GOVERNMENT
SS 2 FIRSTTERM

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THE PUBLIC/CIVIL SERVICE

WEEK 1

1 MEANING OF PUBLIC /CIVIL SERVICE:

MEANING OF CIVIL SERVICE:

The Civil Service is a body of employees whose responsibility is to assist the Political Executives in the planning and implementation of government policies and programs in accordance with the established rules and procedures. The civil service is divided into departments called ministries and are headed by ministers (or commissioners at the state level). The political head and chief executive of a ministry is either a minister or commissioner while the administrative head of a ministry is the Permanent secretary.

CHARACTERISTICS OF THE CIVIL SERVICE

1. **PERMANENCE:** Although government may change, civil service does not change with the government. The civil service remains intact while government changes periodically. The employees of civil service also enjoy security of tenure**.**

2. **IMPARTIALITY:** The civil servants are expected to be fair and just to any government in power. This means, that civil servants should discharge their official duties fairly to all the people they are serving, without religious, ethnic, class, gender or any other sectional biases**.**
3. **ANONYMITY (NAMELESS):** Civil servants cannot be held responsible for their official actions. The ministers and permanent secretaries are politically accountable for the success or failure of their ministry. They are not expected to reveal or speak to the press on government matters except they are authorized by the minister supervising the ministry.

4. **NEUTRALITY:** Civil servants are required to be politically neutral. This is to enable them serve without reservation any government in power, no matter the controlling party. It is also required by law that if any civil servant is interested in partisan politics, he/she has to resign his/her appointment.

5. **EXPERTISE:**
   The higher class in the civil service is made up of experts in various fields. This is to ensure that professional and technical matters are efficiently handled. To this end, recruitment into the higher class of the

civil service requires success in competitive examinations with good qualifications and experience.

6. **BUREAUCRACY (HIERACHICHIAL ORGANISATION):**
The organizational structure of the civil service is designed in a hierarchical pyramidal order with command emanating from the top down to the base where compliance or obedience is expected.

7. **MERIT SYSTEM:**
For productivity and efficiency to be enhanced and maintained in the civil service, highly qualified candidates need to be recruited. This is done through a highly competitive written examination and oral interview conducted by an independent body, the Civil Service Commission where the best performed candidates are recruited to fill different positions in the service. Promotion in the civil service is also carried out in the same manner. Therefore, recruitment and promotion in the Civil Service are based on merit and achievement.

FUNCTIONS OF THE CIVIL SERVICE

1. Civil service provides information for the formulation of government policies
2. Civil service executes / Implements government policies and programmes
3. They are responsible for the management of the machinery of government and carrying out the day-to-day administration of the country.
4. Preparation of annual estimates and budgets: Civil servants prepares and executes annual budgets.
5. Drafting of bills: Bills from the executive are prepared by civil service.
6. They advise the government in power on any new programs and policies. Civil Service provides useful information and advice to political heads in running their various ministries e.g., preparation of answers to questions sent to political heads
7. The civil service takes custody of all documents, files, records and all properties of the government
8. Collection of revenue. Civil service generates revenue for the government
9. Provision of essential services like good roads, electricity, pip-borne water, hospitals, markets, banks etc.
10. Public enlightenment. Civil Service educates citizens on governmental policies
11. Civil service performs quasi-Judicial functions.
12. Civil service handles correspondence, bulletins, and forms relating to government
13. Civil service makes rules and regulations for its internal workings

14. Civil service provides officials to attend national and international conferences and seminars on behalf of the government.

PROBLEMS OF THE CIVIL SERVICE: The civil service is known in recent years to be ineffective and inefficient. The following are the shortcomings of the civil service:

1. Negative or poor attitude to work.
2. Bureaucracy.
3. Political interference.
4. Political instability.
5. Duplication of offices and positions.
6. Shortage of qualified personnel.
7. Poor management.
8. Lack of initiative.
9. Bribery and corruption.
10. Tribalism and Nepotism.

CONTROL OF THE CIVIL SERVICE:

Note that the Udoji commission of inquiry report of 1974 recommended the abolition of the existing classes in the civil services consequent upon the report, a unified grade system was introduced in to pave way for growth in the service. To this end, therefore the highest grade is Grade level Seventeen (GL.17) while the lowest level is Grade level one (GL. I). According to the unified system it is possible for a junior civil servant to progress from a lower grade level to higher one, the inhibition or limitation have been removed.

CONTROL

This civil service is controlled in different ways there are summarized:

1. Internal control.
2. Parliamentary control.
3. Control by the civil service.
4. Control by the public corporations commission.
5. Control by the court.
6. Control by the press.
7. General orders civil servants' role.
8. Tenure requirement age.

QUESTIONS1.

1. Highlight five (5) functions of the Civil service in Nigeria

WEEK 2

1. THE STRUCTURE AND CLASSES OF THE CIVIL SERVICE

Prior to the recommendation made by the Udoji commission of inquiring in 1974, the Nigerian civil service vis-a-vis those of other former British colonial states five major classes was so big that movement from one class to the other was extensive very difficult. These major classes are:

9. **The administrative class:** This class consisted of those top civil servants very close to the political or executive class. They include the director general, deputy director, general assistant directors. Entry qualification into their class was a good university degree result member of the administrative class participated in policy formulation as they were very close to the executive class by giving them policy advice.
10. **Executive class:** the day-to-day administration rested on this class the executive was composed of the assistant executive officers. Executive officers, higher executive officers, senior principle executive officers: Entry requirement were higher school certificate advanced level, ordinary pass university cheque.
11. **Professional class:** this was a specialist class and the highest in that record it consisted of legal officers' chemists, engineers, medical doctors etc. profession training and certificates were required as entry requirement. This class was charged with the responsibility of giving professional advice to the administrative and political class.
12. **Clerical and sub-clerical class:** This class consisted of all those personnel of the service responsible for the daily routing works of collecting and keeping a vital data and other records. They kept custody of documents. Entry qualification is the west African school certificate or its equivalent.
13. **Secretarial class:** these consist of all those in charge of secretarial duties like typing duties vis-a-vis other stenographic jobs in the ministries. They aided the top officials in the management of their officials. Entry qualifications were mainly professional certificates in the secretarial fields.

