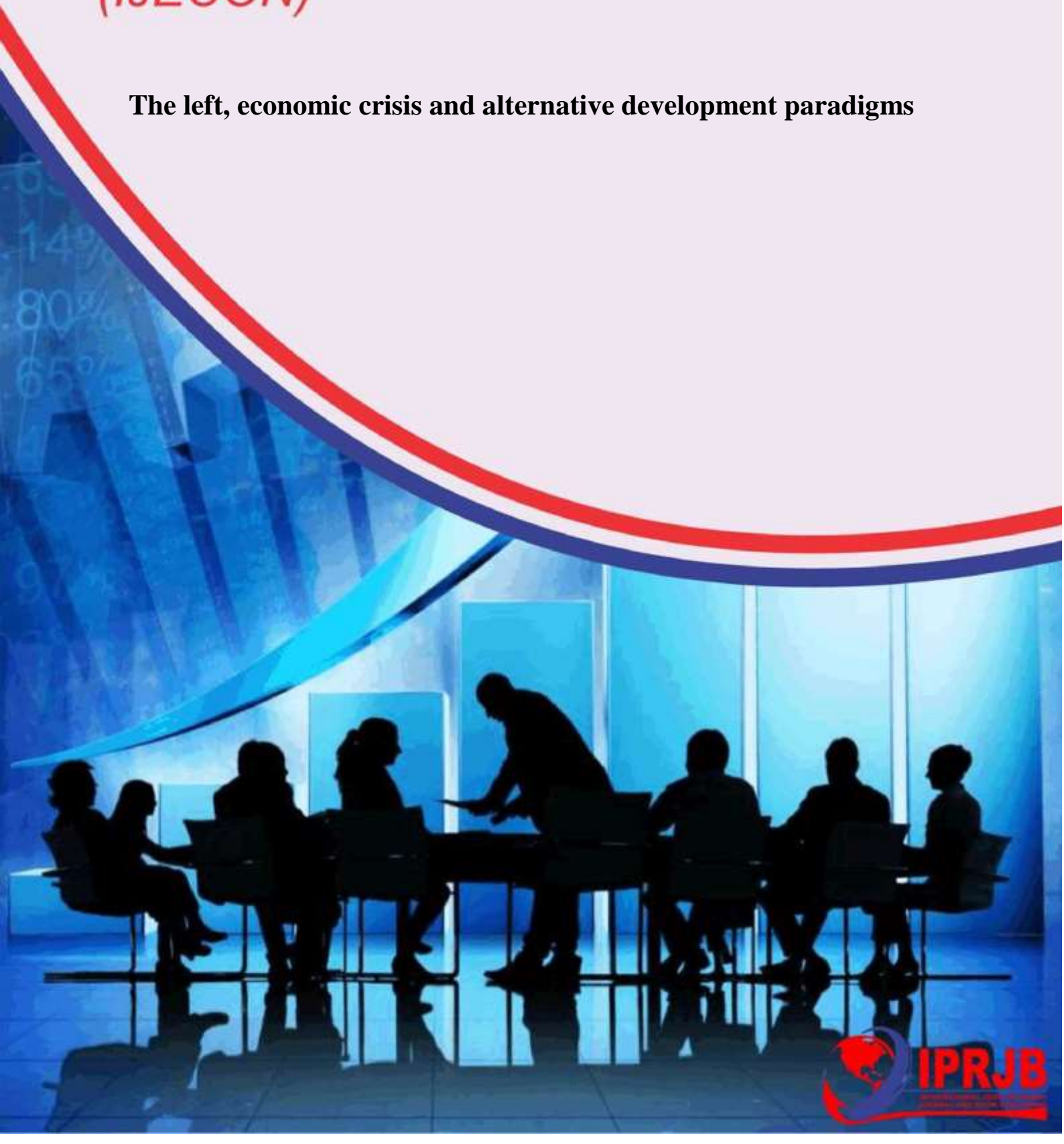


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**The left, economic crisis and alternative development paradigms**



## The left, economic crisis and alternative development paradigms

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### Abstract

**Purpose:** The purpose of this study was to examine the left economic crisis and alternative development paradigms.

**Methodology:** The study used desktop research methodology.

**Results:** In appraising options in the globalized economy, the Nigerian state should re think market policy and the nature of mix between the state and market. The state and market should co-exist and compete amid a superintendent role for statist structures. In other words, the state should supervise the market with a view to protecting the interest of the weak and vulnerable social groups. It should play a leading role in development, identify, and pursue relevant development agenda required to exit Africa's structural distortions and underdevelopment.

