

Introduction and Summary: Democracy and Governance Sector Assessment

This Introduction includes the Assessment Purpose and Scope of Work (SOW), Assessment Approach and Methodology (B), a brief summary of the Assessment Framework (C), and Report Structure and Contents (D).

A. Assessment Purpose and Scope of Work

- This scope of work called for the completion of two interrelated tasks: An assessment of political change and democratization in Nigeria; and
- Recommendations for a USAID strategy to address major problems of democratic transition and consolidation in Nigeria.

The purpose of the assessment is to provide USAID/Nigeria with an analysis of needs and opportunities in assisting a process of democratization in Nigeria. This analysis is intended to be comprehensive, so as to furnish necessary information to guide the mission's strategic choices and programmatic approaches. The assessment team draws upon substantial empirical material in the form of interviews, group discussions, primary and secondary published material on Nigerian developments, documentation of USAID programming, survey data and other relevant documentation.

B. Organization and Fieldwork

A team of five ARD consultants (three Americans and two Nigerians) and one senior officer from USAID's Democracy Center undertook the assessment over the course of three months, from November 2002 through January 2003. Fieldwork took place over three weeks during November 2002. The American consultants met with representatives from USAID/Washington (the Africa Bureau and Democracy Center) prior to their departure, as the Nigerian consultants arranged principal interviews with individuals and organizations. The full team held a day-long team building exercise that reviewed the SOW, arranged a division of labor, detailed a work plan, and summarized the analytical methodology.

The work program for the assessment was: 1) collecting data in-country using interviews, group discussion, field visits and a review of relevant documents (November 2002); 2) analyzing the data individually and synthesizing it as a team (November 2002-January 2003); and, 3) preparation and peer review of report components, as well as presentations to USAID/Nigeria staff and members of the American Embassy. This was an iterative process over the entire three-month period.

Some 144 individuals from about 106 organizations were interviewed during the assessment (see Annex 2). Respondents came from a cross-section of Nigerian political life including major institutions and branches of the federal government, state and local governments, civil society, traditional authorities and the business community. Members of different USAID/Nigeria Strategic Objective (SO) teams and senior management, American Embassy officers including the DCM, international donors and NGOs were also interviewed. A broad review of the extensive literature on Nigerian politics was undertaken including a large number of documents collected by the team during the Nigerian field visit. (See Annex 3 for a list of reference documents utilized)

The principal methodology used by the team was the application of an analytic framework developed by USAID/Washington. The team adapted the framework to the local context and applied it (see Part C, below) in all interviews conducted. In this regard, all team members used the DG assessment guidelines (see Annex 4) in their interviews, thus providing a consistent set of questions to collect data thus ensuring that the methodology was followed as designed.

C. The Assessment Methodology

The assessment draws upon the framework employed by USAID to guide country D/G assessments and shape assistance strategies. Through a series of analytic steps, the framework addresses the question: *what political changes or reforms should a USAID mission support, in a given environment, in order to bring about significant deepening of democratization?* This approach helps to structure data collection and calls for application of the methodology in the course of analysis.

The following analysis draws on the central features of the assessment methodology. In the first instance, the report provides an overview, or diagnosis, of the principal challenges to democratization in Nigeria. We begin with Step 1, a consideration of five key variable of democratic performance: consensus, inclusion, competition, rule of law, and governance. This section addresses critical challenges in major areas of democratic development.

The next chapter applies Step 2, providing a diagnostic of the Nigerian political process, with special attention to actors, social forces and institutional factors that enable or impede democratic consolidation. The analysis considers the political context, the nature of the regime, and central trends within the political system. It furnishes a summary of Nigeria's political landscape, highlighting the catalysts and hindrances to democratic development.

The next element [Step 3] in the assessment framework call for analysis of the principal institutional *arenas* in which political interactions occur (e.g. the legislature, courts, presidency, public service, state governments, etc.), and the central *actors* that are relevant to key dimensions of politics (e.g. leadership, elite factions, officials, social groups, organizations, etc.)

For this assessment, the analysis of institutional arenas and political actors is structured around six core issues that are deemed to be critical in Nigeria's democratic development over the medium term. The application of these steps in the analysis therefore suggests the most important problems to be addressed, institutional arenas pertinent to central problems in political reform, and the possibilities for creating alliances with domestic partners in support of change. By narrowing programmatic choices, the assessment seeks to identify areas where USAID investments might have the greatest impact.

The final step in the assessment framework calls for recommendations on a D/G Strategy. The recommended strategy – in this case, a series of options – is formulated as one or more 'first-order' results or outcomes (linked to the problems identified in Step 1), with some notion of the 'second-order' changes required to reach those outcomes.

D. Assessment Report Structure and Contents

The following chapters follow the general assessment framework as discussed above. Chapter II provides a background and context for the current political situation. In Chapter III, we discuss central aspects of democratic performance in light of the central dimensions in the assessment framework: consensus; rule of law; competition; inclusion; and governance. Chapter IV then summarizes key problems of democratization and governance in the wake of the 1999 political transition, and presents the core diagnostic elements of the analysis. Chapter V takes up core issues of political change, and considers the principal institutional arenas and actors that influence democratic reform. Finally, Chapter VI recommends a strategy for USAID/Nigeria in supporting reforms that consolidate a system of democratic governance.

