service Reform and Nigeria's Global Competitiveness

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*Nigeria's federal public service had been subjected to a series of reforms since the reinventing government ideas came with the structural adjustment programmes in the late 1980s and became fully embraced in 1999 as part of democratic reforms. More recently, the reforms have been driven by the need to make the public service supportive of the government's vision of a globally competitive economy. This broad goal of global competitiveness provides a basis for evaluating the reform in the absence of clear indicators for measuring progress. Using a historical institutional approach, the paper provides details of the trajectory of the reforms and argues that there is little evidence that the service has become more professional, efficient and effective with improved capacity to deliver services. A cut in the bloated size of the junior cadre and removal of government provision of fringe benefits to public servants do not appear to have translated into achieving the mix of skills, interest and will that are needed to achieve reform goals. A protracted reform blues is underlined by resistance to reform and the predatory values that animate governance. For reforms to be successful there is need to address the cultural patterns of public life at large. Reforms should include training of public servants as well as civic ethics education addressed to the public and politicians.*

**Key words:** Competitiveness, Developmental state, Public service, Nigeria, Reinventing government,

### Introduction

Africa has witnessed a series of administrative reforms since the reinventing government ideas were introduced into the continent as part of the Structural Adjustment Programme (SAP) in the 1980s. Ayee's (2008), comprehensive review of the literature on the reforms since then, identifies three phases in administrative reform across the continent. The first phase started in the 1980s and ended in the early 1990s. The reforms were underlined by the belief that the problems of service provision were the result of price distortion emanating from widespread government subsidies. The

strategy was to reduce the size of the state and to cut-costs by retrenchment, introducing cost-recovery, and privatisation. It achieved marginal reduction in the size of the service, a cut back on equipment service and development expenditure. The overall goal was to achieve macroeconomic stability but the reforms were undermined by lack of regard for the historical evidence about the origin of the public sector problems in Africa, especially the linkage of the low productivity and inefficiency of the sector to the economic crisis of the 1970s. Secondly, the reforms ignored a basic fact that



people make organisations work and ignored the need to motivate workers in order to achieve organisational efficiency. It therefore failed to address livelihood concerns of public sector employees. The reform suffered from lack of ownership of reform and therefore real downsizing was not achieved. Indeed, in many situations the public sector experienced severe brain drain.

The second phase was from the mid-1990s to 2000. The reform strategies were largely influenced by the new public management with emphasis on remuneration and promotion policies to reward performance; incentives, skills, motivation, contracting out, public-private partnerships, and emphasis on change through the executive authority model. The focus was on performance and civil service management. This period was characterised a shift in emphasis from the quantity of employees to their quality as the reforms sought to make public sector employment more attractive and decrease the size of the government. The phase achieved very marginal improvement in the conditions of the service. This was because it adopted a one-size-fits-all approach that ignores country-specific organisational aspects of public organisations; created a quagmire for employees, for instance, reduction in government requires that salaries and no-wage benefits remain low; underpaid and poorly motivated workers were admonished to assume additional responsibility and to lead efforts at improving efficiency. The issue of relativities were not addressed and brain drain continued. There was no local ownership of the reform.

The third phase was from 2000 to the present, focused on effective and efficient service delivery. It is underlined by the assumption that an effective, responsive and legitimate state is crucial for sustaining a market economy. The strategy was the provision of basic services through processes driving pluralisation, decentralisation and participation; beneficiary surveys, self-appraisal exercises, performance improvement plans by public servants; customer friendliness and

responsiveness and Poverty Reduction Strategy Plans. It sought to improve service delivery to citizens by making the public service more responsive and effective. It achieved improved participation of civil society and other stakeholders in some public policies in the formulation of some public policies such as Poverty Reduction Strategy Plans; improved consultative process; marginal improvement in quality of service. The main shortcoming of this phase was that performance improvement plans and beneficiary surveys have not been properly organised; provision of services for the poor still a far cry; in spite of participation. Poverty Reduction Strategy Plans have not achieved their objectives; neither have quality of service improved.

Ayee's review show that public service reform in Africa has mirrored the administrative reforms from the developed countries of the world such as the US and Britain because they have largely been inspired by the experiences of those countries and the interventions of donors and the Bretton woods institutions. This is not to say that there are no objective local conditions that have called for reform, rather the issue is about the character of the reform being promoted by these institutions and the strategies adopted to achieve them.

A more nuanced assessment of reforms in Africa was done by Adamolekun and Kiragu (2002). They distinguished the reforms in Africa in the 1990s from those of the 1960s and 1970s. According to them, while the latter was on ad hoc approach to administrative reform, that of the 1990s and beyond was comprehensive and based on the reality that administrative reform is a continuous exercise with a long term perspective. They also teased out the elements that affected reform outcomes. Important among these is the role of the champion of reform. Where the head of government like the prime minister or president is the driver of reform better result is achieved than where the reform is led by ministry of civil service. They emphasise the importance of a

linkage or administrative reform to a 'strategic vision'. The third factor is the role of external actors, such as donors, who promoted SAP in Africa. These moved from preoccupation with cut-back management or downsizing to a broader approach that included strengthening public administration capacity and improving the quality of service delivery. Values of reform of the reforms included economic recovery, democratisation and administrative efficiency.

In terms of the overall evaluation of the various elements of the reform, they noted that in countries with fairly institutional capability (Botswana and Mauritius) the reform efforts have been largely incremental. Some countries like Ghana, Namibia and Uganda recorded modest improvement in institutional conditions, the effort to reduce civil service staff members and wage bill yielded modest results. Modest results were also achieved in anti-corruption while achievement in promoting accountability and transparency was 'patch'. The factors that militated against success included the following: (i) before the reforms most countries in sub-Saharan Africa were characterised by weak institutions. (ii). Political and bureaucratic leaders were reluctant to relinquish the patronage and rent-seeking opportunities by state owned enterprises. (iii) In many countries downsizing was half-hearted for lack of political will and inability to mobilise funds for severance payments and many states failed to introduce transparency measures. According to them, "it is generally accepted that successful and sustainable economic reform cannot take place without a competent public administration" (2002: 173). In this vein, Otopo (2002:307) noted that the "most challenging transition for public administration in Nigeria will be for public administration to successfully meet the challenges of globalisation and to benefit from the opportunities it provides". A key issue is for public administration to drive economic diversification in order to make the country internationally competitive. Public administration needs to provide policy responses to the need to attract investment, strategic planning and

coordination, for harness information in support of market development, for business friendly regulation, and for improved international policy analysis.

Given the mixed results in Africa, more recent studies tended to draw lessons from fairly more successful attempts, either at the sectoral or country levels. In a study of the experience in Ghana in performance improvement, Antwi et al (2008:261-3) emphasise the fact that the transformation of the conditions of employment of career public officials to make them more responsive to citizen needs and expectation. They identified seven success factors: whole hearted political leadership commitment, wholehearted bureaucratic leadership commitment, thoughtful synergistic planning/preparation, patience for implementation and evaluation, capacity to convince, neutralise and /or accommodate reform-phobias and critics, sustainable financial and technical resource availability, and conscious nurturing of general public support. Reforms must be contextualise to take into account the history, culture, politics, economy, sociology, ideology and values of the country.