**Conclusion:** The Nigeria's political economy demands that development should be predicated on human progress, qualitative development, and the capacity to conquer and adapt to the physical milieu.

**Key Words:** *left, economic crisis and alternative development paradigms*

### 1.0 INTRODUCTION

Political independence in the postcolonial state was the logical outcome of historically linked pressures and political struggles. Ironically, the historically based pressures and political struggles were engendered by the success of colonialism as a hegemonic organization of international capitalist production relations, which is the basis of vast accumulation of wealth and progress in Western Europe. The success of this pattern of global accumulation created its own contradictions, pressures for change, and necessitated adaptation to be made if the continuity of global accumulation would be safeguarded (Hoogvelt, 1997).

The development of dependent capitalism in Nigeria was largely shaped through colonialism, which restricted the development of petty commodity production and peasant economic system (Williams, 1980; Bolade & Adalemo, 1986; Ihonvbere, 1989; Ake, 1981). The colonial economic system also had implications for social class relations in the traditional production systems. It altered the social class relations in the kinship and land tenure systems; and subordinated peasants, rural producers to the requirements of markets in the metro pole (Williams, *ibid*: 29-30; Ihonvbere, *ibid*: 16).

The succeeding post-colonial state in Nigeria replicated the conditions of dependent capitalism, which had been created through the colonial economic system. The post-colonial state retained a peripheral, dependent, pseudo-capitalist nature (Anifowose & Seteolu, 2004). The post-colonial state did not control its system of production and its role is essentially dependent and marginal to the production process. The core capitalist state developed production relations before the democratization of political life. Consequently, the democratic values and practice in the mature capitalist state are firmly predicated on the system of production that defines its

strength, discipline, purposefulness and stability (Nnoli, 1986; Adewunmi, 2008; Ihonvbere, Ibid: 15-18).

This article notes that Nigeria's political economy has been dominated by received development paradigms that are prescribed by the International Monetary Fund and World Bank. The ensuing social class struggles to own and control Nigeria's development agenda are concerns of this work. It discusses the philosophical and policy thrusts of foreign defined development plans, the contradictions occasioned by these plans; and the responses of critical leftists to social backlash and neo-imperial agenda behind the received economic paradigms. The next sub-heading discusses left, leftism and radicalism in order to situate, theoretically, the roles of Nigerian governing class, leftists' intellectuals and activists in legitimating received development agenda.

## **1.2 CONCEPTUAL ISSUES: LEFT, LEFTISM AND RADICALISM**

To McLean & McMillan (1996), the 'left' in political term is indicative of radical or socialist leaning thereby describing a spatial term on the ideological spectrum. Both scholars refer to 'leftism' as the 'holding of views, or the advocacy of policies which, on the political spectrum, tend towards the pursuit of more rapid, drastic, or radical change than is desired by the majority of members of the organization, or its controlling leaders, or is compatible with the operational theory through which the organization justifies its actions'.

Radicals are dissatisfied with the replacement of rulers or minor changes and reforms in the political structure. The *raison d'être* of radicalism is the overthrow of existing order, which is viewed as fundamentally decadent or corrupt. Radicals aver that changes or reforms are not enough when the government and society are diseased at the roots' (Ball & Dagger, 2001). From the foregoing, leftism and radicalism engage the contradictions in a society and seek major, fundamental, and far reaching changes in the structure of the economy and power relations. Leftism and radicalism are used interchangeably in this article to describe the politics of alternative ideas and struggles to re construct Nigeria's socio-economic and political systems.