II. POLITICAL BACKGROUND AND THE SETTING OF TRANSITION

A. Nigeria's Political Travails

Since independence from Britain in 1960, Nigeria has experienced repeated cycles of civilian and military rule. Two previous democratic regimes collapsed amidst crises of public order and legitimacy, giving way to extended periods of authoritarian government, and subsequent efforts to restore civilian rule. Despite strong expressions of public commitment to democracy, and repeated pledges by military leaders to restore democratic rule, Nigeria in fact witnessed a discouraging trend of authoritarianism, corruption and misrule from the early 1980s through the end of the century. The transition to civilian rule in 1999 capped sixteen years of uninterrupted military dominance, by a series of increasingly autocratic leaders. During this period, central institutions declined, social polarization grew, and the economy declined markedly.

The failure of civilian regimes, and the adverse trend in military rule, can be traced to diverse causes. Three factors can be highlighted: 1) the structure of communal competition, 2) the evolving nature of the political economy, and 3) the declining quality and efficacy of core institutions. These factors are emphasized in the following analysis.

Nigeria's First Republic was a Westminsterian parliamentary system inherited from the colonial power. A central dilemma quickly emerged as ethnic contention aggravated institutional flaws in the regime. Nigeria's three principal ethnic groups – the northern Hausa-Fulani, southwestern Yoruba, and southeastern Igbo – gravitated to sectional political parties which captured power in each of the three regions then in Nigeria's federal structure. When northern elites attained control of the central government, the resulting strains gave rise to communal polarization and growing political abuses. An invidious "winner take all" ethos of politics formed, in which ethno-regional groups used patronage, electoral manipulation, and violence in their struggle to preserve regional power and gain control of the federal center. The civilian regime quickly lost legitimacy, and the military stepped in (twice) in 1966 as a response to rising political disarray and violence. Following the change of regime, communal tensions unleashed in this period fomented civil war from 1967-70.

Thirteen years of military rule followed the initial 1966 coup, a period in which Nigeria underwent the cataclysmic civil conflict (in which at least 1 million people died), and then a profound economic and social transformation. Immediately following the civil war, crude oil production increased sharply, and the OPEC-inspired price rises of 1973 changed Nigeria virtually overnight from an agricultural-export economy to a petroleum-based economy. Nigeria in short order became a *rentier* state, reliant on rents from a foreign-dominated resource enclave for the bulk of government revenues and hard currency. This greatly increased the fiscal discretion and authority of the central government, as it accentuated the importance of state patronage, and focused political contention on gaining access to (or control of) the federal government and its agencies. The expanding scope and resources of the state allowed military rulers to preserve social peace as they moved haltingly toward a promised transition to civilian rule.

A process of constitutional revision and electoral preparation, supervised largely by the military ruler, General Olusegun Obasanjo, paved the way for political transition. The Second Republic, under President Shehu Shagari, took office in 1979. The decline and fall of the Second Republic was even more rapid than its predecessor, though for substantially different reasons. While the communal competition underlying Nigerian political life was quite apparent during the second civilian regime, its forms and dynamics changed. The ruling National Party of Nigeria, though dominated by elites from the Muslim north, constructed a multi-ethnic, cross-regional patronage machine, taking advantage of a more decentralized federal system based on nineteen states.

The principal factors that undermined the regime, however, were a widespread, flagrant disregard for basic democratic rules, and a precipitous decline in the oil revenues that fueled the rentier state. Policy drift, a passive legislature, and corrosive factionalism paralyzed government operations, while the political class indulged in epic corruption, electoral fraud, and growing recourse to violence. Declining revenues and rising debt soon bankrupted the government, with immediate consequences for government services and institutions. The 1983 elections were a fiasco, as rigging, violence, and the collapse of public functions delegitimized the regime. The Second Republic scarcely survived its first term, being ousted by the military three months after the elections.

The period from 1984-1999 was unlike previous episodes of authoritarian rule in Nigeria. First, it was more repressive in character. From the stern "corrective" regime of General Muhammadu Buhari (1984-85), to the autocratic drift under General Ibrahim Babangida (1985-93) and the draconian control of General Sani Abacha (1993-98), the country witnessed unprecedented abuses of human rights and civil liberties, including restrictions on association and the media, indiscriminate arrests, and political assassinations. Second, military rule became increasingly personalized. The regimes of the 1960s and 1970s reflected a collegial style of leadership and decisionmaking, but the Babangida and Abacha regimes were marked by a growing concentration of power in the person of the ruler. This contributed to a third tendency, the rising levels of corruption evident among military leaders. Military regimes were increasingly dominated by factional elements that focused mainly on personal aggrandizement; Sani Abacha accumulated an estimated \$6 billion in less than five years in office. Finally, the most recent phase of military rule yielded a deterioration of public institutions, including the economic bureaucracy, the civil service, the health and education systems, and even the armed forces themselves. These adverse trends in ruling regimes were reflected in a stagnant economy and a palpable rise in ethnic, regional, and religious dissension.

