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Nigeria Paralysed: Socio-political Life Under General Sani Abacha

Festus O. Egwaikhide and Victor Adefemi Isumonah*

Abstract: It is convenient to blame Nigerian civil society for the inconclusive transition to civil rule undertaken by General Ibrahim Badamasi Babangida. But this reasoning omits the fact that elements of civil society, notably, the Campaign for Democracy (CD), a human rights organisation, successfully mobilised Nigerians living in the major cities in the west of the country (the major economic hub), to stay at home, paralysing economic activities for days and months. The action changed nothing. The devouring forces of personal ambition and greed were irresistible. Unlike the popular portrayal of civil society in Africa as weak, we argue that General Sani Abacha drove Nigeria under the wedge of personalist rule in fulfillment of his personal ambition and material greed. As a result, the struggle for mere survival became the preoccupation of most Nigerians. This experience is here recalled in order to counter the natural tendency to forget very quickly the pain of the past and at the same time the vital lessons for guarding against a repetition of abuses.

Resumé: Il est commode de blâmer la société civile nigériane pour la transition peu concluante vers un régime civil entreprise (conduite) par le général Ibrahim Babamasi Babangiga. Mais ce raisonnement fait abstraction du fait que les éléments de la société civile, notamment la Campagne pour la démocratie (Campaign for Democracy, CD), une organisation des droits de l'homme, ont réussi à mobiliser les Nigérians vivant dans les principales villes de l'ouest du pays (le principal centre des affaires) à rester chez eux, paralysant les activités économiques pendant des jours et des mois. L'action ne changea point les choses. Les forces dévorantes des ambitions personnelles, et la cupidité furent irrésistibles. Contrairement à la tendance générale qui décrit la société civile en Afrique comme étant sans envergure, nous soutenons que le général Sani Abacha a dirigé le Nigeria sous un régime personnalisé, dans le but d'assouvir ses ambitions personnelles et sa cupidité matérielles. Comme conséquence, la lutte pour la survie devint la préoccupation de la plupart des Nigérians. Cet épisode est relaté ici afin de contrecarrer la tendance naturelle à oublier très vite les souffrances passées et les leçons vitales qui permettent de prévenir une répétition des abus.

* Festus O. Egwaikhide, Department of Economics, University of Ibadan.
Victor Adefemi Isumonah, Department of Political Science, and a Fellow of the Programme on Ethnic and Federal Studies (PEFS), University of Ibadan.

Introduction

Nigeria's longest post-independence transition to civil rule under General Ibrahim Babangida ended in the annulment of the Presidential Election of June 12, 1993. The ensuing protest against military rule forced Babangida, in his own words, to 'step aside' on August 26, 1993. This turn of events left his most powerful political ally and Chief of Defence Staff, General Sani Abacha, as the only military officer in the Interim National Government (ING) headed by Chief Ernest Shonekan. Abacha's prompt exploitation of his strategic position as the Secretary of Defence in less than three months of the ING's life supports the plentiful anecdotal evidence of a rumoured pact between him and Babangida. By virtue of their agreement and mutual support, Babangida and Abacha in turn, would have been able to take or keep the highest office of the land. Thus Abacha unceremoniously overthrew Shonekan on November 17, 1993, without any tint of jubilation by the civil populace. Previous military take-overs had been welcomed by citizens. The reason for the cold reception for Abacha's take-over was the lingering political crisis precipitated by the annulment of the results of the election.

Abacha's administration, therefore, was distinguished by the inauspicious manner of its inception, and by the unusually illegitimate nature of his accession to power compared with past military take-overs. Haunted by lack of good will at birth, the administration was poised to surpass its predecessor, General Ibrahim Babangida in personalised and centralised authority. Abacha's later deeds were ample confirmation of the allegation of Brigadier-General David Mark that Abacha planned to stay in power for five years – contrary to official declarations that his administration's tenure would be very brief. Abacha's aims were clear from the start: to secure supreme office and to stay in power.

Scholars have claimed many origins for personalist rule in Africa. But arguments couched in terms of the underdevelopment of political and bureaucratic institutions are not helpful for explaining the phenomenon. They inadvertently take the empirically invalidated position that well-crafted formal structures are sufficient for sustaining constitutional rule in which leaders are selected in an open or competitive process and authority derived and limited by formal-legal rules. Both Germany and Italy in the post WWI period are powerful counter-examples (Roth 1968; Theobald 1986 & Eckstein 1963). The underdevelopment argument further assumes a general commitment to the superiority of moral force in the society involved. This certainly was not the case in Nigeria in 1993.

It is also easy to argue that the Social Democratic Party (SDP) leadership was weak when it compromised its position over its presidential victory, as some commentators on civil society in Africa would have it (Lewis 1994). This reasoning omits the fact that other forces joined the rump of the SDP to wage a moral battle against the regime. For example, the Campaign for Democracy (CD), a human rights organisation, successfully mobilised Nigerians living in major cities in the West, which accounts for the bulk of economic activities in Nigeria, to stay at home. The result was the paralysis of economic life for days and months, but the campaign changed nothing. The issue then, is, what is likely to be the outcome of a clash between moral force and physical force? History has shown that physical force will always record the first victory but may be overthrown in the long run by moral force. Jackson and Rosberg are right, then, to accord the ambition of powerful individuals, whose weapon in the African context is mostly physical force, to account for the emergence of personalist rule in Africa (Jackson & Rosberg 1994; cf. Akande 1996).