The term 'leftist' describe adherents to a worldview hinged on egalitarianism, organized working class, nationalization of industry, hostility to marks of hierarchy, opposition to nationalistic foreign or defense policy. The leftist prescribes egalitarian society devoid of social or class discrimination; and bothers about the working people whose historically determined role is defined by the social relations to capital. The exploiting nature of the owner of capital, in relation to labor and appropriation of surplus, engages the left ideological plank. The contradictions occasioned by the capitalist production relations inform the preference of leftist for nationalization of businesses or collective ownership and control. The left wing is, therefore, averse to private property ownership and its alienating attributes. The Nigerian state sees as radicals and leftists canvassers of alternative ideas to neoimperialist and neo-liberal policies; the leftists are also perceived with disdain or as anarchists. These descriptions became caricature to pigeon-hole and vilify radical opposition elements. The state actors in Nigeria view leftists with disdain or as anarchists. Ironically, the state sought to co-opt radicals into public governance in order to gain legitimacy among the civil populace. The Babangida administration, for instance, co-opted radical intellectuals into the management of its social and economic policies such as the Mass Mobilization for Social Economic Recovery, MAMSER, and the Structural Adjustment Program, SAP. This attempt

at legitimating a military administration gained currency within the context of a highly orchestrated economic and political transition agenda.

The Cold War period was a defining context for leftists in Nigeria and the Socialist ideology equipped radical opposition with theoretical knowledge and praxis to engage imperialism. The alternative ideas critiqued imperialism and identified its implications for neo-colonial, peripheral states including Nigeria. The language of left discourses on Nigeria's political economy has been engaging, forceful, and liberating in term of deconstructing the structures of domination and exploitation. The fore going clarifications provide the backdrops to interrogate the country's economic crisis in relation to capitalist dominated global economic and political order.

### **1.3 THE NATURE OF NIGERIA'S ECONOMIC CRISIS**

The colonial state in Africa emerged as a dependent entity, lacked autonomy, and its survival depended on structures external to the system. Similarly, the foundation of neo-colonial state was laid during the period of formal colonialism (Adewunmi; *ibid*: 51; Ihonvbere, *Ibid*: 76). The attainment of political independence, therefore, ensured the transfer of state power and authority into indigenous elite that were thoroughly 'socialized' to protect the interests of departing colonial administration (Adewunmi, *Ibid*: 51; Williams, *ibid*: 48).

The colonial and neo-colonial state in Africa reflects the logic of peripheral capitalism within a skewed international economic and political order. The nature of Africa's political economy is the logical outcome of its integration into global political and economic system. The peripheral, underdeveloped and crises ridden nature of Nigerian state should be understood within this context.

Since political independence, the Nigerian state had failed to resolve the contradictions inherent in its political economy. It exposed its economy to foreign exploitation and equally became vulnerable to the political tutelage of Western powers (Williams, *ibid*: 48; Adewunmi, *Ibid*: 52). It failed to regulate relations between foreign capitalists and the indigenous bourgeoisie in such a way to reflect national aspirations and the control of economic opportunities by Nigerians.

The economic crisis of Nigerian state has been linked to the absence of capitalist penetration and the regulation of market and production relations. The state required capacity to transcend particular capitalist interests; domestic and foreign, in the interest of a capitalist society. As Gavin Williams argues "a strategy of developing capitalism under the overall direction of the Federal state has the support of Employers' organizations, multinational corporations, and capitalist and socialist powers. It cannot succeed if the state surrenders itself to the dictation of any one of this interest. The development of capitalism is too serious a business to be left to the capitalists" (Williams, *ibid*: 49). The development of capitalism is deeper than increasing manufactured output and capital goods sector. It requires social and political institutions to reproduce and regulate class relations needed for capitalist production and domination.

Meanwhile, there is no consensus among scholars on the nature of Nigerian economic crisis. The bourgeois and radical arguments represent major approaches to interpreting the crisis. The bourgeois approach canvasses Keynesian and monetarist models to resolve the capitalist crisis. These models developed within the context of capitalist crisis in Western Europe and the envisaged role of the state in post-crisis period (Olukoshi & Nwoke, 1994; Seteolu & Obiyan, 2006).