The central event of this period was General Babangida's annulment of the June 12, 1993 presidential elections, and the cancellation of his regime's political transition. Babangida initially slated a handover to democratic government for 1990, but repeatedly extended the transition schedule and postponed elections. When finally convened in 1993, the presidential elections were surprisingly smooth and transparent, yielding an apparent victory for Chief M.K.O. Abiola, a Yoruba Muslim. The country was thrown into turmoil following the annulment, as an aggrieved Yoruba community and pro-democracy activists agitated for recognition the election results. Babangida resigned in August of 1993, leaving behind an ineffectual civilian caretaker committee that was quickly ousted by General Abacha. Chief Abiola was jailed, and his closest supporters in the National Democratic Coalition (NADECO) and the petroleum unions were variously jailed, persecuted, or murdered by the regime.

Abacha proceeded with his own transition agenda, which emulated the general features of Babangida's program. Following a carefully managed constitutional convention and a selective process of party registration, the five political parties announced a common presidential slate featuring General Abacha, "by acclamation." These steps toward the General's "self-succession" as a civilian ruler ended abruptly with Abacha's unexpected death in June 1998. The ruling military council appointed General Abdulsalami Abubakar as successor to Abacha. General Abubakar quickly relaxed restrictions on political activity, opened dialogue with opposition elements, and announced a transition to democracy to conclude within a year.

B. Recent Political Transition

The pent-up desire for an end to military rule was widely felt after Abacha's death. The 1998-99 political transition was hastily arranged by the military, with limited input from civil society or the political class. General Abubakar's regime established the Independent National Electoral Commission (INEC), which in turn elaborated the electoral schedule, regulations for party

registration, and other central guidelines. The INEC's restrictive criteria on qualifying political parties led to the certification of only three – the People's Democratic Party (PDP), All People's Party (APP) and Alliance for Democracy (AD). The PDP, the most extensively organized and best funded of the three, was a diverse assemblage of veteran politicians, retired military officers and political newcomers, with a multi-ethnic profile. The leadership of the APP were less prominent or experienced figures, many of whom from the far north, who had been closely associated with the previous Abacha-certified parties. The core of the Alliance for Democracy came from the supporters of the late Chief Abiola (who suffered a fatal heart attack in July 1998), with a strong base in the Yoruba heartland.

The elections were convened on schedule, and held in an atmosphere that was generally peaceful and without overt provocation. Nonetheless, the polls were marked by general administrative problems and serious malpractices. Domestic and international observers saw widespread evidence of rigging and fraud by various parties. Nonetheless, the public mood in Nigeria (as well as in much of the international arena) was strongly desirous of an end to military rule, and there was general acceptance of the election results. President Olusegun Obasanjo of the PDP was inaugurated in May. Just a week before the inauguration, the Abubakar regime promulgated a constitution for the Fourth Republic (the "Third" being the abortive democratic regime under Babangida). Public hopes ran high for improvements in governance, stability and public welfare – a 'democracy dividend.'

C. Expectations and Disappointments

In the first months of the Obasanjo administration, high popular expectations were met by a number of reforms and pronouncements that appeared to promise a new direction in governance, along with decisive steps to tackle Nigeria's most pressing policy problems. The new government forced the retirement of "political" military officers; rescinded grants of oil parcels and land made by the previous regime; embarked on a review of government contract procedures; and declared a new anti-corruption initiative. Discussions with the IMF and the World Bank suggested renewed efforts to revive the economy, while a new federal revenue allocation formula and the creation of the Niger Delta Development Commission (NDDC) spoke to important minority grievances. The administration's honeymoon period carried promise.

Soon, however, a pattern of policy drift and political stalemate was apparent. Most of the government's early initiatives stalled as a result of legislative opposition, contention from various interest groups, and lack of sustained attention from the administration. Problems of representation and accountability emerged as the legislature appeared more concerned with perks and infighting than addressing important public concerns, while the executive appeared to many as aloof, arrogant, and ineffectual. Many of the least desirable characteristics of civilian politics were on display, including crude appeals to communalism, widespread use of patronage politics, corruption among the parties and the political class, and factional disputes among key personalities and their allies.

In consequence, most Nigerians have come to feel that the promised "democracy dividend" has eluded them. The economy remains stagnant, a victim contention among the president and the National Assembly, inadequate government policies, weak institutions, and pervasive corruption that undermines investment and production. Personal security and national stability are threatened by rampant social conflict among ethnic, religious, partisan and criminal groups in various parts of the country. The rising tide of violence reflects the stubborn problems of identity and national unity, as Nigerians seek a common ground for governance and social accord. Democracy, national unity and economic growth all rest upon the development of a rule of law, and the assorted legal and institutional challenges in these areas present major obstacles to better governance.