Schneider and Heredia (2003:4-8) have argued that current public sector reforms is a sub-class of three historical models of public sector reform, each with specific objectives and measures. In their view, the first is the step towards better administrative performance by governments, adopting the Weberian model that seeks to reduce particularism and politicization in the bureaucracy and to eliminate the spoils system administration. These were succeeded by accountability reforms, designed to make the bureaucracy more accountable. The third is the managerial reforms, which aimed to make the bureaucracy more efficient and customer oriented. For Nunberg (2003:79) and Kaufman (2003:283-4) this historical distinction is more applicable to experience in the developed countries of the west and do not directly relate to experience in developing countries. Indeed, the issue of responsiveness to local circumstances and adapting reform strategies and



actions to work within the local circumstances have become key concerns in Africa as elsewhere in the developing world (see. Girishankar (1999), Schiavo-Campo and Sundaram (2000), Wescott (2004), Ayee (2008:156, Andrews 2008) attributes the poor achievement of reforms in Africa to the fact that the reforms were not home-grown, failed to take account of the complexities of particular national circumstances, and over-emphasised single facets of reform such as cutback management.

Similarly, it has been argued that a major difference between reform in the developed countries and the developing countries is that for developed countries reforms are home grown and designed to achieve improvements in already working civil services. For most developing countries, the reforms deal with more fundamental changes aimed to achieve the basic model and set of values of a working bureaucracy and is often induced by external intervention (Kettl, Ingraham, Sanders, Horner 1996: 29).

A governance perspective, emphasis the need to understand the linkages between politics and administration, the role of stakeholders and responsiveness of government to citizens which is missing in public management prescriptions (Jones, Schedler and Muassri 2004). It emphasises values of transparency, accountability, representivity, participation, equity, coherence, predictability and sustainability (Bauer 2004:18-19, Tambulassi 2009:183-184).

While there are clear consensus about what constitutes a working civil service there is no agreement about the nature of reforms that are called for and the strategies appropriate to achieving reform goals of an effective and competent public service in various contexts. Even more controversial is the role of the public service in the economy. Current developments in the global economy, since the recession that began in 2008, points to the centrality of the state and therefore the public service in a

globalised world. It underscores the salience of the Neo-Weberian perspective on reform. From this perspective, the state is the main facilitator of solutions to problem of globalisation, technological change, shifting demographics and environmental threat, the bureaucracy seeks to meet citizen's needs through early consultation and representation of citizens views (see Cepiku and Mititelu 2010:59-60, Lynn 2010)

Generally, it is recognised that reforming the public service takes time. It involves successes and failures and the process is decidedly nonlinear. It involves evolution of a new moral environment and modes of operation in which as Guy (1997:134) puts it, "small improvements are better than none, recognizing that one does not turn around the ship of state on a dime". More importantly, it involves addressing the moral, social, and political basis of the state and public administration, upholding the responsibility of government to promote citizenship, public discourse, and the public interest. Antwi et al (2008) draw attention to three factors that must be considered in public service reform for success to be achieved. Critical success factors include the need for reformers to appreciate the concerns of the public and civil society and the need to place reform within the country specific context. Administrative reforms stand to benefit from dialogue among scholars, practitioners, and citizens to bridge the gap between theory and practice and to explore and test new possibilities (Haruna 2001: 53). It is against these backdrops that this paper explores the current state of administrative reform in Nigeria, as propelled by the drive for global competitiveness. The current phase of reform in Nigeria is largely informed by the government's vision of becoming one of the world's 20 largest economy in the year 2020, although it has been influenced by ideas of the New Public Management, public governance and the New-Weberian State perspectives.

This paper reviews the theory and practice of administrative reforms in Nigeria since the return to democratic rule in 1999. It explores the reforms as

they evolve in the light of the country's drive for global competitiveness. It begins by explicating the theoretical nexus between national competitiveness and the public service as a critical institution of promoting national productivity. It then examines the specific reform measures that were conceptualised and executed in Nigeria by the various regimes since 1999. As Fukuyama (2004:58) has noted, even in data-rich and wealthy industrialized countries, it has been difficult to develop effective output measures to determine how well the public sector works. Outcomes in public service reforms in Africa are poorly tracked. Even in cases of World Bank interventions, few had indicators in place to track performance (Riddell 2007: 209). Thus, for the purpose of evaluating the reform measure, this essay relies on reports by key government officials on the achievements of the reforms and the World Economic Forum's indicators on global competitiveness, especially, the pillars of public institutions, infrastructure, macroeconomic stability and health and primary education which constitute the basic requirements (BR) for competitiveness. Nigeria is classified among the

This paper evaluates public service reform in Nigeria against the drive to achieve national competitiveness. This paper combines a purposive framework with an historical institutionalist framework of evaluating administrative reform (Peters 1992: 211). The later argues that political actors' have clear expectations concerning the scope and mode of change. However, in exceptional cases of fundamental performance crises or external shocks, the discrepancy between exogenous pressure and actors' adaptive capacity and self-reinforcing feedback gives way from the path of continuity or 'path dependency' (Peters et al, 2005). These frameworks explore the motivations and problems faced by those who initiate change. It recognises that reform requires the altering of the values of organisation as well as members. It stresses the durability of organisational values and cultures and the extreme difficulty that may be encountered in

attempting to produce any rapid or significant change in performance through reorganisation. It also assumes that reorganisation will be more effective if it were endogenous from the organisation and recognised its fundamental values rather than being imposed from outside. Usually, there are alternative viewpoints within the organisation that can generate agreement on the need and nature of reform. If the attempt to reorganise or reform from above is not acceptable to most members of the organisation it is not very likely to succeed.

### **Public Service Reform, Productivity and Global Competitiveness: A theoretical Nexus**

In our globalised world, wealth and power are increasingly generated by private transactions that take place across the borders of states at the global level (Evans 1997:64). Thus, the philosophy of globalisation entails the adoption of some critical reforms such as privatisation of government-owned enterprises, realistic exchange rate for the national currency, liberalisation of the economy, substantial investment in economic and technological infrastructure and accountability in governance, loosening regulation on business, cutting worker safety laws, relaxing environmental restrictions and providing subsidies to corporations in the bid to attract capital (Teeple 1995). These show that public service reform is central to taking advantage of the process of globalisation. As the Economic Commission for Africa (2003:2) observes, "The absence of an effective public administration can often constrain states from participating in the global economy. It is now recognised that the reform of the public services will give a better opportunity to benefit from globalisation". In our competitive world of globalisation, states must be able to "respond flexibly to competitive conditions in a range of diversified and rapidly evolving international markets. In addition to promoting welfare in society they must promote "enterprise, innovation, and profitability in both private and public spheres"(158)



The World Economic Forum (2010:4) uses competitiveness to refer to how productively a country uses available resources to provide high levels of prosperity to its citizens. It measures competitiveness by the set of institutions, policies, and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the sustainable level of prosperity that can be earned by an economy. In other words, more competitive economies tend to be able to produce higher levels of income for their citizens. At the heart of competitiveness are productivity and innovation (Porter 1998:158). According to Cho and Moon (2000: 204), "Productivity refers to the internal capability of an organization, while competitiveness refers to the relative position of an organization against its competitors...The relative competitive position in the international market, not just the absolute amount of productivity, is a critical element for a nation's competitiveness". The challenge for many countries is how to reform the government so that it is able to apply market friendly policies that will help improve competitiveness of companies and to support innovation by taking "visionary and effective action" (Tiirmaa-Klaar 2005:158).