What are the logical consequences of personalist rule or anti-people mission in power? Jackson and Rosberg have suggested that one of them is certainly 'economic difficulty and decline – what might be termed a political diseconomy' (Rosberg 1994). This is understandable because personalist rule embodies a unidirectional tendency whose first and only principle is the survival in power of the ruler, even at the expense of the socio-political health of the polity.

In this essay, we present, graphically, the socio-political life of Nigerians under Abacha. Its aim differs from the growth trend analysis of the Nigerian economy undertaken by Shartz (1984) in his very elegant work almost two decades ago. We argue that the latter makes no sense in the light of the prevailing conditions analysed below. The events of the period provide part of the crucial background to the understanding of the successful transfer of power from the military to civilians and indeed, also of what was believed to be an impossibility – a power shift from the north to south, after two frustrated transitions to civil rule. Some may find this account of the period in the following pages to be exaggerated. But only those outside Nigeria or immune to the pressures of daily life by virtue of their class position during the period in focus could possibly take this position.

This article also aims to transcend studies with a narrow focus on political life under Abacha (Bach, Lebeau & Amuwo 2001). This latter work, for example, contains no discussion of the effects of short-run macroeconomic management on the welfare of Nigerians. Unlike that volume, this work provides a grounded analysis of political, economic and social life of Abacha years (1993–1998). Whereas socio-political life had continued in a fairly normal way in spite of the ascendancy of inert and pirate capitalism in Nigeria by 1983, the period under discussion was characterised by paralysis under Abacha.

Short-Run Macroeconomic Policy Management

The Babangida years witnessed an expansionary macroeconomic policy. A persistent and rising fiscal deficit was a central feature of the economy right from the introduction of the Structural Adjustment Programme (SAP). This fluctuated between 5.5 percent and 15.4 percent of the GDP in the 1986–93 period, representing a significant variance from the 3 to 5 percent target in the policy reform document. (Federal Republic of Nigeria, 1996). The financing of government deficits through Central Bank credit occasioned vastly expanded money growth, and thus, on average, money supply (M1, narrowly defined) grew at 38 percent annually in the seven years, 1987–93. This drew severe criticisms from economists, policy analysts, the World Bank and the International Monetary Fund (IMF).

Perhaps in response to the unfavourable comments on the macroeconomic policy it inherited from the Babangida administration, Abacha's government put the emphasis on the achievement of a balanced budget. It succeeded in eliminating the budget deficit in the 1995–96 fiscal year, with only a 0.2 percent deficit-GDP ratio in 1997 (see Table 1). Expectedly, the administration's image launderers used the accomplishment of balanced budget to dazzle observers of the

Nigerian economy. But it must be noted that the pursuit of a balanced budget was not tied to the achievement of a social welfare objective. The regime was more preoccupied with how to generate increased revenue to match expenditure, as demonstrated by its singular control of revenues from increases in petroleum prices in 1994 and the huge receipt collected from the autonomous foreign exchange market (AFEM) by the Central Bank of Nigeria. Progressively from 1994 it reduced the debt service payments that dominated total expenditure during the Babangida years.

But fiscal discipline was lacking, as indicated by the precipitate increase in government spending. Between 1990 and 1993 under Babangida, the mean annual expenditure of the federal government that stood at about N103 billion surged to N264 billion during 1994–97 under Abacha. Thus, actual expenditures exceeded budget provisions by between 20 and 56 percent. Comparatively, capital outlay received the larger share of non-debt expenditure as against the recurrent outlay of the previous administration. It is doubtful if the capital expenditure of the government was directed to productive investment, given that investment/GDP ratio stayed at around 5.8 percent. The political repression of the regime that raised social tensions and uncertainty could only have fuelled speculative investment. A close examination of the official statistics suggests no direct correlation between investment performance and economic growth, indicative of the low productivity of investment. The infrastructure decay to which the Petroleum Trust Fund (PTF) was a supposed counterpoise, adversely affected investment. So, at best, the country only attempted to maintain existing capital stock.