C. Personnel Administration in the Civil Service

THE CIVIL SERVICE COMMISSION

The Republican construction of 1963 made provision for the establishment of civil services commission a politically neutral and autonomous body reposed with the responsibilities of recruitment, appointment, promotion discipline and dismissed of public servants in Nigeria so as to foster impartiality, neutrality, permanence and expertise characteristics of the civil service.

The 1963 republic constitution established a federal public service commission at the center at the regional public services commission for the regions, today the civil service commission is found both at federal and state levels.

STRUCTURE

The constitution establishing the civil services commission defined as structure at the two levels for instance at the federal level the commission consist of a chairman and nine other members appointed by the president on the advice of the senate are the council of states on the other hand, the state civil service commission is presided over by a chairman who is appointed vis-a-vis two or four other members by the government after the satisfaction by the state legislature. they serve for a period of five years.

The conjunction, with the fort going political appointees of the commission are other permanent officials who are headed by a permanent secretary to ensure the general co-ordination of the functionally organized division for effective performance.

POWERS AND FUNCTIONS

The powers and functions performed by the civil service commission, among others include the following:

1. It is charged with the responsibility of exhausting or appraising the performance of the entire civil servants. This done to ensure that there is increase in the efficiency and productivity level of public personnel.
2. The civil service commission also deals with the discipline of civil servants via issuing of warning, demotion, suspension or out outright dismissal as the case may be. It may also meet out other disciplining measures to differ inefficiency.
3. It is the main agency for the recruitment of qualified personnel into the civil service.
4. All forms of retirement are handled by the commission however, it is not the duty of the commission to handle the cases of members of the armed forces, police. etc.
5. It transfers civil servants from one department to another.
6. It advices the government an appointments into parastatals and public corporations.

QUESTION2:

1. Examine five (5) functions of the Civil Service Commission

WEEK3

PUBLIC CORPORATIONS

1. MEANING OF PUBLIC CORPORATION

DEFINITION

Public Corporation is a statutory body established by the government through an act of Parliament or decrees for the purpose of providing essential social and welfare services to the people at a reduced cost.

EXAMPLES OF PUBLIC CORPORATIONS ARE:

1. National Electric Power Authority (NEPA)
2. Power Holding Company of Nigeria (PHCN)
3. Nigerian Ports Authority PLC (NPA)
4. Nigerian Railway Corporation (NRC)
5. Federal Radio Corporation of Nigeria (FRCN)
6. Nigerian National Petroleum Corporation (NNPC)
7. Nigerian Communication Commission (NCC)
8. State Water Corporations
9. State Transport Corporations as Edo state transport company
10. State Owned Banks etc.

PURPOSES OR REASONS FOR ESTABLISHMENT

1. To provide essential services:

   Public corporations are established to provide essential services such as electricity, water, transportation, road, housing etc at a reduced cost. These services involve huge capital but are being subsidized by the government.

2. Provision of employment opportunities:

   Public corporations provide employment opportunities for many citizens especially professionals whose field relates to each corporation.

3. To prevent discrimination and exploitation:

   Public corporations are established to prevent discrimination and exploitation to citizens in the provision of most basic needs like water and electricity which would be possible if left to private individuals to provide.

4. For national security:

   Public corporations undertake strategic projects for security reasons and in the national. The government does not allow private citizens or foreign investors to mint currencies, control telecommunication facilities, produce arms or operate air or seaports.

5. For revenue generation:
   Public corporations generate funds for the government through the services provided by the citizens. For instance, citizens pay for boarding Nigeria Airways Planes, mass transit buses, as well as the services provided by the railway corporations.

6. For rapid socio-economic development:
   Public corporations are used as a machinery for providing rapid socio-economic development of the country through the supply of electricity, gas, petroleum, steel and communication facilities to the different parts of the country thereby opening the country up for industrial and economic development.

7. Re-distribution of wealth:
   The intervention of the government through public corporations prevent concentration of enormous wealth in the hands of a few citizens.

8. For propaganda purposes:
   Government uses public corporations like radio corporation the Television Authorities etc as a propaganda tool to project positive image of itself to the outside world.

9. To meet emergency situations:
   Public corporations are established to else the government carry out some emergency duties that require quick actions which ministers cannot quickly or effectively carryout because of bureaucracy.

10. To raise the standard of living:
    The establishment of these corporations so as to improve the standards of increase productivity of living of the citizens.

11. To avoid foreign control of the economy:
    Government undertakes the establishment and management of these corporations to prevent its concentration in private hands so as to avoid foreigners from controlling the economy.

12. Improve efficiency through debureaucratization:
    Some services like the Nigerian Railway Corporations, the Nigerian Ports Authority, Water Boards, Hospital or Health Management Boards which were formally within the civil service structure were removed and constituted into independent entities in order to increase their efficiency and effectiveness.

13. For effective control:

The control of public corporations are made easier when ownership and control resides in the same institution. This would enable the government to pilot the economy towards desired objectives and priorities.

14. High capital requirement:
    Public corporations usually require heavy capital outlay which may not be affordable by private enterprises.