The World Economic Forum (WEF) and the International Institute of Management Development (IMD) provides regular data on the competitiveness of nations across the world. It assesses how productively a country uses available resources to provide high levels of prosperity for their citizens. It measures the set of institutions, policies and factors that determine the sustainable current and medium term levels of economic prosperity of nations. The WEF Global Competitiveness Index (GCI) is based on Basic Requirements (BR) (institutions, infrastructure, macroeconomic stability, health and primary education), Efficiency Enhancers (EE) (higher education and training, goods market efficiency, labour market efficiency, financial market sophistication, technological readiness, market size), and Sophistication Factors (SF) (business sophistication, innovation).

In the context of globalisation, promoting national prosperity means making a nation competitive, that is, creating the environment for improved productivity. This is because a nation's standard of living depends on the capacity of its companies to achieve high levels of productivity. According to Porter (1990) a country's competitiveness is affected by national values, culture, economic structures, institutions and histories. While companies achieve competitiveness through innovation, a nation achieves competitiveness by improving the determinants of productivity and the rates of productivity growth, by creating the environment that allows companies to create and sustain competitive advantage in particular fields, a home base for companies that compete internationally.

Clearly, improving a nation's competitiveness calls for a reform in the way an economy runs. It involves fundamental changes in which the public sector plays a critical role. Indeed, the WEF in its 2011-2012 Report classified countries along three stages of development: factor driven economies, efficiency-driven economies and innovation driven economies. For states in the factor driven stage, the public sector is particularly very critical since it focuses on such factors as institutions, infrastructure, macro-economic stability, health and primary education which are foundations for the other important elements of a nation's competitiveness.

Public sector reforms seeks to strengthen the way the public sector is managed, by tinkering with the organisation, performance and working conditions of employees paid from government budgets. It may involve reducing the size or role of the public sector where it is overextended, doing too much with too few resources. It may also mean addressing the problem of poor decision-making processes; mismanagement of staff; weak accountability or poorly designed and poorly delivered public services. Across the world, public services reforms have been informed by a drive for national competitiveness. Generally, it is agreed that

government has a role to play in setting the conditions for business to succeed, and an effective government is needed to implement the vision/strategy to promote competitiveness.

**Re-inventing Government Movement and the Evolution of the Reforms in Nigeria, 1999-2007**

Although the Nigeria civil service has undergone a series of reform since its establishment under colonial rule, the managerial movement touchdown in Nigeria through the Civil Service reforms of 1988 when the country was undergoing structural adjustment carried out by the General Babangida military government.<sup>1</sup> The reforms sought essentially to change the traditional service that was created by the British colonial power by instilling the ideals of professionalism, accountability, responsiveness and efficiency. These were to be achieved through a process of matching authority with responsibility, decentralization and delegation and general modernization of the service. An important drive of the reform apart from economic restructuring was the need to attune it to the presidential system. Nigeria abandoned the British parliamentary system for the American type presidential system under the 1979 constitution. The reform involved a deliberate politicization of the civil service by making the government minister the accounting officer. The position of permanent secretary was abolished and replaced by Director General who held office at the pleasure of the president. The directors general were to leave with the expiry of the term of those who appoint them. The essence was to make the civil service responsive to the political executive.

The consequences were that for the leadership and direction of administration, the directors looked on the Director General with suspicion for the fact that he had become a politician by virtue of his appointment. The latter had ceased to be recognized as the de facto head of all the civil servants in his or her ministry or department. Directors General were

regarded and treated like powerless permanent secretaries because, although they were supposed to be deputy ministers/commissioners, they were, in most cases, not allowed to deputize for their ministers/commissioners within the EXCO when these position holders were absent (Olagboye 2005:42).

The 1988 reform also sought to promote professionalism by putting an end to interministerial transfer. Professionalism was viewed as working persistently in a single ministry throughout the career span of an individual. The pooling system was abolished. The office of the Head of Service was also abolished. The powers of appointment and promotion were decentralised away from the Federal Civil Service Commission (FCSC) to the ministries and extra-ministerial departments. A uniform structure was established for all ministries and each ministry was empowered to undertake the appointment, promotion and discipline of its staff under the general and uniform guidelines provided by the FCSC. These agencies were to carry out these functions through a Personnel Management Board with two committees. One for the senior staff of grade level 12 and above and another for the junior staff, levels 01-06. The committees were to be constituted to reflect federal character. The Civil service Commission was however to carry out appointment, recruitment and promotion into the grade levels 07-10, using the principle of geographical spread (Olagboye 2005:73).

It was hoped that such decentralization will enable the ministries to identify high flyers and enable them to enjoy accelerated promotion. These arrangements proved very difficult in practice. The powers were abused, as merit was thrown overboard and several candidates attained the position of directors, deputy directors and assistant directors within a relatively short time without evidence that they were high flyers. As time wore on, several abuses such as irregular transfers from parastatals and state bureaucracies to the main federal civil service became the order of the day. Thus, many civil servants got



unmerited accelerated promotion and occupied these positions for more than a decade or two to the detriment of their seniors or colleagues who became foreclosed from attaining such career positions. This has bred frustration and disillusionment within the service. Furthermore, it led to a situation in the service where subordinate officers retire ahead of their superior officers (Asiru 2009:96).

Thus, the 1988 reforms created more problems than it solved. The Alison Ayida Review Panel on the civil service reforms was inaugurated on 10th November 1994 to, amongst others, re-examine the 1988 civil service reform. Critical of the 1988 reforms, the Panel recommended measures that reversed most of the key structural and personnel elements of the reforms. The post of the Head of Service and Permanent Secretary were restored. The uniform structure of the ministries was also abandoned. But the progressive decay of the service from the mid-1980s to 1999 continued with unprecedented growth of the service without adequate capacity to meet its increasing responsibilities.

According to El-Rufai (2007) and Adegoroye (2005), by 1999 when the country returned to democratic rule and the President Obasanjo administration commenced, the public service was over-centralized with incessant conflicts between cadres, little emphasis on concrete performance, low staff morale, inappropriate staff development practices, in ability to respond to new development challenges, institutionalization of mediocrity through appointment and deployment, corruption and complete reversal of civil service value of loyalty to the state. The human resource management system had collapsed, skills shortages and serious capacity vacuum as a result of prolonged absence of systematic training and corruption-ridden procurement system were prevalent.

On assumption of office, the Obasanjo government immediately embarked on piecemeal reforms in the public service. Individuals who have

attained the age of 60 years or had put in 35 years of work in the public service were removed. The embargo on employment, which had been on since 1994, was lifted to enable the government inject new hands into the system. Public service pay was reviewed upwards to provide a base for honesty and accountability. A reviewed and reissued civil service rules and financial instructions impose spending limits on public officers (FGN, 2000). A Policy and Programme Monitoring Unit was then established in the presidency to build a comprehensive database to follow up on all decisions of the president and monitor programmes in ministries and public enterprises. Retreats, training courses and seminars were conducted at every level of the system.