Table 1: Policy and Macroeconomic Indicators in Nigeria, 1991–98

	1991	1992	1993	1994	1995	1996	1997	1998
Money supply (M1) Target % Outcome %	-	24.3 32.6	20.0 52.8	21.4 54.4	9.5 16.3	14.5 14.5	13.5 18.2	10.2 17.2
Money Supply (M2) Target % Outcome %	32.7	26.8 49.2	18.0 49.8	14.8 35.9	- 19.4	16.8 16.3	15.0 16.9	15.6 21.2
Aggregate Bank Credit Target % Outcome %	- 45.3	13.2 69.1	17.5 91.4	9.4 29.2	11.3 5.1	12.0 13.5	4.8 2.6	24.5 55.7
Credit to Govt. Target % Outcome %	- 82.9	7.7 109.7	14.5 121.6	0.0 53.0	5.6 -9.0	0.0 -55.6	0.0 -53.5	0.0 199.3
Credit to Private sector Target % Outcome %	- 23.7	17.7 34.6	20.0 51.6	32.6 68.3	21.9 48.4	29.5 23.9	45.4 23.9	33.9 27.3
Growth in Real GDP	4.8	3.0	2.7	1.3	2.2	3.4	3.2	22.4
Capacity Utilisation in the Manufacturing Sector	42	38.1	35	30.4	29.3	32.5	34.0	32.4
Inflation	13.0	44.6	57.2	57.0	72.8	29.3	8.5	10.0
Federally Collected Revenue (Billion)	01.0	190.5	192.8	201.9	460.0	520.2	582.8	
Federally Retained Revenue	30.8	53.3	83.5	90.6	249.8	325.1	351.3	
Federal Govt. Expenditure Billion	66.6	92.8	191.2	160.9	249.8	288.1	356.3	443.6
Govt. Expenditure GDP %	23.6	19.5	24.3	17.6	12.6	10.2	12.1	15.6
Budget Deficit/GDP %	11.0	10.2	15.4	7.7	-0.1	-1.3	0.2	4.7
Overall Balance of Payments Position Billion	-15.5	-101.4	-41.7	-42.6	-195.2	-53.2	1.1	-

Source: Central Bank of Nigeria, *Annual Report and Statement of Accounts*, various years, and Budget Statements of the Federal Government of Nigeria.

The government repeatedly sought to use monetary policy to control inflation and achieve a favourable balance of payments position. It set monetary targets relatively low in recognition of the crucial role of money growth in promoting inflation. However, it did not adhere strictly to monetary and credit policies. In 1994, for instance, while the growth target for money supply (M1) was 21.4 percent, it was in reality 46 percent (see Table 1). For the remaining period, the actual growth rate of M1 exceeded the target spelt out in the monetary policy guidelines. Actual growth rates could have been more but for the outflow of funds through the weekly intervention at AFEM. Although, aggregate credit to the economy decelerated, its annual growth rate was evidently erratic. Following the elimination of budget deficits, the credit to the government petered out. Juxtaposed against this were huge increases in credit to the private sector in line with the recommendations of the IMF. Thus, bank credit to the private sector that recorded about 24 percent in 1991, averaged 41 percent annually during 1994–97. That capacity utilisation in the industrial sector, which stagnated at about 32 percent, is a testimony to the fact that the bulk of the private sector credit may not have been channelled into productive investment.

For the target variables, inflation that peaked at 73 percent in 1995 declined steeply through 29.3 percent in 1996 to 8.5 percent in 1997. This, of course, was also cited as one of the achievements of the Abacha administration. However, the factors at work in the great deceleration in price inflation are not hard to find. First, there was a deliberate policy to hold down wages as a de-inflationary measure. Second, political repression and human rights abuses as part of the overall strategy to stay in power fuelled uncertainty and social tension. This may have buoyed the demand for money by the public with resultant reduced velocity. A direct consequence was low inflation. Third, there were the generally favourable weather conditions that boosted food production. But the results of the balance of payment position were a confirmation of policy failure. The overall balance of payments position was in deficit. It deteriorated from N42.6 billion in 1994 to N195.2 billion the following year and stayed at N53.2 billion by 1996 (see Table 1). Comparatively, the deficit that averaged N53 billion per year in 1991–93 period had jumped to N97 billion by

1994–96, the highest level to be registered in Nigeria's history even while controlling for the reduction in the real value of money.

A discussion of the regime's exchange rate policy is appropriate here. From 1985, the regime maintained a dual exchange rate, official and the AFEM. The retained official rate that was for official transactions (e.g. for external debt amortisation) was at N22 = US$1; the AFEM rate was stable at about N85 = US$1.00. This policy choice was informed largely by a fiscal motive – to generate more revenue to compensate for the low international oil prices. Although the nominal exchange rate was relatively stable in 1994–98, stability was achieved at a higher level. Price stability is what is stressed as a macroeconomic policy objective. So, the movement of exchange rate as a major price in the Nigerian economy under the Abacha years was at variance with the prescription of economic theory. While its fiscal motive was realised, the exchange rate was unable to restore external balance.

Oppression and Repression

Labour faced brutal repression and suppression under the Abacha administration. In the first quarter of 1993, prices of petroleum products were raised substantially with household kerosene recording the highest increase of 450 percent. This was largely motivated by the need to reduce subsidies and raise revenue for the government. In November of the same year, soon after General Abacha took power, the Nigerian National Petroleum Corporation (NNPC) further increased the prices of petroleum products. For instance, the price of gasoline that was 70 kobo per litre leapt to N5.00, while kerosene moved from 50 kobo to N4.50 per litre (CBN 1993:96). A nationwide protest by workers that followed compounded the legitimacy of the new Administration. Consequently, through negotiations between the Nigerian Labour Congress (NLC) and the federal military government, prices of petroleum products were slashed sizably. To labour, the decision to raise prices of petroleum products by the military that was a few days old was ominous for living conditions.