FUNCTIONS OF PUBLIC CORPORATIONS

1. Public corporations provide essential services to the public at a reduced cost for example electricity supply, transport services, pipe-borne water.
2. Public corporations helps to prevent undue exploitation of the public. They help to avoid the high prices charged by private monopolists and to make goods and services available at reasonable costs to consumers.
3. They provide such services which cannot be provided by individuals due to huge capital requirement.
4. They help to provide employment to the teeming population when they graduate from their various institutions of higher learning.
5. They undertake strategic projects like printing and minting, arms production etc for security reasons.
6. They ensure that certain key of basic industries are under public ownership in order to ensure close government control over certain key sectors of the economy.
7. They help to avoid duplication of facilities, wasteful competition and lack of standard provision that may arise from private ownership.
8. They are used to transfer ownership of industries owned by foreign interests in order to create employment opportunities, correct market imperfections, centralize economic planning and control inflation.
9. They generate revenue for the government.

QUESTION3

1. State five (5) reasons for the establishment of Public Corporations in Nigeria

WEEK 4.

STRUCTURE AND ORGANIZATION OF PUBLIC CORPORATION

The organizational structure of public corporation

1. Political head
2. The chairman
3. The board of directors/governors
4. The managing director/general manager
5. Key senior officials

CONTROL OF PUBLIC CORPORATION

1. Parliamentary control:
   Public corporations are set up by an act of parliament. Powers and functions of these corporations are stipulated in the acts. The parliament (legislature) can summon any erring official to appear before it to account for any allegation levelled against him/her. The legislature also audits the account for public corporations from time to time.

2. Ministerial control:
   The minister in charge of corporation ensures that the policies of public corporations conforms with government goals and objectives for establishing that corporation. The minister appoints and dissolves members of board of directors and also senior officials of the corporation. He also approves loans and expenditures and appoint auditors to audit the accounts of the public corporation.

3. Judicial control:
   The judiciary can control public corporations by declaring any act made by some corporations null and void or ultra vires thereby null and void. This is done when they breach the act upon which they are set up. The judiciary can also stop any public corporation from denying its services to any customer. For example, NEPA.

4. Financial control:
   The accounts of public corporations are audited from time to time by government auditors and a copy is submitted to the minister.

5. Public control:
   The over watchful eyes of the public and organized interests help to ensure the accountability of public corporation.

PROBLEMS OR CHALLENGES FACED BY PUBLIC CORPORATION

1. Political interference in the public corporation.
2. Political instability frequent change of government which gives rise to irregular changes of the officials of public corporations do not augur well for the efficient functioning of these corporation.
3. Bribery and corporation.
4. Bad management of public corporations.
5. Poor trained personnel.
6. The working conditions in public corporations are poor.
7. Insufficient fund to work with.
8. Poor attitude to work.
9. Poor financial management.
10. Lack of competition.
11. Nepotism and tribalism.
12. Negative attitude of consumer (negative consumer attitude).

WEEK 5:

COMMERCIALIZATION, PRIVATIZATION AND DEREGULATION

COMMERCIALIZATION

MEANING:

Commercialization refers to the process of transforming a product, service or idea into a commercially viable entity that can be sold in the market for profit. It involves converting research, innovation or intellectual property into tangible goods or services with the intention of generating revenue.

Commercialization can also be defined as the running of government enterprises for purely profit motive. Such businesses are owned and controlled by the government but they exist for profit reasons.

REASONS FOR COMMERCIALIZATION

Commercialization of government enterprises or publicly-owned assets occurs for the following reasons:

1. **FISCAL SUSTAINABILITY:**

   Many governments face budgetary constraints and the need to reduce fiscal deficits. Commercialization can generate revenue streams that reduce the reliance on government subsidies, grants or direct funding, thus improving the fiscal health of the government.

2. **EFFICIENCY AND PRODUCTIVITY:**

   Commercialization often leads to greater operational efficiency and productivity withing government owned enterprises. When organizations are profit oriented, they have incentives to cut costs, optimize resources and eliminate inefficiencies in their operations.

3. **INNOVATION AND COMPETITION:**

   Commercialization encourages competition and innovation within industries. Enterprises driven by profit motives are more likely to invest in research and development, adopt new technologies and respond to market demands more dynamically leading to advancements in products and services.

4. **REDUCED GOVERNMENT INTERVENTION:**

   Commercialization can reduce the direct involvement of government in business operations. This can lead to more market-driven decision making and reduced bureaucracy making organizations more responsive to market dynamics.

5. **PRIVATE SECTOR PARTNERSHIPS:**

   Governments may seek to attract private sector investment and expertise through commercialization. Public-private partnerships (PPPs) can bring additional capital, knowledge and resources to support the growth and development of government-owned enterprises.

6. **RESOURCE OPTIMIZATION:**
   Commercialization allows governments to maximize to utilization of public assets such as land, facilities or intellectual property. These assets can be leveraged to generate revenue or stimulate economic development.

7. **JOB CRATION:**
   Commercialization can lead to job creation as enterprises expand and grow. New job opportunities may arise in sectors that were previously publicly managed contributing to employment rates.

8. **IMPROVED SERVICE DELIVERY**

9. **MARKET ORIENTATION**

10. **GLOBAL COMPETITIVENESS**

11. **REDUCTION OF PUBLIC DEBT**

12. **POLITICAL CONSIDERATIONS**

13. **ALIGNMENT AND ECONOMIC GOALS**

ADVANTAGES OF COMMERCIALIZATION

Commercialization, as a strategic approach to managing government enterprises and public assets with a profit motive, offers several potential advantages. These advantages can vary depending on the specific context and industry, but generally include the following:

1. **INCREASE EFFICIENCY AND PRODUCTIVITY:**
   Commercialization often leads to greater efficiency in the operation of government-owned enterprises. When organizations are driven by profit motives, they are incentivized to cut costs, streamline operations, and eliminated inefficiencies. This can result in improved productivity and resource allocation.

2. **ENCOURAGES INNOVATION AND CREATIVITY:**
   Profit-oriented enterprises tend to be more innovative and competitive. They are motivated to develop new products or services, adopt advanced technologies, and find creative solutions to meet customer demands. This can drive progress and advancements within industries.