These moves were justified by the 2001 service-wide study conducted by the Management Services Office (MSO), Office of the Head of the Civil Service of the Federation, which showed that the civil service was aging; 60% of the service personnel was made of officers who were 40 years old and above. Unskilled staff comprised 70% of the entire workforce (officers on Grade Levels 01 – 06). Only 1.7 per cent of the workforce was made up of officers in the strategic thinking Directorate Cadre (GLs. 15 – 17). About 60% of Federal Government spending was deployed to servicing the Federal bureaucracy (including the National Assembly). There was low morale among the higher levels of the service, resulting from non-professional Human Resource Management Practice (HRMP); and a highly centralized, hierarchical and rule-driven system which stifles individual initiative and muffles corporate accountability. The Ministries, Departments and Agencies (MDAs) had neither Mission and Vision Statements, nor clear corporate and individual schedules of duties, under resourced and lacking the capacity to appropriate technological changes to modernize. Decision making had degenerated to a routine response to addressing urgent problems rather than a structured initiative involving painstaking analysis, consultation and monitored control. In addition, the procurement system



was arguably said to be fundamentally flawed and non-transparent (see Adegroye 2005, Matankari 2009).

To change the values of the service, a Service Compact with all Nigerians (SERVICOM) programme was conceived and adopted on March 21, 2004, at the end of a Special Presidential Retreat on Service Delivery. Servicom sought to put an end to the culture of shoddy or inadequate service delivery by Nigerian public institutions. The new concept of service compact with all Nigerians was conceived as a collective undertaking by the top echelons of public service to dedicate themselves to providing services in a timely, fair, honest, effective and transparent manner to citizens.

All of these piecemeal reform programmes were articulated into a comprehensive public sector reform agenda in the National Economic Empowerment and Development Strategy (NEEDS) document that was published in late 2004 by the Federal Government. According to the NEEDS document, public sector reform consists of seven main goals. These are to right-size the sector and eliminate ghost workers, restore the professionalism of the civil service, rationalize, restructure and strengthen institutions, privatize and liberalise the sector, tackle corruption and improve transparency in government accounts, reduce waste and improve efficiency of government expenditures, and enhance economic coordination.

The goal was to create a new generation of officers and technocrats with sufficient skills, knowledge and motivation to innovate and make same applicable to government operations and management of institutions. Such a service was to be achieved by emphasis on vigorous and systematic evaluation and reporting of professional performance to make policy makers accountable for resources used and for results by setting clear organisational and personnel objectives with a concern with results rather than process and expenditure. The public service was to be made to focus on its core functions by withdrawing from commercial activities. It was expected to deploy

information and communication technology (ICT) in its operations and ensure that core skills were matched with jobs and high skills and competences available in other sectors of the economy were injected into the public service, using a range of incentives to bridge knowledge and information gaps.

Fringe benefits were to be monetised to reduce wastes and inefficiency, within an incentive structure that supports competitive private sector development. Finally, it involved striking an appropriate balance between direction, control and autonomy of departments and public managers through the reform of central agencies and changing the mind-set of officers so that they were conditioned by strong professional ethics (see Olaopa 2008).

The reform process involved huge resources to be spent on paying severance benefits for staff to be retrenched as a result of the right sizing aspect of the reform and the monetisation policy. It was also envisaged that significant resources was to be spent on training and retraining. An estimated N26 billion was provided in the 2006 Budget for the payment of severance entitlements of the disengaged staff. Over 35,700 officers in the civil service were disengaged from Service in the first phase of the severance exercise (Okonjo-Iweala and Osafo-kwaako (2007). These reforms were not confined to the core civil service alone; they were extended to the parastatals. Indeed, by March 2011, 41,926 redundant Officers in Civil Service were retrenched while about 38,000 in parastatals had been laid off. New sets of young, bright personnel were recruited to rejuvenate the service. Following a review of these retrenchments, about 3,000 out of the staff retrenched from various MDAs were reinstated; 30,000 of the retrenched staff had received their severance packages while 73,770 staff of MDAs and Parastatals benefited from pre-retirement training. Staff pay in the public service was consolidated into a single pay figure with a 15 per cent general pay increase in January 2007 (National Bureau of Public Service Reform 2011, also see Lawanson and Adeoye 2013).



The first phase of the computerisation of public service personnel record and payroll for seven MDAs in the Civil Service was successfully implemented in 2010, with the government saving of N12 billion from the exercise<sup>2</sup>. Under the monetization of Fringe Benefits (perquisites) of Public Officers programme, 80% of government vehicles were sold to Public Servants to reduce the cost of purchasing and maintenance of such vehicles which was huge and took a large part of the budget. Officers were given increase pay to cater for their transport. About 60,000 units of government residential houses were sold to Public Servants and the public to save cost of acquiring more buildings and maintenance. In May 2007 the number of MDAs in the core Civil Service was reduced from over 40 to 36. The Mandates of MDAs, responsibilities of ministers and the organizational Structure (Organogram) of each ministry were defined. The Public Service Rules and Financial Regulations were reviewed to make operation more efficient and transparent. The Bureau of Public Procurement was set up to monitor the implementation of Public procurement Act of 2007. Under the Due Process mechanism, any projects exceeding N50 million (US\$400,000) required a due process certification. To ensure competitive costing of contracts, a database of international prices was developed (from bona fide internet sources) to serve as a guide during the bidding process. The government also published a public tender's journal periodically as a means of reducing patronage in the award of contracts. Finally, certification of completed government projects was also required before final payments were made. As at 2007 when the Obasanjo government was replaced, there was evidence that the due process in tendering and contract awards had helped to curb corruption and ensure fairness, competition and cost saving in contract processes (Okonjo-Iweala and Osafo-Kwaako, 2007).

These reforms were supported by an anticorruption crusade, involving the establishment of two important bodies: the Independent Corrupt

Practices and Other Related Offenses Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC). While the ICPC focuses on promoting a culture of anti-corruption, collaborating with anti-corruption NGOs and establishing anti-corruption clubs in schools, anti-corruption and Transparency Monitoring Units in ministries and parastatals across the country (Akanbi 2004), the EFCC is empowered to prevent, investigate, prosecute and penalise economic and financial crimes.

The EFCC is charged with the responsibility of enforcing the provisions of other laws and regulations relating to economic and financial crimes, including: Economic and Financial Crimes Commission Establishment act (2004), the Money Laundering Act 1995, the Money Laundering (Prohibition) act 2004, the Advance Fee Fraud and Other Fraud Related Offences Act 1995, the Failed Banks (Recovery of Debts) and Financial Malpractices in Banks Act 1994, the Banks and other Financial Institutions Act 1991, and Miscellaneous Offences Act. The Nigeria Extractive Industries Transparency Initiative (NEITI) was introduced in 2003. The NEITI Act 2007 mandates NEITI to "promote due process and transparency in extractive revenues paid to and received by government as well ensure transparency and accountability in the application of extractive revenues"<sup>3</sup>.

### **The Post-Obasanjo Reforms**

The post-Obasanjo reform is conceptualized in the Vision 20:2020 and the National Strategy for Public Service Reforms (NSPSR) document published in 2009 by the Yar'Adua/Jonathan government. The vision 20:2020 document expresses the vision to make Nigeria "one of the leading economies in the world within the next decade". The instrument to achieving this objective include among other things, instituting a system of government that is transparent and accountable, providing appropriate legal and regulatory

environment for private investment, reforming the central planning authority and the civil service.