Labour expected an upward review of wages and salaries, together with allowances in the 1994 budget to take account of the increased prices of petroleum products. This was not done. On October 1, 1994 the government again substantially raised petroleum product prices and set up the PTF to administer the earnings from such increases. With an automatic rise in the prices of goods and services, frozen wages, decaying infrastructure, high rate of unemployment, and the lack of palliative measures, these increases no doubt exacerbated the hardship of the ordinary Nigerians. Prior to this development, the two major oil unions, the National Union of Petroleum and Natural Gas Workers (NUPENG) and the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), went on strike between early July and early September 1994 to compel the military to revalidate the annulled 1993 presidential election. This, of course, crippled the economy, particularly in the southwest. The Abacha-led military administration saw this as a direct challenge and argued unimpressively through propaganda that the strike action of the unions threatened the security of the state. It thus acted ruthlessly. In consequence, both unions were disbanded and their General Secretaries thrown into detention without trial for the rest of Abacha's reign. The executives of these oil unions and that of the central labour organisation, the Nigerian Labour Congress (NLC), were dissolved and sole administrators appointed to supervise them. This action was obviously intended to weaken labour unionism.

It was clear from the posture of the administration that industrial action, as an instrument of bargaining for better wages would not yield any fruits. In 1996, the Academic Staff Union of Universities (ASUU) demanded improved conditions of service and adequate funding of universities. The government arrogantly ignored ASUU's demands, causing a protracted strike by the union. The divide and rule policy of the regime was explored to break the strike. Threats of mass dismissal and the compulsory vacation of university residential quarters were ruthlessly pursued. Interestingly, academics serving in the government collaborated with the military to create divisions within ASUU. Radical university teachers who insisted that the military government must meet ASUU's demands were dubbed the National Democratic Coalition (NADECO) members, as an excuse for further ruthless action against them since the organisation was well known for its opposition to continued military rule. ASUU failed miserably. In reaction, many of its members emigrated in frustration. However, strike action not only by ASUU but also by other unions as a consequence of the unresolved issues about the state of the universities raised by that original ASUU strike is a recurring phenomenon. A normal academic calendar remains a dream.

From one fiscal year to the other, the Abacha administration made promises to increase wages that were never fulfilled. The administration only granted personal tax relief to raise disposable incomes, with a very inconsequential effect (CBN *Annual Reports* 1993–1998). Superimposed on the fallen real income of workers was the existence of multiple taxations creating enormous burdens. The regime insisted that workers in each state negotiate with their respective governments. This policy was designed to make collective action on the part of labour exceedingly difficult. Against this background, the trend in work stoppages and work-days lost under the regime was hardly surprising. Between 1994 and 1997, the number of trade disputes declined from 1996 to 1997, as against an annual average of 110.3 recorded in 1991–93 (see Table 2). Work stoppages parallel these trends. But the number of workers involved in the work stoppages registered a quantum leap in 1994–98 period. As the data reveal, the number of workers involved in the work stoppages, which averaged 526,000 per year in 1991–93, surged by about 154 percent to stay at 1.3 million per year in the 1994–98 period. In the corresponding periods, the work-days lost rose from 4.3 million to 191.4 million. On the basis of these facts, it is clear that the Abacha regime did not secure the cooperation and active participation of public sector workers in the management of the economy.

Oppression and repression were not limited to labour. The Abacha government terrorised and brutalised all strata of Nigerian society. There were political assassinations, especially in the south-west, stronghold of the opposition groups. It is indeed a Herculean task to list all the people affected. They include Kudirat Abiola, wife of Chief M.K.O. Abiola, the acclaimed winner of the annulled 1993 presidential election. According to reports, she was shot dead on June 4, 1996 because of her insistence that General Abacha revalidate the June 12, 1993 Presidential Election and swear-in her husband who was being detained. The media speculated that the decision to eliminate

Kudirat Abiola was taken on the recommendations of *marabouts* and spiritualists (within and outside Nigeria) whom Abacha consulted.

Table 2: Trade Disputes, work stoppages and Work-days lost in Nigeria, 1991-98

Year	Trade disputes	Work stoppages	Workers involved ('000)	Man-days lost ('000)
1991	204	117	464	1057
1992	221	124	238	397
1993	160	90	880	6192
1994	199	110	1451	234299
1995	196	134	1546	235069
1996	114	101	1246	1659013
1997	97	89	1129	141763
1998	115	108	1307	180991

Source: Central Bank of Nigeria, *Annual Report and Statement of Accounts*, various years.