3. **REDUCED FINANCIAL BURDEN ON GOVERNMENT:**
   One of the primary goals of commercialization is to reduce to governments financial burden. When government enterprises generate profits, they can or completely fund their operations without relying on subsidies or grants from the government. This can free up public funds for other essential services and investments.

4. **RESOURCES OPTIMIZATION:**

Commercialization often encourages better management of public assets. Government-owned enterprises may better utilize their resources, such as land, facilities and intellectual property, to generate revenue and contribute to the economy.

5. **CREATES EMPLOYMENT OPPORTUNITIES:**
   Profit-oriented enterprises are more likely to expand and create job opportunities. As they grow and become more competitive, they may hire additional employees, contributing to local and national employment rates.

6. **ENHANCED ACCOUNTABILITY:**
   Commercialization can lead to greater accountability and transparency. As government enterprises operate in a more business-like manner, they may be subject to market regulations, financial reporting standards, and scrutiny from shareholders, which can improve transparency and governance.

7. **STIMULATED ECONOMIC GROWTH:**
   By participating in commercial activities and contributing economic development, government-owned enterprises can stimulate overall economic growth within a country or region.

8. **FLEXIBLE INVESTMENT:**
   Commercialization allows government enterprises to attract private investment and partnerships, which can bring capital and expertise to support growth and development.

9. **ADAPTATION TO MARKET CHANGES:**
   Profit-oriented entities are often better equipped to adapt to changing market conditions and consumer preferences. They can pivot their strategies and offerings more swiftly compared to traditional government agencies.

10. **GLOBAL COMPETITIVENESS:**
    Commercialization can enhance a country's ability to compete in the global market. When government enterprises become competitive and export-oriented, they can contribute to international trade and export revenues.

11. **PROMOTES HEALTHY CONDITIONS**

DISADVANTAGES OF COMMERCIALIZATION

Commercialization, despite its potential advantages, also comes with several disadvantages and challenges. These drawbacks can vary depending on the specific context and industry, but generally include the following:

1. **RISK OF NEGLECTING PUBLIC INTEREST:**
   One of the primary concerns with commercialization is that profit motives may lead to a neglect of the public interest. When government enterprises prioritize profitably, essential services and programs may be compromised or underfunded, potentially harming vulnerable populations.

2. **REDUCED ACCESSIBILITY AND AFFORDABILITY:**

Commercialization can result in increased costs for goods and services. As enterprises seek to maximize profits, prizes may rise, making essential services less accessible and affordable for the general public. This is particularly concerning in sectors like healthcare, education and utilities.

3. **INEQUALITY AND EXCLUSION:**
   Commercialization can exacerbate socioeconomic inequalities. Those who can afford to pay for premium services may receive better quality or faster access, while marginalized or low-income individuals may be left with subpar options or limited access to essential services.

4. **SHORT-TERM FOCUS:**
   Profit-oriented organizations often prioritize short-term gains over long-term sustainability. This can lead to decisions that boost immediate profits but harm the environment, public health or the long-term viability of the enterprise.

5. **RISK OF MONOPOLIES AND OLIGOPOLIES:**
   In some cases, commercialization can lead to the concentration of power in a few dominant players or monopolies within an industry. This can stifle competition, limit consumer choice, and result in higher prices.

6. **LOSS OF CONTROL:**
   While government enterprises may remain under state ownership, commercialization can sometimes lead to a loss of control over their operations. Private investors or stakeholders may influence decision-making and strategic direction, potentially conflicting with public interests.

7. **REDUCED ACCOUNTABILITY:**
   Profit-driven enterprises may prioritize financial success over transparency and accountability. This can make it challenging for the public to monitor their activities and hold them accountable for unethical or irresponsible behavior.

8. **OVEREMPHASIS ON QUANTIFIABLE METRICS:**
   Commercialization often places a heavy emphasis on quantifiable metrics such as profit margins and return on investment. The focus may overshadow non-financial considerations like social and environmental impact, which are crucial in many public service sectors.

9. **ADVERSE EFFECTS ON EMPLOYEES:**
   Commercialization efforts may lead to workforce downsizing, outsourcing or reduced job security for employees. This can result in job losses and negatively impact the livelihoods of workers.

10. **RISK OF FINANCIAL INSTABILITY:**
    Profit-driven enterprises are susceptible to market fluctuations and economic downturns. Government-owned enterprises that have transitioned to commercial models may struggle during economic crises, potentially requiring government bailouts or intervention.

11. **UNDERINVESTMENT IN LONG-TERM PROJECTS:**
Investments in long-term projects, research and development, which may not yield immediate profits, may be reduced under commercialization. This can hinder innovation and the pursuit of projects with long-term societal benefits.

While commercialization can offer economic benefits and efficiency improvements, it also poses significant challenges related to the equitable provision of services, public welfare and the balance between profit motives and broader societal interests. Successful commercialization efforts often require careful regulation and oversight to mitigate these disadvantages and ensure that the public interests are protected.

PRIVATIZATION

DEFINITION:

Privatization is the transfer of ownership and control of government enterprises to private individuals (the private sector). The government ceases to be the owner of the entity or business.

It can also be defined as the sale of a state-owned enterprise or municipally owned corporation to private investors. The government crated this policy to give individuals and corporate bodies the opportunity to take over ownership and control of government enterprises, companies etc.