The radical approach insists on the class nature of the state, social struggles occasioned by the contradictory relations among social forces, class basis of capitalist crisis and the resultant production and reproduction of conditions of domination and exploitation (Seteolu & Obiyan, Ibid: 321; Ihonvbere, Ibid: 29-30). This approach offers explanatory context to the deterioration in external lending conditions, foreign debt trap, scarcity of soft concessional lending and increasing interest rates, mass de-capitalization and local displacement (Beckman 1988: 30; Onimode, 1992: 10 cited in Seteolu and Obiyan, Ibid: 322).

The model of developmental state was constructed in the 1960s and 1970s in Africa to correct the underdeveloped nature of its economies. It sought to enhance the role of the state in regulating, competing with the market, and participating in the economic sphere, rather than leaving it exclusively to the private sector (Momoh & Seteolu, 2006). The donor institutions, however, critiqued state capitalism that became the dominant feature of developmental state, as obstacle to development (Ihonvbere, Ibid: 78; Momoh & Seteolu, Ibid: 75).

The military administration in Nigeria adopted at the end of the civil war a new economic program tagged reconstruction and development; and it exemplified the first indigenous attempt at massively transforming the economy through development planning (Fakiyesi, 1999: 194). The National Development Plans; 1962 – 68, 1970-1974, 1975-1980, and 1981-1985 sought to mediate the character of capital accumulation in Nigeria. For instance, the 1972 Indigenization Decree reserved specific economic opportunities for Nigerians and required Nigerian participation in firms engaged in a wide range of activities. The development plans were not encompassing and the consequences for the economy oversimplified. More so, the critical social forces were least consulted in the designs of development plans (Fakiyesi, Ibid: 195).

By the mid – 1980's, the Nigerian state was grounded as a result of economic mismanagement of the military and civilian administrations. As a result, the country's economic crisis persisted and exposed its political economy to dictates of international lending agencies. The Structural Adjustment Policy introduced in the mid- 60's exemplified the collapse of assertive character of the state, increased foreign influence in the local economy, alienated the working people, peasants, and urban poor from state policies; and led to social struggles against the state (Fakiyesi, Ibid: 196; Momoh & Seteolu, Ibid: 74; Seteolu & Obiyan, Ibid: 324).

The next sub-heading examines the responses of radical academics, activists and organizations to the adoption of SAP and other externally defined development paradigms. It discusses the dialectics of class struggles between state actors and radicals on the nature, character and implications of foreign led development agenda.

#### **1.4 STRUCTURAL ADJUSTMENT PROGRAM (SAP), OTHER EXTERNALLY DEFINED DEVELOPMENT AGENDA, AND ALTERNATIVE IDEAS BY THE LEFT**

The 1980s witnessed the adoption of International Monetary Fund (IMF) / World Bank – sponsored Structural Adjustment Program, SAP, by third world economies. In 1989, for instance, several third world states including thirty nine in Africa implemented adjustment programs in one form or another (Olukoshi & Nwoke, Ibid: 11).

The Babangida administration introduced Structural Adjustment Program, SAP, in Nigeria to foster a private sector led growth, correct balance of payment disequilibrium, restore stability and growth in the economy. The policy was a conditionality to guarantee external debt

repayment; and it was monetarist in nature. It emphasized, however, financial stability to the detriment of structural and developmental issues. This economic policy resulted in harsh social livelihoods for workers, urban poor and peasants thereby undermining the legitimacy of the Nigerian state. The perception of alienating Nigerian state gained currency among vulnerable social groups as a result of the implementation of anti-people social and economic policies. The defects in SAP policy became a rallying point for trade unions, academics, student organizations, urban poor and rural peasants who were traumatized and impoverished by its implementation (Olukoshi, 1995: 148-152; Seteolu & Obiyan, Ibid: 324).

The SAP policy was predicated on economic orthodoxy as opposed to economic heterodoxy. Economic orthodoxy suggests there is no alternative to adjustment reforms of the neo-liberal type. It is, however, arrogant posturing by the international financial institutions to ignore the centrality of economic heterodoxy and plurality in adjusting states. The orthodoxy policy represses and repudiates alternative ideas, but the idea of heterodoxy respond to the logic of economic and political pluralism to deal with social and economic crises. The heterodoxy approach responds to, and includes the views and preferences of working people, artisans and peasants in the design of social and economic policies that affects their lives.