The assassination of the 79-years-old Chief Alfred Rewane and a major financier of NADECO in October 1995 in his bedroom in Lagos jolted its members and other pro-democracy activists. A prominent NADECO leader and chairman of the pan-Yoruba socio-cultural group, *Afenifere*, Chief Abraham Adesanya escaped assassination after bullets smashed the back screen of his car.[1] Similarly, Alex Ibru, the publisher of the *The Guardian*, a widely read national daily newspaper, and one-time Abacha's Internal Affairs Minister, was flown abroad for medical treatment for bullet wounds after an assassination attempt. There were speculations that this attempt stemmed from the incisive editorial comments of *The Guardian* on Abacha's policies. Many others were thrown into prison for their unrelenting opposition to Abacha's government. Among those in this category were Chief Bola Ige, a former civilian governor of old Oyo State who while serving as Attorney-General and Minister of Justice in the current elected government was ironically assassinated on 23 December 2001; the late Comrade Ola Oni, a retired university teacher; Alhaji Lam Adesina, the incumbent civilian governor of Oyo State,

[1] The car has since become a monument.

and numerous others. The fears of such assaults on the elements of the opposition had forced pro-democracy activists such as Professor Wole Soyinka, the first African Nobel Laureate for Literature, Chief Anthony Enahoro, the man who moved the motion for internal self-government for 1956 in 1953, General Alani Akinrinade, former army chief; and Chief Cornelius Adebayo, former executive governor of Kwara State, into self-exile.

Simultaneously, bombs exploded in several major cities, an action of such dimensions that it could only indicate the desperation to which Abacha was driven in his intention to cling on to power. Lagos, with a high concentration of population and industrial establishments, suffered most from this attack. Other cities affected were Ibadan, Port Harcourt, Ilorin, Zaria, Kano and Kaduna. The administration blamed NADECO for the incidents. Later revelations, including the confessions of state agents, however, indicated that they were acts of a strike force for the administration. This was the reality of state terrorism in Nigeria.

Abacha's regime was also a time of unparalleled press censorship. A number of journalists were thrown into prison for several years without trial. Among the detained were George Mbah of the *Tell* weekly magazine, Kunle Ajibade of *The news,* Ben Charles-Obi, editor of the now defunct *Classique* magazine, and the erudite female journalist, Chris Anyanwu. These journalists were tortured in detention (*Tell*, Lagos, 10 August, 1998). All these developments raised tensions and made Nigeria very unsafe for business. They also account for why Nigeria ranked very high among countries that were accused of violating human rights.

Intergovernmental Fiscal Tension

Fiscal centralisation — collection and distribution of revenue — had always been the hallmark of military rule in Nigeria. It got worse under the Abacha administration. State and local governments were deprived of their legitimate revenues. In the fiscal years 1996–97, the total revenue collected by the federal government was N869 billion. Out of this, the expected transfer to the Federation Account for vertical sharing among the three layers of government was N789 (arrived at by deducting VAT revenue shared between the states and the federal government, and the federal government independent revenue). It is incredible that only about 49 percent of this amount was actually transferred to the Federation Account, with the balance being retained by the Federal government. By the prevailing vertical sharing formula in Nigeria, the Federal government was allocated 48.5 percent of the revenue in the Federation Account. By this action, the Federal government retained about 75 percent of its total collected revenue.

Fiscal federalists would argue that a workable and enduring fiscal decentralisation is a direct consequence of continuous bargaining between the central government and sub-national governments. (Burkhead & Miner 1971) Under the military, federal-state-local governments fiscal relations were not negotiated; the government at the centre exercised veto power on fiscal matters. Hence Abacha set up the PTF to manage the revenue generated from the increases in petroleum product prices of 1994. The government in addition introduced a dual exchange rate in 1995, with the adoption of the AFEM. Huge revenues were realised from this market. The AFEM revenue leapt steeply from N79.6 billion in 1995 through N103.2 billion to N130.8 billion in 1996 and 1997, respectively. The sharing arrangement among the three-tiers of government was at the discretion of the federal military government and cannot be said to have been transparent.

Increasingly, therefore, state governments and local councils were unable to provide basic social services. The non-payment or irregular payment of salaries of workers was also a striking feature. These and other social problems, together with the repeated call by the federal government that state and local governments must boost their internal revenue, precipitated the imposition of multiple taxes. Examples of such taxes (collected by tax consultants in some state/local governments) were business premises, development levies, tenement rates, ground rent charges, and parking charges. (Phillips 1995). It was only in the 1998 budget that the federal military government acknowledged the existence of multiple taxes and promised to harmonise taxes through the Tariff Review Board (TRB). It is doubtful if this was ever pursued. This incidence of multiple taxation is suggestive of the mushrooming intergovernmental fiscal stress of the time.

Corruption and Mismanagement

In general, corruption antedates independent rule in Nigeria (Eker 1981; Panter-Brick 1978; Olopoenia 1998; Osoba 1996). But under the military, corruption became a major project to which the Abacha regime in particular was vigorously committed. Illicit dealings boomed. Nigerians generally acknowledge the massive corruption and nepotism of this regime, a development that finally destroyed the service ethic of the public sector. The payment of 5 to 20 percent of the value of government contracts awarded as commissions ('kickbacks') that dominated the 1970s still continued, but diminished in importance. The emphasis rather was on the direct stealing of public funds and the award of public projects under murky circumstances. Top military officers, with the collaboration of the bureaucratic class, used their official position to acquire government lands at ridiculously low fees, apparently with the stolen money. Government institutions were riddled with various financial malpractices. This horrendous situation led to the setting up of various judicial enquiries and probe panels by the incumbent civilian government, both at the federal and state levels.