METHODS OF PRIVATIZATION

Government adopts different methods of privatization. They include:

1. Public sale of shares
2. Public auction
3. Public tender
4. Direct negotiation
5. Transfer of control of enterprises that were controlled by the state or by municipalities
6. Lease with a right to purchase

TYPES OF PRIVATIZATION

1. Sale of state enterprises
2. Outsourcing of public services to the private sector by contacts
3. Deregulation of private business activities

INSTITUTIONS THAT CAN BE PRIVATIZED ARE:

1. Prisons
2. Public schools and universities
3. Hospitals
4. High ways
5. Airports
6. Harbors
7. Public utilities (e.g water, electricity etc)
8. Waste disposal
9. Mail delivery
10. Communications/infrastructure

OBJECTIVES/REASONS FOR PRIVATIZATION

1. **Reduction in costs:**
   Cost reduction is one of the main reasons for privatizing public sectors undertakings. Private players achieved the target at a lower cost than the government. Private contractors have more flexibility in employee compensation and benefits which hugely impacts the overall cost of a project.

2. **Transfer of risks:**
   By handing over a project to the private players, the government transfer the responsibility and risk to the private player for an agreed sum of money. Now the private company has the risk of completing the project on time, paying the penalty, or bearing the losses on its own.

3. **Potential revenue source:**
   To improve the financial strength of the economy. Privatization in some sectors can be a useful source of revenue generation by leasing public assets like roads, bridges, and tunnels to private firms. The government can draft a good lease or purchase agreement to benefit monetarily from the deal. The revenue thus generated by the government can be used for other projects or to pay taxes.

4. **Service quality improvement:**
   To improve the efficiency of the public sector undertaking. One of the reasons for privatization is that the government might be looking to improve the quality of services at a lower cost. Private sector companies/contractors can manage to improve service quality without affecting cost due to their flexible policies in management and low compensation paid to the employees.

5. **Punctuality of delivery:**
   This talked about the willingness of the government to complete the project on time. Despite having the necessary skills, the government might be unable to complete the project on time due to several other restraints. On the other hand, private companies have 24/7 dedicated resources for the projects timely completion.

6. One of the reasons is to achieve higher allocative and productive efficiency leading to faster economic growth and development.

7. To strengthen the role of the private sector in the economy through job creation and economic development.

8. To free resources for use in sectors important to all Nigerians such as education, health, housing, transportation and other infrastructure.

BENEFITS/ADVANTAGES OF PRIVATIZATION

1. **Promote efficiency and better management:**
   Privatization of a public sector undertaking can increase efficiency as private enterprises are more profit oriented than the government. The management level employees of a privately run business are more profit oriented.

2. No political intrusion (interference):
Privatization increases competition by allowing more and more private firms to try their hands. More competition among private entities naturally brings out efficiency and imposes quality restrictions on them. Privatization dismantles monopolies and open markets for competition. Privatization will be most successful where there is potential for competition.

3. Increased competition:
Privatization increases competition by allowing more and more private firms to try their hands. More competition among private entities naturally brings out efficiency and imposes quality restrictions on them. Privatization dismantles monopolies and open markets for competition. Privatization will be most successful where there is potential for competition.

4. Revenue generation (generate funds for the treasury):
Privatization could be an instant mode of revenue generation for the government looking for funds for investing in some project or welfare scheme. Leasing roads or bridges or selling them away to private firms return quick monetary rewards. In theory, this could be used to finance long term investment.

5. Broaden base of ownership (increased share ownership):
Privatization of enterprises allow many private individuals and companies to invest in buying and selling of shares thereby increasing share ownership of a business.

6. For sighted commitment:
Transferring the authority of a government-run company into private hands means that more free hand is given to the management also can now make commitments for long-term gains. A far-sightedness is lacking in the government sector which is more concerned about short-term electoral gains.

7. Reduces corruption:
Privatization also reduces the scope of corruption.

8. It helps to modernize technology.

9. Strengthen domestic capital markets.

10. Reduce debt burden and fiscal deficits.

11. Resolve massive pension funding problems.

12. Promote corporate governance.

13. Attract foreign investments.

14. It attracts back flight capital.

DISADVANTAGES OF PRIVATIZATION

1. **Increased costs for the public:**
   When a project or service is privatized, the owner will charge the service the cost higher than what the government would have charged. Therefore, these normally effect the consumers of the service.

2. **Reduces service quality:**
   It is typically known that the government owned services are of the best quality. Therefore, if the services are privately owned, profits will be more valued than the quality of the service.
   Therefore, the private owner will reduce the production costs to maximize the profits, which will increase the quality of a service.

3. **Increased fraud and corruption:**
   Privatization opens the door for unlawful activities which the politicians and business people conduct. It means that the business men or the politicians will require bribes to offer contracts to smaller companies that are evolving, which will increase the rate of corruption and fraud in the economy.

4. **Limited flexibility:**
   Privatization can hold shareholders growth for several decades.

5. **Job losses:**
   Private businesses may streamline operations to cut costs, which can lead to job losses.

6. **Wealth inequality:**
   Privatization can shift a company's focus from the needs of the people to profit motives of the private sector.

7. **Lessened access:**
   Privatization can lead to less access for vulnerable groups.

8. **Monopolistic tendencies:**
   Privatization can lead **to monopolistic practices.**

9. **Short-term focus:**
   Private businesses may focus on short-term financial benefits rather than long-term sustainability.

DEREGULATION

Deregulation is the process of reducing or removing government regulations on a particular industry or sector. It is usually enacted by government bodies to create more competition within an industry. Removing regulations allows businesses to operate more freely and can stimulate the economy. Deregulation opens investment opportunities and promotes economic growth. Another word for deregulation is liberalization.

Deregulation is the process of removing or relaxing government rules and regulations that govern a system. The goal of deregulation is to allow the system to determine its own optimum level through supply and demand.

Some examples of deregulation in Nigeria include:

1. Petroleum Industry:
   In 2003 the Nigerian government deregulated the downstream sector of the Nigerian Petroleum Industry by removing government control on prices, restrictions on operations and allowing private companies to import and export petroleum products. The government also established the Petroleum Products, Pricing and Regulatory Agency (PPPRA) to oversee the deregulation process in the petroleum industry.
2. Banking Industry:
   Since 1989, the Nigerian banking industry has deregulated by liberalizing foreign exchange transactions and international trade simplifying the monetary control process and introducing structural and institutional changes.
3. Structural Adjustment Program (SAP):
   In the 1980's, Nigeria introduced Structural Adjustment Programme (SAP), which led to the disappearance of government monopolies in many industries. The government also transferred more than 85 public enterprises to private owners.