The economic agenda of SAP are encapsulated in the concept of 'rolling back the state,' which includes liberalization, privatization, commercialization, deregulation and desubsidization (Fakiyesi, Ibid: 196; Anifowose & Seteolu, Ibid: 43; Seteolu & Obiyan, Ibid: 326 – 331; Oluyemi-Kusa, 1994: 80). The social crisis, however, occasioned by SAP reflects in the decline and irregular nature of social infrastructure, low quality of education, job loss and factory closure, high morbidity and mortality rates. It shows in low literacy level, poor access to safe drinking water, internal and external financial imbalances, increasing unemployment and under-employment, political instability, and high vulnerability to communicable diseases (Seteolu & Obiyan, Ibid: 325).

The SAP policy posed development as privatization and coping strategies for the management or alleviation of poverty. As a result of SAP, the social forces of development shifted from the state and the African people to the market and the Non-Government Organization community. The shift from state and people meant re-definition of development and Africa's full transition into economic mal-development; which has kept the third world States and people permanently stagnated, unproductive, and under developed. The policy emphasis on market ensured adjusting states are tied to the apron strings of Western Capitalist economies, and as victims of the backlash of their economic crisis (Momoh & Seteolu, Ibid: 76).

The Nigerian state have embraced the New Partnership for Africa's Development, NEPAD, National Economic Empowerment and Development Strategies, NEEDS, and Millennium Development Goals, MDGs; thereby externalizing its development. The policy thrusts and social impacts of NEPAD, NEEDS and MDGs will be discussed in the latter part of this article. The Nigerian left forces, however, have been critical of received economic paradigms that contrive the country's sovereignty and economic development. Radical scholars and activists in Nigeria evolved within the context of bi-polar world system and their specific socialization in Socialist ideology. The Socialist ideology became defining framework of their worldviews in terms of perceived lopsided nature of global political and economic system and peripheral status of the Nigerian state within.

The cold war and its accompanying ideological divide had impacts on radicals in Nigeria's first generation universities; Ahmadu Bello University, Zaria; University of Ibadan, Ibadan;

University of Lagos, Lagos; and the University of Ife, Ile Ife, now known as Obafemi Awolowo University. These scholars interrogated imperialism forces in Nigeria, the under development of social class forces and ensuing social class struggles. In the 1960's and 70's, scholars that include Bade Onimode, Eskor Toyo, Claude Ake, Yusuf Bala Usman, Yusuf Bangura, Patrick Wilmot, Segun Osoba, et al; bestrode the campuses and enriched the struggles against imperialist forces at intellectual level and praxis.

Yusuf Bala Usman (2008: 113-125) identified the essential features of Nigeria's political economy to include the process of the exploitation of the labor and wealth of the Nigerian people through the export of raw materials and the import of manufactured goods organized and run by western capitalism and their Nigerian intermediaries. He posited that the Nigerian intermediaries are largely bureaucrats and businessmen who are highly remunerated for running and maintaining this process of exploitation. To Bala Usman (ibid), the system of confusing and dividing the masses of Nigerian people are run by these intermediaries, closely supported by western imperialism, through the manipulation of ethnic and religious differences. He averred the main purpose of this system (which is economic, cultural, social and political) is to immobilize the peasant farmers and workers permanently with a very low level of political consciousness, organization and activity.

Claude Ake (1978: 65-81) identified the nexus between the bourgeois class and underdevelopment in Africa including Nigeria. He noted the local bourgeois class accepted the ideology of development of core capitalist states. Ake (ibid: 66) remarked thus:

*Surprisingly enough, even the radical (socialism oriented) African leaders are hardly an exception in this respect... the ideology of development conceptualizes development essentially as a process of becoming more like bourgeois countries; .....[the proletarian country like Nigeria] comes to regard economic dependence as inevitable.*

The contradictions occasioned by SAP and its neo-imperialist agenda were engaged by radical scholars; Omotoye Olorode, Idowu Awopetu, Festus Iyayi, Ola Oni, Baba Omojola, Dipo Fasina, Edwin Madunagu, Abubakar Momoh; et al. Olorode (2014: 10), identified linkages among the Washington consensus of 1980's, Uruguay Rounds of 1986-1994, and World Bank's Elliot Berg's (SAP) report. He identified the key elements of these plans as liberalization, deregulation and privatization. These elements are controlled and enforced by three aristocracies; the aristocracy of the industrialized states, aristocracy of capital (transnational corporations); and the transnational clergy (IMF & World Bank) that supervise national economic policies in Africa, Asia and Latin America (de Rivero, 2001: 55).