The current agenda for the public service is broken down into three phases. The first phase is the rebuilding phase designed to restore professionalism, merit and client focus, equipment and infrastructures for the public service. Covering the period 2009-2011, it seeks to adopt a "merit principle as the cardinal policy of recruitment and promotion...ensuring that positions and responsibilities are given to the most deserving and qualified" (NPC 2009). Performance Management (PM) is being introduced with the 2011 budget. According to Olusegun Aganga, Minister for Finance, "the introduction of the performance-based budgeting, where every penny spent has to be accounted for, is also to reduce government expenditure, while the multi-year budgeting system will reduce the incidence of uncompleted projects".<sup>4</sup> A ministry score card is expected to have been developed and annual ministry and country reports produced. The rebuilding phase is estimated to cost N21 billion (Akowe 2010:4).

The second phase is the value driven phase, 2012-2015. The goal is to transform the service into a value-based, strong and well performing institution. In this phase, the government is expected to introduce and enforce a code of values and ethics for public servants to establish high standards of conduct and serve as a deterrent for unacceptable practices. By this time the first cycle of PM would have been completed in the service and PM would be institutionalised at the heart of planning, budgeting and competitive funding. The third phase, the World Class Service Phase, covering the period 2016-2020, is the achievement of a world class public service, where PM has penetrated to levels of departments, units and individuals. Although, the reforms have been driven by the country's goal to achieve the status of being one of the 20 leading industrial economies in the world by 2020, they are a part of a larger effort within the

African charter to evolve developmental states, as stated by Stephen Orosanye (2011:28) who was the Head of Service in 2009-2010. In his words, "... a capacitated state that is committed to ensuring a better life for citizens, promote popular participation and the indigenous ownership of its developmental agenda; whose public service is people oriented, and based on meritocracy and driven by service to its citizens...mobilises, budgets and manages its public finance effectively and is underpinned by democratic politics". What the new agenda suggests is that the many reforms relating to the skills capacity and right sizing carried out under the Obasanjo regime has not significantly permeated the public service. As Magregor et al (1998:6) noted, "downsizing does not improve service delivery. It merely produces a civil service that is smaller, but just as efficient or inefficient as before". Indeed, there are still fundamental issues traceable to the 1988 reforms and the general deterioration in governance in the late 1980s and 1990s.

To solve the succession crisis, the federal government in a circular dated August 25 2009, introduced a fixed tenure for federal permanent secretaries and directors with effect from January 1, 2010. Under this regime, a permanent secretary is appointed for a fixed term of four years, renewable for another term of four years after which a candidate automatically retires. In the case of a director, a public servant that has spent eight as director retires, notwithstanding the extant rule of retirement age of 60 years or 35 years of service. Also to institute a merit system, the office of the head of service reintroduce written examinations after each training programme and for promotion from one rank to the other, including promotion to the position of permanent secretary.

The Federal Government cut the overhead expenditure in the executive and legislative arms by 30 per cent in the face of rising personnel cost, which increased from N850 billion to N1.3 trillion between



2009 and 2010. The second phase of the implementation of the Integrated Personnel and Payroll Information System (IPPIS), set up by the government for its Ministries, Department and Agencies (MDAs) has led to the removal 43,000 'ghost workers' from the payroll in 2010. The first phase covered 112,000 workers. The second phase will cover 11 MDAs while the third phase will cover 18 MDAs (Ogidan 2011).

### **Towards Evaluating the Achievements of the Reforms**

The most obvious achievements of the public service reform relates to the implementation of certain specific objectives. The first is the downsizing of the service. The second is the monetisation policy and the third is the setting up of the bureau for public procurement and the establishment of a clear procurement process designed to ensure value for money, and to boost the effort at ensuring transparency and accountability. A freedom of information Act was signed into law by the president in 2011. Also very important concerning the environment of the reform is the establishment of the anticorruption bodies.

However, there is much to be expected with regard to the ultimate goals of the reform. This is largely because the framework of measuring the degree of progress in the achievement of the reform goals was not clearly stated. Thus, there is a tendency to replace the achievement of specific reform objectives with the reform goals. For instance, no major targets or measures over time relating to the reform phases have been stated with regards to Nigeria's competitiveness. Secondly, there are no clear indices measuring the improvement in the quality of skills in the sector, especially in technical areas over time. Thirdly, before the reform was systematised and put into full force in 2004, there was a 2001 study that provided the basis for addressing the aging and skill challenges of the service. Ten years after the reform commenced and

with a new package reintroduced in 2009, there is no major study of achievements in terms of the broader goals of the reform by the government. Thus, it is difficult to assess the overall performance of the reform in terms of their long term goals. Although the monetisation process is more or less concluded, there is no definitive statement in terms of outcome. Targets or indicators of progress are necessary to determine consistency in achievement and to establish linkages with larger governance reforms efforts.

There is evidence to show that the effort at downsizing did not turn out well. El-Rufai (2013:325) who was a leader of the Bureau for public service reform during the Obasanjo administration, reported that "about 20,000 of the severed civil servants found their way back into the service, thereby defeating the clean-up exercise and wasting the monies spent... Federal pay roll has ballooned from N600billion in 2007 to N1, 600billion in 2012, nearly three times the size five years ago".

There were reasonable grounds to claim that the EFCC and ICPC were gradually making progress in removing the concept of the untouchable "big man" in Nigeria and in re-establishing the rule of law for all before the last days of the Obasanjo government. This was because of a number of high profile cases of arrest and prosecution of public officers. Indeed, despite existing challenges there was belief that the reforms had yielded some concrete results. Kaufman et al (2005) noted that recent survey indicated that there had been a reduction in the perception of corruption by Nigerian firms in obtaining trade permits, in paying taxes, in procurement, in the leakage of public funds, and in money laundering. The government then publicise areas such as the postal service, the corporate affairs commission, the due process office and the regulation of food and drug as areas of successes. The federal government claimed to have saved over N200 billion (about US\$1.5 billion) since 2001 in the form of reductions from inflated contract prices. Furthermore, initial prices quoted by various

government contractors were reported to have declined significantly. The Due Process reform was listed as one of the most successful, bringing more sanity, transparency, and competition into public contracts (Okonjo-Iweala and Osafo-Kwaako, 2007).

There is however sufficient ground to claim that these achievements have been reversed (see HRW 2011, Aiyede forthcoming 2013). During the botched third term bid of President Olusegun Obasanjo there was selective use of anti-corruption agencies to fight opponents and legislators were bribed to change the constitution. Under the successor government of President Yar'Adua, Nuhu Ribadu, the head of the EFCC, was dismissed from the police and removed from office in very untidy circumstances. The agencies have not demonstrated purposefulness under President Goodluck Jonathan (Editorial, Sunday Punch, June 27, 2010:10). Under the Yar'Adua government, the House of Representative Committee on Power and Steel revealed that \$16 billion invested in the National Integrated Power projects between 2006 and 2007 was squandered by the President Olusegun Obasanjo government. Some companies were paid up to five billion dollars without mobilising to site a year after receiving the sum. Over \$6.2 billion was paid to contractors that have no record of registration at the Corporate Affairs Commission (Ogbodo 2008:1). The then Minister for Health, Professor Adenike Grange, was sacked by the Yar Adua government in early 2008 for disobeying the directive of the president that unspent budgetary allocation for the 2007 fiscal year be returned to government treasury. This brought to public awareness that unspent budgetary allocation were usually shared by civil servants. About four billion dollars was returned as unspent budget for fiscal 2007 alone (Olu 2008:1).