ADVANTAGES OF DEREGULATION

1. Economic Growth:
   Deregulation can stimulate economic activity by removing restrictions on new businesses which increases competition. This competition can lead to more economic activity and growth.
2. Lower Prices:
   Increased competition can lead to lower prices for consumers.
3. Improved Innovation:
   Businesses can use their resources to invest in research and development instead of complying with regulations.
4. More Choices:
   Deregulation can give consumers more choices such as the ability to choose their supplier.
5. Cleaner Power Generation:
   Deregulation can allow consumers to choose renewable energy plans which can lead to cleaner power generation.
6. Increased Competitiveness:
   Deregulation can increase competitiveness which can lead to companies using innovation to differentiate themselves.
7. More Freedom for Businesses:
   Businesses can operate without restrictions which can allow them to set their own prices, develop new products and venture into foreign countries.

DISADVANTAGES OF DEREGULATION

1. Creation of monopolies or oligarchies:
   Deregulation can allow larger companies to create monopolies and drive small businesses out of the market.

2. Lack of transparency:
   Deregulation can lead to a lack of transparency about how businesses operate which can put consumers at risk.
3. Exploitation of consumers:
   Without regulations, companies can exploit consumer's interests. For example, in the financial sector, deregulation can allow institutions to decide how to charge consumer fees.
4. Fraud:
   Without government rules and control, businesses can easily commit more fraud.
5. Economic Instability:
   Deregulation can lead to increased market volatility and economic instability. In the financial sector, deregulation can encourage risky behaviour and lead to financial crisis.
6. Risk of market failures:
   Deregulation makes it harder for small businesses to survive.
7. Deregulation can lead to job losses in the short term.
8. Risks of consumer protection:
   Regulations often exist to protect consumers from harmful products, unfair pricing and deceptive business practices. Without these protections, consumers may be exposed to greater risks. For example, deregulation in the food industry could lead to lower safety standards, putting consumers' health at risk.
9. Increase in income inequality:
   Another potential drawback is the increase in income inequality. Deregulation often benefits businesses and high income individuals more than the average worker. For example, deregulation in the financial sector can lead to higher profits to banks and investors, but it may also lead to increased risks and costs for ordinary consumers. This can exacerbate income inequality, as the wealthy reap most of the benefits while the costs are spread more widely.

QUESTION4.
As a policy advisor, examine five (5) ways by which the application of the principle of Commercialization would address the problem of inefficiency of Public Corporations.

LOCAL GOVERNMENT

MEANING OF LOCAL GOVERNMENT

Local Government is a sub government unit created by the central/state government through an Act of Parliament to administer a local area.

It can be seen as government at the grassroot level designed to serve as an instrument for rural development. In Nigeria, Local Government is the third-tier level of government.

LOCAL GOVEERNNMET ADMINISTRATION

Local government administration is government in action at the local level. It therefore means that local government has to do with the activities of those elected to represent specific words and administrative officials recruited on merit, who are involved in formulating and implementing policies determined by the competent authority, within a geographical area, smaller than a state or province in a country.

PURPOSE/REASONS FOR THE CREATION OF LOCAL GOVERNMENT:

Local Government is created for the following reasons:

1. **To bring government closer to the people**:
   Local government is created to facilitate the exercise of democratic self-government close to the local levels of our society, and to encourage initiative and leadership potentials.

2. **To provide a link between the government and the people**:
   Local government is created to provide a two-way channel of communication between local communities and government (both state and Federation). They educate the people on the policies of government and provide feed-back to the government on the response and needs of the people.

3. **To provide certain basic services at the local level**:
   Local government is created to provide some basic services like primary, adult and vocational education, the provision and maintenance of health services, construction and maintenance of roads, streets, streets lightings, drains, parks gardens, open spaces, public conveniences, savage and refuge disposal, cemeteries, burial grounds, homes for the destitute or infirm, slaughter houses slaughter slabs, markets, motor parks etc.

4. **Local participation:**
   It is created to encourage local participation in governance by giving a sense of belonging to the people at the local level and making them to participate actively in the politics of their country by electing their representatives.

5. **Local participation in development:**
   Local government is created to help mobilize human and material resources at the local levels of rapid development. The local people with their joint endeavour provide school, hospitals, electricity, pipe-borne water, markets roads, (part ways), recreation centers, civic centers etc, that are not provided by the state and central government.

6. To help in the preservation of traditional institutions in the local areas.
7. To make and enforce bye-laws.
8. To serve as a training ground for future leaders/politicians.
9. To help maintain law and order at the local level.
10. To create employment opportunities at the local level.
11. To decentralize power from the center.

FUNCTIONS OF LOCAL GOVERNMENT

Local government performs the following functions as itemized in Part 1 of the Fourth Schedule of the 1989 and 1999 Constitution of the Federal Republic of Nigeria:

1. **Formulation of Economic and Development plans:**
   The Local Government helps in the formulation of economic planning and development schemes for the local government areas.
2. Mobilization of Human and Material Resources: -
   Local government help to mobilize human and material resources at the local level for rural development.
3. Construction and Maintenance of roads, streets, street lightings, drainages, parks, gardens, open spaces etc.
4. Establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm, slaughter houses, slaghter slabs, markets, motor parks and Public Conveniences.
5. Collection of rates, radio and television licenses.
6. Licensing of bicycles, trucks (other than mechanically propelled trucks), wheel barrows and carts.
7. Naming of roads, streets and numbering of houses.
8. Registration of births, deaths and marriages.
9. The provision and maintenance of primary, adult and vocational education.
10. The development of agriculture and natural resources, other than the exploitation of minerals.
11. The provision and maintenance of health services.
12. **Control and regulation functions:**
    The local government controls and regulates out-door advertising, hoarding, movement and keeping of pets of a description, shops and kiosks, restaurants, bakeries and other places for sale of food to the public, laundries and licensing, regulation and control of the sale of liquor.
13. It brings government closer/nearer to the people at the grass root.
14. Making and enforcing of bye-law.
15. **Political education:** Local government helps to educate the local people on the activities and policies of the government at the center.
16. Maintenance of law and order.
17. **Employment opportunities:** local government provides employment opportunities to people at the grass roots level.