Momoh (1995: 16-56) offered a critique of the Babangida Political Transition Program, PTP, and Economic Transition Program, ETP. He noted the personalization of political power, cooptation of intellectuals to formulate and reformulate state policies, social fallout of SAP implementation and resultant repression of the civil populace, and class agenda behind ETP. This class project was posed as a state policy to achieve good governance and virile economy amid the conduct of government through donation and false populism.

To Momoh (2005: 3), the World Bank and IMF attributed the failure of SAP to poor implementation; but later conceded that SAP was a bad policy that could neither have bought structural changes nor development to Africa. He identified a major disconnect between the people and the governing class amid the undermining of Africa through the obsession with theology of the market. Momoh (2005: 14) averred the crisis of the third world cannot be examined within the narrow limits of Western and BWIs frameworks due to the nature of

capitalist relations of production, imperialist domination of the world economy, and the nature of reproduction of underdevelopment in the third world.

Meanwhile, the Nigerian state responded to the activities of radicals through arrest and detention of perceived irritant academics. The campuses were inundated with security agencies who offered feedback to the state on extra academic activities and physical movements of radical academics. The scholars were not deterred by the authoritarian character of Nigerian state and often defied surveillance of state agents to mobilize the campuses and civil society against unpopular, anti-people social and economic policies. The Academic Staff Union of Universities, ASUU, critiqued Nigeria's adjustment reforms, the neo-imperialist agenda behind reforms, and the consequences for Nigeria's political economy. In its critique of the political economy of privatization as aspect of adjustment reforms, ASUU (2001) averred privatization signaled the transfer of public wealth to interests that have exploited and deprived Nigerians over the years; handing over Nigeria's independence to the same forces that colonized and plundered our people for centuries; increasing mass poverty for our people; making access to basic facilities and resource impossible and unaffordable for over ninety percent of our population; rewarding some Nigerians including politicians, public office holders, some military generals and others in private business for closeness to power. ASUU (ibid) insisted the creation of state funded enterprises in a developing economy was not an accident; but it reflected the demand of a backward, 'third world', underdeveloped country to respond to the challenge of fostering the well-being of its people.

ASUU (ibid) further posited on privatization thus:

*The ostensible reason being brandished for privatization is that public enterprises are not efficient. This is false. The fact of the matter is that the public enterprises are deliberately made inefficient in order to sell them. Today, the privatization programme is part and parcel of the same process of recolonising Nigeria through the World Bank and IMF-packaged programmes of economic stabilisation, structural adjustment and liberalisation.*

The Harvard Economist, Jeffrey Sachs made revealing disclosures on privatization in Post Soviet Russia on the internet when he posted his apologia titled; 'What I did in Russia,' and his comments underscored the ideology behind privatization and looting that characterized the exercise. He asserted that;

*The government's privatization strategy was to move radically and quickly, so that there would be no reversal in political power and no reversion to a communist regime. The idea was to push the assets out into private hands as quickly as possible, even if corruption and unfairness ensued. This was not my approach, and I disagree with it. I was worried from the start of this process in Poland that corruption in privatization or manifest unfairness would not only damage the economy but also damage the society, by undermining the support for democracy, economic reforms, and social justice. In the end, Russia went the course of quick and reckless privatization to my dismay (Sachs cited in Olorode, 2014: 29-30).*

The struggles against external economic and social policies were not restricted to academia, but these involved organized labor. The organized labor was divided in the First Republic on ideological lines; the Soviet and American blocs. The fraction of organized labor aligned to the Soviet bloc had allies in the West African Students Union, based in the United Kingdom, and radical scholars in Nigeria, who engaged the colonial state on its imperialist agenda. The radical wing of Nigerian Labour Congress, NLC; led by Messrs Hassan Sunmonu and Ali Ciroma



offered very articulate and informed critique of SAP. The Sunmonu led NLC relied on workers education, shop floor mobilization, popular rallies, protests, media campaigns and strikes to exert pressure on the Nigerian state; and insisted on the reversal of anti-people social and economic policies. Comrade Hassan Sunmonu clearly canvassed and popularized the African Alternative Framework to Structural Adjustment Program, which was developed by the United Nations Economic Commission for Africa. UNECA developed the alternative framework to highlight human basis of development and the imperative of African based development agenda.