The initial claim of a notable improvement in the efficiency of capital spending as result of the Due Process mechanism has not been sustained. Indeed, recent developments show that the situation has

deteriorated. For instance, Nigeria Extractive Industries Transparency Initiative (NEITI) has not been able to implement recommendations regarding the sanitisation of the petroleum industry. The audit of the industry in 1999-2004 and 2005 showed that Nigeria lacked the capacity to regulate and monitor, document and report financial accounting in that sector. There were no reliable figures on production, on oil exports at the terminals. Nigeria losses 10 million barrels of crude oil between flow stations and oil export terminals (see Punch Editorial July 6, 2010:14).

The effectiveness of the Bureau for Public Procurement was put to question when legislators on oversight found that a runway for the Nnamdi Azikiwe Airport was to be constructed for a whopping N64bn, when a similar runway was constructed in Bucharest for N17.5bn and in Thailand for N18bn. Indeed, the International Airport recently built by Akwa Ibom State in Nigeria was built for N42bn. Padding and corruption has remained entrenched in the procurement system (see Editorials, Punch March 30 & April 11, 2010). These contracts were approved by the National Executive Council presided over by President Jonathan.

Transparency International Global Corruption Barometer (2013) stated that 72% of respondents to its survey indicated that corruption had increased a lot in the last two years, 78% said it was a serious problem in Nigeria, 72% believed the government was run largely or entirely by a few big entities acting in their own self-interest. Furthermore, 75% of respondents indicated that government actions against corruption were either ineffective or very ineffective. Only 12% said they were effective. It was also reported by 92% of respondents that civil servants were corrupt or extremely corrupt, 69% believed the police is corrupt or extremely corrupt. Sixty-six per cent said the same about the judiciary, 94% about political parties, and 73% about the legislature. These implied that political parties and civil servants were considered the most corrupt entities in Nigeria.



Furthermore, the then Minister of State for Information, Labaran Maku, expressing concern over the cost of contract remarked that procurement contracts in Nigeria was 30 per cent higher than what obtains in other West African countries. He attributed the situation to delay in the payment for jobs executed forcing contractors to factor potential economic consequences of delays and uncertainties into the cost of projects. But what this suggests is that efficiency, professionalism and probity is yet to be achieved. That this is happening after the enactment of the Fiscal Responsibility Act 2007 and the Public Procurement Act 2007 shows the importance of commitment by exemplary behaviour of the political leadership in achieving reform goals (Punch Editorial July 14, 2010:14). As the WEF (2013:4) GCI 2012/13 observed:

The role of institutions goes beyond the legal framework. Government attitudes toward markets and freedoms and the efficiency of its operations are also very important: excessive bureaucracy and red tape, overregulation, corruption, dishonesty in dealing with public contracts, lack of transparency and trustworthiness, inability to provide appropriate services for the business sector, and political dependence of the judicial system impose significant economic costs to businesses and slow the process of development.

The non-competitiveness of the public service is shown in Nigeria's record in the bureaucracy related pillars of competitiveness and in the country's standing in the overall global competitiveness index of the WEF as shown in table 1.

**Table 1: Nigeria's status in the Seven Pillars of Global Competitiveness 2012/2013**

| Nos. | Pillars of competitiveness   | Score         |               | Rank          | Sub-Index                             | Rank | Type of Economies           |
|------|------------------------------|---------------|---------------|---------------|---------------------------------------|------|-----------------------------|
|      |                              | 2012/<br>2013 | 2011/<br>2012 | 2012/<br>2013 |                                       |      |                             |
| 1    | Institution                  | 3.33          | 3.31          | 117           |                                       |      |                             |
| 2    | Infrastructure               | 2.28          | 3.96          | 130           | Basic requirements                    | 130  | Factor Driven economies     |
| 3    | Macroeconomic Environment    | 5.25          | 4.69          | 39            |                                       |      |                             |
| 4    | Health and Primary Education | 3.20          | 5.42          | 142           |                                       |      |                             |
| 5    | Higher Education & Training  | 3.31          | 4.15          | 113           | Efficiency Enhancers                  | 78   | Efficiency-Driven economies |
| 6    | Goods Market Efficiency      | 4.16          | 4.28          | 88            |                                       |      |                             |
| 7    | Labor Market Efficiency      | 4.50          | 4.33          | 55            |                                       |      |                             |
| 8    | Financial Market Development | 4.07          | 4.09          | 68            |                                       |      |                             |
| 9    | Technological Readiness      | 3.08          | 4.00          | 112           |                                       |      |                             |
| 10   | Market Size                  | 4.63          | 3.68          | 33            |                                       |      |                             |
| 11   | Business Sophistication      | 3.96          | 4.02          | 66            | Innovation and Sophistication Factors | 73   | Innovation-Driven economies |
| 12   | Innovation                   | 3.10          | 3.40          | 78            |                                       |      |                             |

Nigeria is rated among the least-competitive countries (2.78-3.80 score) recording an overall performance in 2013 of 3.67 on a scale of 0-7. This is only a little higher than the average of 3.5 and does not show that Nigeria is likely to move to the next category of countries in transition to an efficiency driven economy with a score of 3.80-4.20.

In terms of performance in the seven year period covered by the table in the sub-index of basic requirements, the stage Nigeria is grappling with as a factor-driven economy, the country is a little below average at 3.47 (table 2).

**Table 2. Nigeria's Performance in the Sub-index of Basic requirements**

| Year      | Overall Score (ranking) | Score on Basic Requirements (ranking) | Institutions | Infrastructure | Macroeconomic stability | Health and primary education |
|-----------|-------------------------|---------------------------------------|--------------|----------------|-------------------------|------------------------------|
| 2012/2013 | 3.67(115 of 144)        | 3.52 (130)                            | 3.33(117)    | 2.28(130)      | 5.25(39)                | 3.20(142)                    |
| 2011/2012 | 3.45(127 of 142)        | 3.19 (139)                            | 3.31 (111)   | 2.21 (135)     | 3.96 (121)              | 3.28 (140)                   |
| 2010/2011 | 3.38(127 of 139)        | 3.11(136)                             | 3.18 (121)   | 2.02 (135)     | 4.25 (97)               | 3.00 (137)                   |
| 2009/2010 | 3.65(99 of 133)         | 3.51 (102)                            | 3.34 (102)   | 2.29 (127)     | 5.43 (20)               | 2.96 (132)                   |
| 2008/2009 | 3.81(94 of 134)         | 3.74 (105)                            | 3.42 (106)   | 2.24 (120)     | 5.70 (26)               | 3.59 (126)                   |
| 2007/2008 | 3.69(95 of 131)         | 3.66(108)                             | 3.76 (77)    | 3.33 (103)     | 5.58 (28)               | 3.55 (124)                   |
| 2006/2007 | 3.45(101 of 125)        | 3.53 (112)                            | 3.26 (94)    | 2.26 (105)     | 4.62 (55)               | 3.98 (116)                   |