SYSTEMS/TYPES OF LOCAL GOVERNMENT

There are three types of local government systems namely:

1. The councilliar type -------the British system
2. The city manager --------the America system
3. The prefectorial system

1. THE COUNCILLIAR TYPE

   The councilliar type is the British system in which the locality i.e. the wards as I Nigeria, Ghana ad Seria Leone elect their representatives. Each council consist of chairman or a mayor ad councillor. The chairman or mayor remains in office for one year. In the case of Nigeria, the chairman and the councillors remain in office for three years. The chairman and the four supervising councillors are elected by the councillors subject to the approval of the central or state government.

In Britain the alderman are elected and appointed by the council itself. They form between a quarter and one third of the number of councillors.

ADVANTAGES OF THE COUNCILLIAR SYSTEM

1. The system provides an opportunity of bringing into the service of the public, persons with suitable experience who do not want to dabble in local politics.
2. The system ensures continuity in the performance of the duties of the council.

PROBLEMS OF THE SYSTEM

1. The majority party may use its position to select its supporters to fill vacancies of the chairman.
2. There is undue and unnecessary interference in the affairs of the council by the state or central government.
3. Often times, these incessant interreferences may result into ineffectiveness of the council.

2. THE CITY MANAGER TYPE (AMERICAN SYSTEM)

The city manager type is peculiarly American in practice. It is at times referred to as council manager or commission manager form of government.

The council is headed by a titular mayor, with a professional administration, the city manager, as the head of the administration. Election to the council is not organized on party basis. Both the commissioner or council and the mayor are elected but the city manager is appointed by the council on the basis of his expertise in local council administration.

ADVANTAGES OF THE CITY MANAGER SYSTEM

1. This system combines democratic representation with efficient administrative policies.
2. Since election is not organized on party basis, it allows experienced and capable individuals to contest such elections.

DISADVANTAGES OF THE CITY MANAGER SYSTEM

1. The system puts too much power in the hands of the city manager who cannot be removed until the end or expiration of the tenure.

3. THE PREFECTORIAL SYSTEM (THE FRENCH SYSTEM)

The prefectorial system is mainly practiced by the French. Here, the councils are created for departments, communes and municipalities on the basis of size and population.

Councillors are elected by the respective communes, departments ad municipalities on the basis of universal adult suffrage. In this system, each council. The prefect is an appointee of the central government and his duty is to oversee the work of the council.

ADVANTAGES OF PREFECTORIAL SYSTEM

1. The prefects help to relate the central government's position to the local activities by way of co-ordination of policies and developments.
2. The departments, communes and municipalities also form the basis of electoral college for the senate of the central government.

DISADVANTAGES OF PREFECTORIAL SYSTEM

1. There is too much involvement of the central government in local activities, depriving the locality of its independence and autonomy.

LOCAL GOVERNMENT SOURCES OF FINANCE

1. Statutory Allocation from the Federal Government share out of National Revenue:
   As one of the three tiers of government, local government is entitled to its share of the distributable account of the federation.
2. Internally Generated Revenue:
   The local government is also expected to generate revenue from internal sources within the local government such as:
   a. Rates and government contributions
   b. Tenement fees (rates)
   c. Radio and television license fees
   d. Bicycle license fees
   e. Hoarding permit fees
   f. Liquor license fees
   g. Motor pack fees
   h. Registration of marriages fees
   i. Registration of births and deaths etc
3. Loans (for financing capital development)
4. Grants ---- grants from state and central government
5. Direct Taxes
6. Licenses
7. Earnings from public property and commercial undertakings
8. Fees
9. Fines and Penalties

PRE-COLONIAL POLITICAL SYSTEMS IN NIGERIA

INTRODUCTION:

Pre-colonial political institution refers to the system of political administration that existed in Nigeria before the coming of European Colonizers.

To understand the post-colonial Nigerian state, we must look at the social, political, and cultural systems of the people who lived in the territories that were later merged and named Nigeria in 1914.

Before the advent of colonial administration in Nigeria, the various ethnic groups had developed their systems of administration in a way that reflected their culture, beliefs, and traditions. The three major ethnic groups comprising the Hausa/Fulani, the Igbo and the Yoruba established functional systems of government peculiar to their environment. They also organized themselves to basic administrative units for the maintenance of law and order before the coming of the Europeans in Nigeria.
We shall discuss these three distinct traditional political systems below.

HAUSA/FULANI POLITICAL SYSTEMS:
HISTORICAL BACKGROUND:
The Hausa/Fulani has a centralized hierarchically organized political system whose origin dates back to the 10th century. Before this system of merger of the Hausa/Fulani system, Hausa land was divided into a number of Habe Hausa kingdoms ruled by the Hausa. The Hausa are by birth Nigerians, but the Fulani's were not.
POLITICAL ADMINISTRATION OF THE HAUSA / FULANI SYSTEM
On the abolition of the Hausa kingdoms, the Fulani introduced an administrative system based on the emirate structure. It was, therefore, the conquest of the Hausa land and the subsequent inter-cultural, social and political relationship between the Fulani and the Hausas that is often referred to as Hausa / Fulani pre- colonial system.