The statistics on corruption presented here are truly understated. Corruption occurred on a large scale under Abacha in different spheres of the public sector with regressive effect on the economy. An official statement from the then Chief Economic Adviser (Chief Philip Asiodu) to the President of the Federal Republic of Nigeria admitted the looting of the treasury in the Abacha years to the tune of £5.5 billion, out of which Abacha himself took about £2.2 billion, or 40 percent of the total. Though brief, the pointus in Table 3 provide an indication concerning the magnitude and dimension of this phenomenon. The evidence suggests that Alhaji Ismaila Gwazo, Abacha's National Security Adviser, withdrew large sums of money from the Central Bank of Nigeria. The approval of such funds was not subject to the usual statutory financial procedures. Of course, this was made possible by two major factors. First, the Central Bank of Nigeria was under the direct supervision and control of the President, as was the case during the Babangida years. The physical elimination of opponents who did not support the Abacha's monopoly of power is the second element. It was inconceivable that the Governor of the Central Bank would not yield to Abacha's request. Since General Abacha was solely in charge, the issue of autonomy of the Central Bank did not arise.

Military officers, bureaucrats and some technocrats who were interchangeable in the machinery of the state as part of the military-commercial complex, illegally acquired landed property. It was reported that Lt. General Jeremiah Useni who was the Federal Capital Territory (FTC) Minister, acquired several houses in Abuja and Jos, and owned many fuel stations. In one of the interrogations, Useni was reported to have admitted to own several landed properties. (*Tell* Lagos, 25 October, 1999, p. 23). Indeed, Useni was accused of significantly altering the Abuja master plan, selling spaces reserved for recreations to his favourites and himself.

Corruption and illicit dealings during the Abacha years were staggering and represent the most predatory form of accumulation in Nigeria's history. The Office of the First Lady, managed by Maryam Abacha, was involved in many projects, and even usurped the functions of both the federal and state ministers of health. One of these projects was the Expanded Programme on Immunization (EPI). Several vaccines were required for the immunisation programme for children against the six killer diseases. There were allegations that contracts for the purchase of vaccines were substantially inflated.

The policy of 'settlement' – a euphemism for corrupt inducement that gained currency under Babangida – also characterised the Abacha period. There is little doubt that traditional rulers have a profound influence on their subjects in many parts of Nigeria. Abacha sought to exploit this relationship by directing local government councils to pay 5 percent of their statutory revenue allocation from the Federation Account to the traditional rulers. This directive was issued at a time when many local councils could not pay their workers and were desperate for a review of the revenue allocation formula in their favour. Chief Gani Fawehimi, the celebrated constitutional lawyer and human rights activist, unsuccessfully challenged this decision when he took the federal military government to court in January 1998. (*The Guardian*, Lagos, 16 January, 1998, p.1) The Family Support Programme (FSP) and the Family Economic Advancement Programme (FEAP) and (PTF), generally regarded as populist programmes, were noted for the profligacy with expenditure. A small group headed by the former military head of state, Major General Muhammadu Buhari, managed the PTF.

Table 3: Direct Stealing, Inflated Contracts and Illegally Acquired Wealth

Amount/Asset	Purpose and individual mentioned
\$100 million \$50 million \$ 25 million \$150 million	Various sums of money withdrawn form the Central Bank of Nigeria in 1995 by Alhaji Ismaila Gwazo who was the National Security Adviser to Abacha. Withdrawals were made with approval from Abacha
\$2.5 billion	The Ajaokuta steel debt buy-back transaction. The federal lawmakers investigated this deal. It was reported that Chief Anthony Ani, Finance Minister under Abacha, refunded DM 30 million. It was indicated that Alhaji Bashir Dalhatu (Power and Steel Minister under Abacha) was in the process of refunding \$5 million. These were in respect of the Ajaokuta debt buy-back.
\$111 million	This amount was used to purchase vaccines for the Expanded Programme on Immunization (EPI). But the amount approved was \$55.5 million; withdrawn twice. Allegedly, only about \$22 million was spent. The office of Abacha's wife was involved.
Over N500 million	To organise a mass rally in support of Abacha to stay in power. This was tagged the 'Two million-man match'. Several musicians were present.
\$240 million	This was spent on the turn-around maintenance (TAM) of the Kaduna refinery still not effectively operational. The civilian government is investigating this issue.
\$250 million	Expended on the Bonny Jetty project. Progress made is not reflected in the amount spent so far.
\$76 million	Contract for dredging the Imo river. The company that obtained the contract was Harbon and Engineering Construction, owned by Abacha's son, Mohammed. A gross 'profit' of about \$10 million was reported to have been made from this contract.
N1 billion	Fund recovered from the military administrators, commissioners and other top government officials in Ondo state by the probe panel set up by the civilian government
Over N1 Billion	Spent on over 100 *marabouts* and spiritualists from several countries hired by Abacha. Sgt. Rogers, a member of the Abacha killer squad, made this revelation.
Over 30 plots of land, many houses and fuel stations	Assets illicitly acquired by Lt. General Jeremiah Useni.
N10.3 billion	This amount was misappropriated in the State Fertilizer Company (NAFCON).