**Source:** Figures drawn from the World Economic Forum Global Competitiveness Index, 2006-2011

From table 2, we see that whereas the general performance of Nigeria in terms of overall score for the seven years covered is 3.57, the average score for institutions is 3.38. Throughout the period, the score on institution was behind the overall score except in 2006/2007. However, after 2007/2009 the score on institutions fell to a low of 3.18 in 2010/2011 before recording a slight increase to 3.31 in 2011/2012, and to 3.33 in 2012/2013 which are only a little better than the initial score of 3.26 in 2006/2007.

poor performance in institutions, infrastructure, and health and primary education. These are regarded as the basic requirements for competitiveness and are directly related to the performance of the public service. They show that the public service has been a major drag on Nigeria's competitiveness. For instance, the

highest score in infrastructure is 3.33 (2007/2008). This is below the lowest overall score of 3.38 and does not come close to the highest score in basic requirements (3.74). The situation is worse with health and primary education. Thus, Nigeria's advantage in market size and labour market efficiency are undermined by poor service delivery. Without a healthy and well trained population these competitive advantages cannot be complimented. Indeed, dismal performance in service provisioning (infrastructure, health and primary education, higher education and training) largely account for Nigeria's poor competitiveness. Thus, institutional weaknesses continue to adversely affect service delivery, and largely account for the slow pace in the development of essential infrastructure to support business. It has had adverse consequences for



manufacturing and the drive to attract investment in the non-oil sector. Although Nigeria eventually concluded the privatisation of the national electricity monopoly in November 2013, it is estimated that a great deal of investment is required to generate sufficient power, and more importantly, to enhance the country's transmission and distributive capacity. Extensive and efficient infrastructure is critical for ensuring the effective functioning of the economy, as it is an important factor determining the location of economic activity and the kinds of activities or sectors that can develop in a particular economy.

The persistence of the negative attitude in the public service is attributable to poor commitment of the political leadership to change. A strong commitment of the political leadership to positive change will enable the drivers of the reforms to be able to withstand the enormous resistance to reform by other vested interests whose opportunities for rent-seeking were being threatened by the implementation of the reforms. As Okonjo-Iweala and Osafo-Kwaako (2007) have noted, the biggest obstacles to reform is from entrenched interests who had benefited from the status quo. For example, the monthly publication of government revenues at state and local government levels was disliked by a small political elite holding power, but greatly welcomed by the Nigerian public. While it is clear that these reforms may help to enhance the efficiency and effectiveness of the public services, their implementation have been hampered by public servants who are resistant to change, inadequate funding to ensure that the public services are adequately equipped, and institutional inertia as a result of bureaucratic culture. There is also considerable de-motivation arising out of low compensation in the public sector which is also responsible for the huge gaps in the public service in critical skills areas. Even training has not been on the scale and consistency required to rapidly turn around the service. Therefore, as in most countries, civil service reform has been one of the most difficult

areas, meeting with inherent entrenched resistance and self-preservation. It has often been an exercise with one step forward, two steps back, and much remains to be done.

Evidence since 2009 shows that resistance has deepened. When the federal government introduced a fixed term for permanent secretaries and directors in 2009, it faced serious resistance from incumbent permanent secretaries. A table showing the number of years officers have stayed on senior positions of Assistant Directors, Deputy Directors, and Directors produced by the office of the Head of Service showed that most of the officers have stayed for over a decade or close to two decades in these positions. One of the officers served as Deputy Director for 21 years. Many of them are condemned to this position until retirement because those who have been able to influence the promotion process have reached the pinnacle early and stayed until retirement making it impossible for high flying colleagues to make it to the pinnacle before retirement, thereby creating a crisis of motivation and succession. As we have noted earlier this crisis derived from the 1988 reforms, when the powers of promotion and appointment in the Civil Service were decentralised and each Ministry was given these powers. If the rules on promotion had been strictly enforced it would have taken the same group of officers a minimum period of 21 years to move from Grade Level 10 to the post of Director. This anomaly was not addressed effectively since the Alison Ayida panel, and in spite of the recommendation of this policy since 2005. It took the courage and personal access of Stephen Oronsaye, the then Head of Service of the Federation, to the president to implement the policy (see Oloja 2009, Asiru, 2009).

Similarly, in 2010 a promotion examination following a training programme was resisted by the civil servants with the support of their unions. The examinations were eventually held under threat of sack by the government with the union threatening to approach the courts to stop the examinations. In a

statement stressing the position of the union on some of the reforms, a spokesperson for the union, Mr Olorunfemi, called for the reform of both the Federal Civil Service Commission and the Office of the Head of Service. "If the civil servants are what they are today, the system makes them to be what they are. If you have to change the civil servant, you must change the system. For Federal Civil Service Commission (FCSC) to continue, they must be reformed. The Head of Service too should be reformed in such a way that we will be convinced that they are reformed and therefore they can reform us" (see Akinbajo 2010).

Although the Vision 20:2020 document provided for the development of a score card and reporting on progress, these have not been achieved. The reform documents failed to provide data on key performance indicators for efficiency as at 2009 as a basis for assessing progress (NPC 2009:111). There is a lack of information on the actual state of the public services and consequently measuring progress remains

a major challenge. The country continues to suffer from huge information gap. These weaknesses have made the country's score on the macroeconomic environment less advantageous than it should be. The freedom of information act has not transform the transparency and accountability situation in the public service. Neither has the use of ICT been significantly integrated into the operations of the public service. The WEF (2013:43) noted that "the country is not harnessing the latest technologies for productivity enhancements, as demonstrated by its low rates of ICT penetration". With poor infrastructure, especially in the transport, electricity and communications sectors, it is difficult for Nigeria to take advantage of improved technology and experience economic turn-around.

Nigeria's competitiveness has been helped by its performance in macroeconomic stability, the highest and lowest scores on this indicator being 5.70 (2008/2009) and 3.96 (2011/2012) respectively. If the score on this indicator is removed, Nigeria may fall to the

**Table 3: Most Problematic Factors for doing Business**

|  |      |
|--|------|
| 1. Access to financing                       | 22.7 |
| 2. Corruption                                | 18.1 |
| 3. Inadequate supply of infrastructure       | 17.6 |
| 4. Policy instability                        | 10.9 |
| 5. Crime and theft                           | 6.5  |
| 6. Government instability/coups              | 4.7  |
| 7. Inefficient government bureaucracy        | 4.2  |
| 8. Inflation                                 | 4.1  |
| 9. Tax regulations                           | 2.3  |
| 10. Foreign currency regulations             | 1.8  |
| 11. Poor work ethic in national labour force | 1.7  |
| 12. Inadequately educated workforce          | 1.6  |
| 13. Poor public health                       | 1.2  |
| 14. Tax rates                                | 1.1  |
| 15. Insufficient capacity to innovate        | 0.9  |
| 16. Restrictive labour regulations           | 0.7  |

bottom of the ranking. For instance, in terms of the most problematic problems for doing business in Nigeria, access to financing tops the list. But this is followed by corruption and infrastructure as seen in table 3.

