

Presentation for USIP seminar  
Nigeria's Federal Democracy: Will it Survive?

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The question posed to this panel today raises two fundamental issues. First, will Nigeria's democratic regime survive? In other words, will it meet a more successful fate than the First and Second Republics, which collapsed in public disgust and military coups within about four or five years of their inception, and the Third Republic, which was aborted by the military before it was even fully born. Second, will the Nigerian federation survive—can Nigeria hold together as one nation.

I want to make two principal points here. First, these questions are intimately bound up with one another. Nigeria will be much less likely to survive as a nation if it cannot survive as a democracy. And second, to survive as a democracy, Nigeria must come to grips with the fundamental challenges of governance that it has so far failed to address. This includes the management of ethnic conflict, but most fundamentally, it requires the control of corruption and predation. Let me elaborate briefly on the first point and at greater length on the second one.

Nigeria is much more likely to survive as one nation if it survives as a democracy—and learns to make the institutions of democracy work. This is not in any way to underestimate the serious problems of ethnic, regional, and religious violence that the country has experienced since the return to civilian, electoral rule in 1999. However, all of these problems were profoundly aggravated by fifteen years of murderous, plundering, utterly cynical military rule. It was under military rule, after the failure of the First Republic, that ethnic cleavages and regional resentments and fears boiled over into civil war. It was under military rule that the

Niger Delta area exploded into secessionist violence. It has been military regimes, with their more blatant ethnic and regional domination, their lack of consultation, and their brutal ways, that have brought the country to the brink of disintegration. In Nigeria, democratic institutions provide means for politicians of different ethnic and regional groups not only to compete but also to bargain, negotiate, and share power and resources. Unfortunately, what they have tended to do—as I will shortly explain—is use these institutions to divide up “the national cake” through entrenched practices of shameless corruption and clientelism. But at least there is division and negotiation. During the 1980s and 90s, under military rule, corruption was probably even more massive, and much more concentrated and personalistic.

None of this is to say that the survival of Nigeria is assured under civilian rule. There have been incidents of horrific communal violence since the return to civilian, constitutional rule in 1999. If ethnic, regional, and religious tension are to be managed and contained short of violence, the politicians will have to act responsibly and with restraint. But the political system will also need to provide incentives for them to do so.

In the book that he published recently with USIP, *Federalism and Ethnic Conflict in Nigeria*, Rotimi Suberu has given us some important institutional guidelines for generating these incentives. The most important priority is to reduce the stakes in controlling political power at the Center. No constitutional revision can strengthen federalism and democracy in Nigeria unless it decentralizes power and resources. Several decades of “hypercentralization” must be reversed. I agree with Suberu’s proposal to return to the states many of their original powers and functions, and then to entrench them through constitutional language recognizing these powers as lying exclusively under the jurisdiction of the states. My one caveat, given the experience of the past three years with the imposition of Sharia law in the North, is that it is

also vitally important that the Federal government retain the ability to protect the basic constitutional rights of all Nigerian citizens, including the rights of ethnic and religious minorities. On occasion, this may mean overriding the prejudicial actions of a state government. And it is worth remembering that the worst abuses of individual and minority group rights under the First Republic occurred when regional governments sought to use their control over the police to intimidate and punish opposition. Ultimately, the federal courts must be the arbiter of the precarious line between two competing values: federal guarantees of constitutional rights and state and local autonomy.

In general, however, I think Suberu is right that the ability of the federal government to intervene broadly in state and local government affairs must be rolled back, and control over local governments must be transferred from the center to the states, which should in turn devolve more power to the localities. Most of all, the system of revenue allocation must be reformed. Vertically, a greater share of national revenue must be assigned to state and local governments, and independent, neutral administration must be given the authority to ensure that these lower levels of government receive the revenue due them. States and localities must also be given more power to raise revenue of their own, by shifting downward some taxes that are now exclusively federal. Horizontally, states and localities must be given incentives to generate internal revenue, by having that criterion weigh more heavily in the formula for allocating national revenue. And more weight must be given to the “derivation” principle, so that the now devastated oil-producing areas receive a much greater proportion of the mineral wealth that is drawn from under their ground and off their shores.