Source: Computed from reports in various national newspapers (*Punch*, Lagos; *The Guardian*, Lagos; *Post Express*, Lagos; *Daily Times*, Lagos; *Vanguard*, Lagos; *Nigerian Tribune*, Ibadan) and weekly newsmagazines. (*Tell*, Lagos; *The News*, Lagos, *Newswatch*, Lagos).

As earlier noted, the PTF drew on the revenue generated from the additional increases in the prices of petroleum products effected in November 1994. Rather than pay such revenue into the Federation Account for vertical sharing among the three layers of government as required by law, the Federal military government appropriated it. According to Buhari, the PTF's money could be spent as it liked, hence N694 million was disbursed extra-budget to the Task Force on Armed Forces and the Police in 1997 – apart from special allocation of petroleum products they regularly received. In its execution of projects and programmes across the country, the PTF was inequitable, a fact acknowledged later by the incumbent civilian government. As a colleague once put it to the writers, the PTF was the Oil and Mineral Producing Areas Development Commission (OMPADEC) for the North of the country - a reference to the multifaceted nature of the regional struggle for revenue allocation in Nigeria.

The Fuel Crisis

The fuel price increases of the period portended harsh instant implications for living conditions. A fuel crisis is distinct from an increase in the fuel price by the severity of its effects on productivity and normal life. This is why it is accorded a separate treatment under this section. Of course, the problem of fuel supply predated the Abacha years. What was unique, however, was its nation-wide spread during Abacha's era, having been restricted to the North prior to 1994. Another striking feature was that the fuel crisis persisted throughout the years Abacha was in the saddle. Also, it was quite obvious that the regime did not make any serious attempts to address the problem. In retrospect, the problem of fuel supply may not have been so profound as claimed by the military given that the difficulty eased considerably soon after the civilian administration took over at the end of May 1999.

The official explanation for the energy crisis was the irregular turn-around maintenance (TAM) of the country's four refineries. Overuse had led to collapsed facilities. The NNPC, a state-owned enterprise, managed the refineries. As in the other public and mini-public firms, the NNPC suffered from poor labour performance because its recruitment policy was driven largely by non-market employment practices, notably political considerations. Irregular maintenance of the fuel facilities was also blamed on inadequate funding. In addition, there was the large-scale smuggling of petroleum products involving government officials and military personnel to neighbouring countries. According to one account, about 20 percent of the fuel meant for domestic consumption was smuggled out of the country (Iwayemi 1998) in order to take advantage of the significant price differentials in petroleum products between Nigeria and her neighbours. Sporadic strikes by oil workers, particularly those under the aegis of NUPENG were a contributory factor. As earlier on mentioned, the two most powerful oil unions — NUPENG and PENGASON — went on two long strikes from July to September 1994 to compel Abacha to revalidate the annulled June 12, 1993 presidential election. Persistent attacks on oil facilities and on oil workers by oil communities and the general vandalisation of fuel pipelines across the country in the quest for cheap gain and as rejection of the administration were particularly prevalent in 1996–98. These invidious developments exacerbated the fuel crisis.

The fuel jigsaw logically precipitated hoarding, an organised black market, clandestine selling and profiteering. Long queues developed at fuel stations for days while the petroleum product prices shot up by factors of two and three or even more, depending on the state and city. Transport fares rose steeply with direct effects on the prices of foodstuffs and other essential goods. Businesses were adversely affected. For example, the post-tax profit of major oil firms dropped substantially. Using Mobil Oil as a guide, its post-tax profit fell by 23 percent between 1997 and 1998. Anecdotal evidence suggests that the share prices of the multinational oil companies, though highly unstable, generally declined in the Nigerian Stock Exchange (*Business Times*, Lagos, Various Issues, 1993–1998). Widespread adulteration of petroleum products that was very damaging to vehicle engines, plants and equipment was also rampant. Fuel explosions and fires were common. For example, in February 1998, the Federal Capital Territory (FTC), Abuja, was the scene of fire disaster in which 30 people died and about 80 others were hospitalised.

The argument can be advanced that the fuel crisis was foisted on the economy to provide a fertile opportunity for the regime's predatory accumulation. The fuel crisis necessitated the award of contracts for the importation of fuel. Indeed, a former military administrator under Abacha told these authors that government paid as much as six times for the same vessel of fuel through falsified accounts. (Personal communication, 4 February 2000). Simultaneously, a military task force on fuel distribution in each state of the federation was established. Members of this task force were very brutal. They frequently invaded fuel stations in a violent manner and assaulted civilians. The task forces on petroleum products became part of the problem, for they participated in the large-scale diversion of petroleum products. Some have argued that the scarcity was engineered by opponents to force Abacha to hand over power. Such a line of argument in turn is equally damaging to the performance of the military, which claimed they were acting as custodians of the national interest.[2] Put differently, it demonstrated the incapacity of the military to deal with social problems and the emptiness of its claim of being the ultimate salvager of the public welfare.