In the 80's, the National Association of Nigerian Students, NANS, assumed ideological based struggles against the state and its foreign imperialist partners. The students' movement did not conform to the liberal and positivist notion of schooling and education as politically neutral. Rather, the students' body reflected the Marxist position that schooling and education are not neutral enterprises. To Marxists, the education system creates consciousness meant to create and recreate the condition of domination of the propertied class without necessarily exerting the overt structures of domination (cited in Adejumobi, 2000: 231). The students movement in the view of Amilcar Cabral and Frank Fanon became involved in the arena of political and ideological contestations and struggles in order to achieve social change (cited in Adejumobi, ibid: 232).

These struggles were predicated on cells or political organizations that offered ideological and organizational rubrics for mass based actions. The Patriotic Youth Movement, PYM, Socialist League et al built cell organizations that strengthened popular struggles of NANS. These struggles held within the context of the alliance of students' movement, organized labor, civil society organizations and academics in response to deepening crises in the society, economy and polity under SAP (Adejumobi, ibid: 239).

The students' movement played major role in the anti-SAP struggles, and it ventilated clear ideology based positions on Nigeria's social and economic crises. In the 1960's and 70's, the campuses of Nigerian universities including Obafemi Awolowo University, Ile Ife; University of Ibadan, Ibadan; University of Lagos, Akoka; Ahmadu University University, Zaria; University of Nigeria, Nsukka; University of Benin et cetera; were characterized by study groups and cells that aggregated views on imperialism, apartheid and racism, cold war politics; and critiqued foreign development models.

To Adejumobi (ibid: 227), the regime of SAP had impact on each sector of the economy including education. He argued that education became a major victim of downsizing, cost recovery and rationalization. As a result of these measures, the university metamorphosed from 'citadel of learning to battlegrounds', which included the struggle against socioeconomic policies that impoverished and alienated the students and larger populace.

Adejumobi (ibid: 228) captured the role of the students' movement thus:

*From 1981, with the onset of the economic crisis, the students movement launched not only a consistent and sustained campaign for educational reforms, but also sought to forge alliances with democratic groups, trade unions, and professional organisations in order to have a common and broader platform for the struggle against political misrule and challenge the unpopular policies and programmes of the state..... Increasingly, the popular identity of Nigerian students, as represented by their association, the National Association of Nigerian Students (NANS) lies in their culture of popular struggle and resistance. Thus, the students*

*movement in Nigeria has been variously described as the 'barometer of public opinion', 'the vector of social change', 'the conscience of the society' and 'voice of the voiceless'. In other words, NANS is viewed as the vanguard of the interest of the masses or dominated groups and classes in Nigeria.*

In the 1980's, the contradictions within Nigeria's political economy engendered social movement that organized and agitated on critical national issues. This movement was ideological in nature and it posed equally ideology based questions on the nature of Nigerian state and its policies. Radicals in the civil society organizations dared the Nigerian state on its turf and repudiated externally determined state policies. In 1986, this radical wing organized an alternative conference to Structural Adjustment Program. The Late social activist and former President of the Nigerian Bar Association, NBA, Mr. Alao Aka Basorun led other social activists, radical lawyers and academics to convene a conference on alternative to SAP. This alternative conference to SAP was aborted by state agents thereby betraying the arrogance of state actors; and their intemperate disposition to alternative ideas on the reconstruction of the state and economy.