The logic of these reforms is strong, and enjoys broad (though far from universal) support within Nigeria. Devolution of power and resources would reduce the stakes in

controlling the central government, and more powerful local government would even reduce the heat of political competition within each of the 36 states. Competition would still remain intense at all levels, and riddled with fraud and manipulation. But at least the losers (whether by fair or foul) would—in a system of constitutionally embedded devolution—be able to walk away and focus on making government working in their own communities. This does require real and protected, devolution, however, and if the protection of devolution is to be strong and credible, then there must be a truly independent and respected federal judiciary.

### **Controlling Corruption and Building a Rule of Law:**

This brings us to the second issue, how to control corruption and predation, as part of a broader effort to improve the generally abysmal quality of governance in Nigeria. As I said, this challenge is related to the first challenge. No institutional reform can work to strengthen federalism and manage ethnic conflict without also diminishing corruption and strengthening the rule of law. Otherwise, the rules and institutions are merely a fiction. Political actors do not trust one another, and every political contest becomes a zero-sum struggle not just for political office or policy, but for the only protection in which actors have confidence—raw political power, rather than laws and institutions.

To understand the profundity of Nigeria's plight, we need to make a short analytic detour to review two models of society. All societies can be located on a continuum of variation in terms of their strength of their social capital and the quality of public institutions and public life that follow from that. At opposite ends of this continuum, we can identify two ideal typical models of society. One Putnam calls the "civic community." The other I call the "predatory society."

Social capital encompasses the relations of social trust, the networks of mutual assistance and civic engagement, and the norms of reciprocity, mutual respect, political equality, and concern for the collective good that enable people to combine to produce more and accomplish more than they could individually. In the model civic community, there is an abundance of social capital. People generally trust one another, combine in all forms of association, and cooperate for larger, collective ends. Where they differ in beliefs and opinions, they mutually respect and tolerate their differences, and they feel some sense of solidarity with the collectivity (the organization, the community, or the nation) that transcends their differences. Citizens see one another as political equals, and believe in equality of opportunity, even though they recognize that perfect equality of outcomes can never be obtained. Relations among people in the civic community are primarily horizontal, in that people come together as individuals with equal dignity, rights, and obligations, and this equality is mutually understood, respected, and embedded in the laws. People are truly citizens; they have an interest in public issues and care about the welfare and progress of the community. In this sense they are motivated at least to some degree by public-spiritedness, or what Putnam terms, quoting Michael Walzer, “civic virtue.”

Citizens in the civic community are not purely virtuous. Rather, they define their self-interest in the context of the broader public good, in large part because they feel confident that most *other* citizens will behave in a similar way. This confidence is not just rooted in a civic, trusting, egalitarian culture. They have such confidence because there are strong, effective institutions of governance to enforce and reproduce civic behavior. A culture of trust, cooperation, respect for law, restraint from provocation, political and interethnic tolerance, and compromise cannot be sustained on a scale as large as the nation without supportive political

institutions. People obey the law, pay their taxes, observe ethical standards, and spend public money for public purposes not *simply* because they are public-spirited, but because they believe others will be, and because they know there is some penalty for failing to be. It is very hard to know where culture ends and institutions begin, but they clearly form a dense and eventually almost seamless web. Just as the civic culture requires institutional support and nurturing, so a predatory culture thrives in the absence of effective institutions and can be changed through the introduction of them. Culture is not necessarily destiny.

The predatory society is the inverse of the civic community. First, there is no real community, no shared commitment to any common vision of the public good, and no respect for law. Behavior in the predatory society is cynical and opportunistic. People ally with one another in the quest for power and privilege, but not in a horizontal fashion. Rather, relations are steeply hierarchical, as patrons mobilize clients who in turn may serve as patrons to citizens at even lower levels of power and status. Blatant inequalities in power and status cumulate into “vertical bonds of dependency and exploitation,” which constitute the way society is organized. In a predatory society, the powerful prey on the weak. The rich extract wealth from the poor, exploit their labor, and deprive them of public goods.