THE BASIC FEATURES OF HAUSA/FULANI POLITICAL SYSTEM
i. The Hausa/Fulani system was highly centralized.
ii. It was theocratic in nature (system of government based on religious principles- Islam).
iii. The system was oligarchic in nature (a system of government where a small powerful group dominates and rules over the people.
iv. It was feudalistic in nature (a mode of production based on the structural ownership of land and leasing it out for rents).
v. The Hausa/Fulani system was hierarchical in nature.
vi. The system was characterized by fusion of powers in one man known as the Emir (concentrating both the Legislative, Executive and the Judicial as well as religious powers in one person).

THE ADMINISTRATIVE (EXECUTIVE) STRUCTURE OF THE HAUSA/FULANI SYSTEM

To facilitate easy political administration, the emirate was properly structured.

1. The administrative headquarters of the Hausa- Fulani system was based at Sokoto and Gwandu. Each of these headquarters is headed by Sultans.

2. Both the Sokoto and Gwandi empires were sub-divided into emirates headed by Emirs. So, the Sultans headed Empires; the Emirs headed big emirates and were appointed and ratified by the Sultan.
3. Each emir is expected to pay annual tribute or homage or send a part of taxes collected to the Sultan and keep some for the running of the emirate.
4. The sultan could depose recalcitrant Emirs.
5. In the Emir was concentrated (fused) the Legislative, Executive and the Judicial powers or functions. The Emir had an executive council which he was the chief executive. The executive council helped the Emir to administer the Emirate according to Islamic laws (theocracy).
6. The administrative functions of the emirate were performed by a council of advisers appointed by the emir to assist him.
7. The emir could also dismiss any of the executive council members found wanting in character and responsibility. Each of them held titles signifying the specific functions he performed. Some of the executive officials were:
    1. **The Galadima**: The administrator of the capital city of the empire.
    2. **Madawaki**: Commander of the Calvary (the emirate army).
    3. **Waziri**: The secretary to the government. He is also the adviser to the emir and acted as the Prime Minister of the emirate.
    4. **Maaji**: The treasurer.
    5. **Dongari**: Was in charge of the Police
    6. **Sarkin fada**: Headed the palace workers, peace and order).
    7. **Sarkin Pawa**: In charge of butchers.
    8. **Sarkin Ruwa**: Officer in charge of fishing and river-related activities or festivals e.g. Argungu fishing festivals.
    9. **Hakimi**: The district administrator.
8. The emirate was divided into districts while the districts were further sub-divided into villages and wards. An official known as Hakimi was usually appointed by the emir to reside at the headquarters and administer the districts on behalf of the emir. To make the administration of his district easy, the Hakimi appointed village heads to help him collect tax and maintain law and order within his district.
9. The overall function of the emirate system was to collect taxes of all kinds, cattle tax (jangali), general tax (Haraji), and land tax; and maintain law and order in the Emirate. While the maaji was the chief tax collector. These functions were performed on behalf of the emir by the district and village heads who gathered taxes in their areas, kept a specific percentage of the amount collected to facilitate district or village administration and return the rest to the central treasury at the emirate headquarters.
10. The overall responsibility of the emir was to supervise very closely the activities of all his advisers, ministers and officials put in charge of all aspects of governmental work.

11. The Emir combined his legislative and executive functions (fusion of power). Since the emirate government was theocratic, the emir was both the executive and religious heads of the emirate. The emirates had no specific institutions that could be called the legislature because they were governed by divine laws contained in the sharia.
12. It was the emir's duty to ensure that these laws were obeyed and had to lead by example.
13. Judges called Alkali were appointed to execute these laws.

In matters where the sharia law is silent the emir had the right to make laws provided, they did not conflict with sharia laws in any way.

FUNCTIONS OF THE EMIR IN HAUSA/FULANI POLITICAL SYSTEM

The Emir was the supreme ruler of a Hausa/Fulani state in the pre-colonial period. The Emir's functions were diverse and far-reaching, encompassing political, administrative, judicial, military, and religious responsibilities.

POLITICAL FUNCTIONS

1. **Head of State**. The Emir was the head of state and the symbol of national unity.

2. **Legislative Power**. The Emir had the power to make laws and decrees, although he often consulted with his advisors and officials.

3. **Appointments:** The Emir appointed officials, including the Galadima, Maaji, Madawaki, the Alkali (Judges), and other administrators.

ADMINISTRATIVE FUNCTIONS

1. **Administration of Justice:** The Emir was the highest authority in the administration of justice, and his court was the final appeal.

2. **Taxation:** The Emir was responsible for collecting taxes and tributes from his subjects.
3. **Public Works:** The Emir oversaw the construction and maintenance of public works, such as mosques, palaces, and roads.

JUDICIAL FUNCTIONS

1. *Dispensing Justice*: The Emir dispensed justice in accordance with Islamic law and custom.
2. *Resolving Disputes*: The Emir resolved disputes between individuals, groups, and communities.

MILITARY FUNCTIONS

1. **Commander-in-Chief:** The Emir was the commander-in-chief of the army.

2. **Defense of the State**: The Emir was responsible for defending the state against external threats.

RELIGIOUS FUNCTIONS

1. **Islamic Leadership**: The Emir was the spiritual leader of the Muslim community.

2. Promoting Islam: The Emir promoted Islam and encouraged the spread of Islamic knowledge and values.

OTHER FUNCTIONS

1. **Ceremonial Duties**: The Emir performed ceremonial duties, such as hosting foreign dignitaries and attending important festivals.

2. **Maintaining Order:** The Emir maintained order and stability in the state, using his power and influence to resolve conflicts and prevent unrest.

In summary, the Emir played a central role in the Hausa/Fulani pre-colonial political system, exercising significant powers and responsibilities in political, administrative, judicial, military, and religious spheres.