The radical and centrist civil society organizations organized protests and rallies in major cities on the anti-social nature of economic reform programs. The anti-social policies were viewed as withdrawal of the state from social provisioning, removal of subsidy on social services including education, privatization and pauperization of Nigerian workers, artisans, rural and urban poor. These struggles were led the Campaign for Democracy, CD, and United Action for Democracy, UAD. The CD and UAD were critical of, and outspoken against state policies especially adjustment reform measures, denial of human rights, loss of legitimacy of the state as a result of its reduced capacity to respond to social needs, and reversal of modest social gains attained before the implementation of neo-liberal economic policy. The commitment of state actors to implement SAP irrespective of the opposition of civil populace suggested preference to service external debt and deny its social cost to vulnerable social groups (The Guardian on Sunday, 18 September, 2005 cited in Seteolu & Obiyan, Ibid: 332).

The paradigmatic context of policies that addresses Africa's economic crisis creates two poles; these are represented by the role of the state and market. For instance, the Lagos plan of Action (LPA) is diametrically opposed to the Structural Adjustment Program in certain aspects. Firstly, the Structural Adjustment Program unlike the Lagos Plan of Action was predicated on market philosophy and, consequently, state withdrawal. Secondly, the content and direction of the Lagos plan suggested structural and Keynesian leaning as opposed to the monetarist basis of SAP (Momoh & Seteolu, Ibid: 74).

In the light of the foregoing analyses of SAP, it is imperative to re-interrogate the purpose of the state especially as it relates to Africa. The contradictions in SAP policy makes it imperative to propose economic policy that responds to the challenge of employment generation, elimination of absolute poverty, exchange rate appreciation and anti-inflationary measure. This alternative economic policy requires a modest reflation of the economy to spur growth and job prospects, increase wage sector incomes, and revive the industrial and agro sector. It appreciates the tax component of public treasury, subsidization of basic social welfare services in order to enrich the content of social citizenship and commitment of the populace to the state (IDEA, 2000: 167-168 cited in Seteolu & Obiyan, Ibid: 336). Similarly, the developing states should rethink market policy and adopt a developmental strategy that respond to the logic of

developmental state. The developmental state will likely serve public purpose and respond to the imperatives of economic rationality, political accountability and stability.

The adoption of New Partnership for Africa's Economic Development, NEPAD, in Africa has drawn critical studies by radical scholars who engage its origin, purpose, form and implications for developing states. NEPAD is predicated on neo-liberal policy, which necessitated its external approval by donor states and organizations. The NEPAD initiative is similar to SAP in terms of its grounding in market based economy and foreign direct investment. The market based economic system has failed to revive and develop the economies in Africa, democratize access to resources and deepen the political domain to foster intellectual struggles on the management of the economy.

Radical scholars cohere on the failure of market logic in the management of economies in Africa, and insist that the African crisis is predicated on the crisis of the state (Ake, 1981; Ake, 1985; Ihonvbere, 1989; Onimode, 1991; Momoh, 2005). The crisis of the state is viewed as a strong explanatory framework to explain why the state actors are amenable to foreign influence, the absence of capacity or low capacity to define development options, and absence of economic agenda that are hinged on the working people, artisans, urban poor and peasants. The NEPAD initiative, however, adopts a political economy approach that captures the implications of power relations in economic choices. NEPAD's Africa Peer Review Mechanism is also indicative of the concern for political and economic governance questions in the region.

## **2.0 CONCLUSION**

In appraising options in the globalized economy, the Nigerian state should re think market policy and the nature of mix between the state and market. This article differs with the laissez-faire structural adjustment model in the management of Nigeria's economy; it posits a convergence of the market and state in the economic management. The state and market should co-exist and compete amid a superintendent role for statist structures. In other words, the state should supervise the market with a view to protecting the interest of the weak and vulnerable social groups. It should play a leading role in development, identify, and pursue relevant development agenda required to exit Africa's structural distortions and underdevelopment.

It is imperative to review the structural adjustment policy and its neo-liberal context. It is equally compelling to re-think alternative development constructs, and adopt a more holistic and structural approach to development. The mass of people are the *raison d'être* of development, and it is illogical to reduce economic prosperity to abstract level in a sense that ignores relevance, fairness and equity. The Nigeria's political economy demands that development should be predicated on human progress, qualitative development, and the capacity to conquer and adapt to the physical milieu. This article concludes that development will not likely occur without political Ideology and philosophy of human equality and human dignity (Momoh & Seteolu, Ibid: 87).

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