There were only ineffectual pockets of protest against the fuel crisis. A sole administrator was appointed by the military government to manage the central labour organisation, the NLC. In the circumstances, workers could not be mobilised to protest against the energy crisis. There was also the real fear of being brutalised by security operatives. The petroleum crisis encouraged the emergence of new rent-seeking groups in the military and among the civilian populace, further aggravating the prostrate socio-economic situation.

Conclusion

Abacha ruled for almost five years, more than a normal tenure of many an elected government, and with an iron hand in response to disaffection among the population. But revelations after his death indicate that he loved not only power for its own sake, but also used it to amass wealth for himself and cronies. Thus macroeconomic policy was not geared toward economic growth, not to say development. Nor was there fiscal discipline. Hence increased public expenditure was a mere conduit pipe for personal enrichment and corruption, a

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[2] B.J. Dudley (1982) describes this theory as more of a justification than an explanation.

major government project. To facilitate this process, fiscal centralisation reached feverish heights while wages stagnated and workers suffered. The political arena shrank. Press censorship was imposed. Some of the most prominent pro-democracy activists were forced into exile. As if this pacification was not enough, the administration masterminded insecurity through bomb explosions to instill fear among the remnants of dissenting voice and to provide an excuse for further repression.[3] Economic and social life suffered enormously from this precarious political atmosphere and harsh business environment.

These social consequences of personalist rule spawned widespread resentment. This was the case particularly in the southern part of the country. The period witnessed the rise of separatist ethnic militias such as the Odua Peoples Congress of the Yoruba, and the Egbesu Boys of the Ijaw in the Niger Delta. The long-standing dichotomy between the north and south became sharper. In the face of all this, Abacha planned to bring about his election as a civilian President. He ensured that he was declared the sole presidential candidate in an election in which only the five government-registered political parties could take part. This ambition itself brewed fresh discontent even among individuals who had benefited from his administration.[4] It may be asked, if he had succeeded with this manoeuvre, what chance would Nigeria have had of surviving as a state? There is no easy answer to this question given its counterfactual nature.

By the time of Abacha's death and the assumption of office by Abubakar, the annulled June 12 Presidential Election issue remained central on the opposition's agenda. The presumed winner, Chief Abiola, was still in detention. Thus when General Abubakar took power, he was constrained to deal with the aftermath of Abacha's misrule. He began with ostensible consultation with aggrieved groups

3 See various Nigerian newspapers report of the testimonies of the hatchet men of the administration to the Oputa Commission on Human Rights Violation from September 2000 to September 2001.

4 Among the 34 signatories drawn from the cream of political elite across the country who rejected his self-succcession scheme were Professor Jerry Gana, Dr. Iyorcha Ayu and Alhaji Abubakar Rimi who served in his administration's initial cabinet as Ministers with full portfolio.

and assured self-exiled Nigerians of their safety and welcome back to the country. He raised civil servants' wages by more than 200 percent to elicit their support for government activities. When Chief Abiola died in detention in suspicious circumstances, he announced a transition to a civil rule programme. He then carefully managed to produce an Abiola's kinsman as president.

The socio-economic position of most Nigerians remains still quite dismal, owing especially to the seemingly intractable fuel scarcity. The delivery of social services, justice and reconciliation, the equitable sharing of political and economic resources with particular regard to the restive minorities of the oil producing areas, and the predations of the military all remained burning issues. President Obasanjo in his inauguration speech perceived corruption as the main undercurrent of these issues and accordingly declared that his administration would 'confront it headlong'.

Scores of military officers who had held state office and were feared to be harbouring political ambitions were retired in batches.. A similar exercise was carried out by President Shehu Shagari and proved inadequate for sustaining the Second Republic. The administration must still be on its guard against factors that might facilitate a new military coup.

The constitutionally guaranteed minimum 13 percent principle of derivation for sharing oil revenue has been implemented since January 2000. The clamour for resource control continues. Indeed, other southern states outside the Delta have joined in this demand. Another level of contention over how federally collected revenues are shared finds expression in the standoff between all the states of the federation and the Federal government. While this, no doubt, is evidence of continuing intergovernmental fiscal tension, it serves to reduce the threat to Nigeria's corporate existence by galvanising all the state governments across the regions and political affiliation around a common concern.

The Oputa Human Rights Violations and Investigation Commission, set up by the Administration, has provided an unprecedented opportunity for the ruled to bring to book, even if only in a symbolic way, former power holders. But the get-rich-quick syndrome, leading to corrupt practices, is far from dead. Elected officials remain culprits in this respect and provide a breeding ground for the emergence of a new dictatorship. Thus the measures of the current administration, including the ongoing privatisation of public enterprises, the establishment of the Panel on Corruption, and so on, will promote efficiency in service delivery and foster a public-spiritedness, cannot yet be adjudged successful. The consolidation of democracy, and the eradication of conditions underlying past coups d'état, require that the administration rededicate itself to transparent and accountable leadership, both in word and deed.

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