A detailed review of the metrics on basic requirements (WEF 2012/2013: 279), also shows that factors in which Nigeria scored below 3.0 in the index were bureaucracy related. Nigeria scored 2.9 in Intellectual property protection, 2.2 in diversion of public funds, 2.2 in public trust in politicians, 2.9 in irregular payments

The Africa competitiveness Report 2011(p.25) noted that "Nigeria's advantage stemming from a sizeable market and relatively sophisticated financial sector has been eroded by the country's weak and deteriorating institutions and its low degree of ICT penetration, among other impediments". Similarly, the WEF GCI 2012/2013(2013:42) noted that

**Table 4: Ranking of African Countries in Competitiveness**

| COUNTRIES   | GLOBAL RANKING 2011/2012 | GLOBAL RANKING 2012/2013 | AFRICA RANKING 2012/2013 | SCORES FOR 2012/2013 |
|-------------|--------------------------|--------------------------|--------------------------|----------------------|
| SOUTHAFRICA | 52                       | 50                       | 1                        | 4.37                 |
| RWANDA      | 63                       | 70                       | 2                        | 4.42                 |
| MORROCCO    | 70                       | 73                       | 3                        | 4.15                 |
| BOSTWANA    | 79                       | 80                       | 4                        | 4.06                 |
| NAMIBIA     | 92                       | 83                       | 5                        | 3.88                 |
| THE GAMBIA  | 98                       | 97                       | 6                        | 3.83                 |
| GABON       | 99                       | N/A                      | 7                        | 3.82                 |
| ZAMBIA      | 102                      | 113                      | 8                        | 3.80                 |
| GHANA       | 103                      | 114                      | 9                        | 3.79                 |
| KENYA       | 106                      | 102                      | 10                       | 3.75                 |
| EGYPT       | 107                      | 94                       | 11                       | 3.73                 |
| ALGERIA     | 110                      | 87                       | 12                       | 3.72                 |
| LIBERIA     | 111                      | 3.71                     | 13                       | N/A                  |
| CAMEROUN    | 112                      | 116                      | 14                       | 3.69                 |
| LIBYA       | 113                      | N/A                      | 15                       | 3.68                 |
| NIGERIA     | 115                      | 127                      | 16                       | 3.67                 |
| SENEGAL     | 117                      | 111                      | 17                       | 3.66                 |
| BENIN       | 119                      | 104                      | 18                       | 3.61                 |
| TANZANIA    | 120                      | 120                      | 19                       | 3.60                 |
| ETHIOPIA    | 121                      | 106                      | 20                       | 3.59                 |

and bribes, 2.5 in favouritism in decisions of government officials, and 2.6 in wastefulness of government spending.

Nigeria's vision document 2020 hopes to make Nigeria one of the 20 largest economies in the world by the year 2020. Interestingly, a review of Nigeria standing in Africa shows that it has only managed to achieve 20<sup>th</sup> position, which suggests that meeting the target will be very difficult.

...the institutional environment does not support a competitive economy because of concerns about the protection of property rights, ethics and corruption, undue influence, and government inefficiencies. The security situation in the country



continues to be dire and has worsened since last year (134th). Additionally, Nigeria receives poor assessments for its infrastructure (130th) as well as its health and primary education levels (142nd). Furthermore, the country is not harnessing the latest technologies for productivity enhancements, as demonstrated by its low rates of ICT penetration.

### **Conclusions**

This paper argues that contemporary public service reform in Nigeria is traced to the reinventing government movement that came to Nigeria in the 1980s as part of SAP. Its tenets were more fully embraced under the Olusegun Obasanjo government (1999-2007). Since then, the reform in Nigeria has proceeded with incremental modifications as the country benefited from changing ideas of public sector reform, especially as influenced by the drive for global competitiveness. The Obasanjo government was able to conceptualise and popularise the ground norms and the general framework for the reform in the National Economic Empowerment Strategy (NEEDS) document. But because it faced resistance especially from within the core service and given the political costs, it was only able to implement the reform with very limited success.

The reform has however proceeded in the post-Obasanjo period partly by the commitment of the ruling party and partly by the awareness of the need for global competitiveness as popularised by the Vision 20-2020 document. The Nigerian experience confirms the position of the comparative literature that government reform must be viewed as a long journey that requires persistence and patient learning as the process unfolds. The transformation of the public service in Nigeria cannot happen without a change in the values that animate governance. Institutional reforms are anchored on norms that support compliance and make

enforcement real. Some politicians who promote reforms by their speech and programmes have also undermined the same reforms as they struggle for power and privatise public resources. This contradiction has strengthened resistance to the reforms from within the public service. Therefore, the limited success of public sector reform cannot be divorced from the predatory politics and corruption associated with the political elite.

After over two decades of reform in Nigeria, there is no firm basis to assume that the public sector is professional, merit-based and neutral, able to respond to challenges of globalization and the use of Information and Communications Technology (ICT). Neither has the reforms established capacity of the public sector to partner with civil society and the private sector in order to innovate and improve the quality of service delivery and productivity. It is not clear that there has been a significant cut in the bloated size of the service. Neither has the service achieved the mix of skills, interest and will that are needed to provide the kind of environment that the private sector needs to flourish. Nigeria is still going through reform blues given the fact that the career map within the service is still being contested.

Given the huge investment in public service reforms since 1999, there is a clear need for the government to provide systematic data on the benefits and outcomes of the reforms. From pronouncements by government officials, Nigeria seems to have turned the reform into a long journey that may never end. The momentum of reform has not been sustained across regimes, given some of the reversals recorded. Successive governments have shied away from using the competitiveness index as a measure because they have largely remained unfavourable. Achieving competitiveness and a world class public service in 2020 would require paying more attention to this index. There is more work to be done with regard to advancing the will for reform within the public service, including the need to address the cultural patterns of public life

at large. Reforms should include training of public servants as well as civic ethics education addressed to the public and politicians. While reform may be a constant in any service, there must be periodic evaluation and accountability for reforms. This is all the more necessary since reform of the civil service worldwide has been very difficult as attested to by the World Bank's effort in this area (World Bank 2008).

### End notes

<sup>1</sup>Between 1934 and 1994, Nigeria had the following Civil service reforms: Hunts Commission 1934; Harragin Commission 1945; Foot Commission 1948; Pillipson-Adebo Commission 1954; Gorsuch Commission 1954, Mbanefo Commission 1959; Morgan Commission 1963; Eldwood Commission 1966; Adebo Commission 1971; Udoji Commission 1972; Dotun Phillips 1985; Decree No. 43 1988; and Ayida Review Panel 1994 (see Ikejiani-Clark, 1997; Williams, 1997).

<sup>2</sup> Olufemi Aganga, then Finance Minister, made the remarked to newsmen, See February

<sup>3</sup> About NEITI, <http://www.neiti.org.ng/about.htm>.

<sup>4</sup> Ade Ogidan, 2011. 'Govt cuts overhead expenditure by 30 per cent', *The Guardian*, July 11.

<sup>5</sup>for instance, Stephen Oronsaye, the Head of Service, remarked at a workshop for directors of Human Resources and Planning Research and Statistics that low productivity of the service is attributed to the large number of aged civil servants (see Orintunsin and Asishana 2010:4).

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