The masses of ordinary people at the bottom of a predatory society cannot cooperate with one another because they are trapped in hierarchical networks, fragmented from one another, and generally distrustful. This social fragmentation is reinforced by ethnic, religious, and other identity cleavages that keep the oppressed from collaborating and enable the privileged to rally ready political support from their ethnic compatriots. All too often, predatory elites mobilize ethnic tension in order to redirect the frustration and resentment of their clientelist followings away from their own exploitative behavior. Yet ethnic tensions and

nationalist resentments have a basis in social reality, and this is why predatory elites often succeed in inflaming them.

The predatory society cannot sustain democracy, for sustainable democracy requires constitutionalism and respect for law. Neither can it generate sustainable economic growth, for that requires actors with financial capital to invest it in productive activity. In the predatory society, people do not get rich through productive activity and honest risk-taking. They get rich by manipulating power and privilege, by stealing from the state, exploiting the weak, and shirking the law. Political actors in the predatory society will use any means and break any rules in the quest for power and wealth. Politicians in the predatory society bribe electoral officials, beat up opposition campaigners, and assassinate opposing candidates. Presidents silence criticism and eliminate their opponents by legal manipulation, arrest, or murder. Ministers worry first about the rents they can collect and only second about whether the equipment they are purchasing or the contract they are signing has any value for the public. Legislators collect bribes to vote for bills. Military officers order weapons on the basis of how large the kickback will be. Ordinary soldiers and policemen extort rather than defend the public. In the predatory society, the line between the police and the criminals is a thin one, and may not exist at all. In fact, in the predatory society, institutions are a façade. The police do not enforce the law. Judges do not decide the law. Customs officials do not inspect the goods. Manufacturers do not produce, bankers do not invest, borrowers do not repay, and contracts do not get enforced. Any actor with discretionary power is a rent-seeker. Every transaction is twisted to immediate advantage. Time horizons are extremely short because no one has any confidence in the collectivity and its future. This is pure opportunism: get what you can now.

Government is not a public enterprise but a criminal conspiracy, and organized crime heavily penetrates politics and government.

The most fundamental problem of Nigeria today—and the biggest threat to its survival both as a federation and a democracy—is that is an extremely predatory society. In fact, notwithstanding the modest efforts of the Obasanjo government to improve the character of governance, Nigeria remains one of the most predatory societies in the world.

Predation—corruption, exploitation, opportunism, lawlessness (and, unfortunately, I think we will see in the coming months again, electoral fraud and rigging)—are deeply embedded in the culture of the country. But culture is not destiny, and the culture of corruption and predation in Nigeria today does not stem from any traditional roots. It has been shaped by institutional deficits and distortions, and it can be transformed by institutional innovations to promote transparency and the rule of law.

Transparency and decentralization thus must proceed in tandem as the two fundamental pillars of political reform in Nigeria. Each goal requires powerful institutions of horizontal accountability that are insulated from the control of partisan politicians, from the presidency and the National Assembly on down. An independent judiciary is particularly vital. Not only must the judicial system enforce the laws against corruption and bribery. It must also defend the vertical distribution of power against encroachment from the center. What makes a system of government truly federal is a constitutional grant to sub-national units of some exclusive powers. Ultimately, only the courts can defend that boundary of authority against an aggrandizing center. That is why principles of federalism are always helpless in the face of a military that does not respect the constitution and the judiciary.

Among the most urgent priorities for Nigeria is a counter-corruption commission that is worthy of the name. Such a body must have hundreds of staff: auditors, investigators, lawyers, prosecutors, and the authority to do its job independent of political control. It must be backed up by independent audit commissions, ombudsmen, tough laws requiring periodic declarations of assets and mandating public access to those declarations, and of course, a vigorously free press. The problem with Nigeria is that these institutions generally exist, but typically (and true to form for a predatory society) as a Potemkin village, or worse, a corrupt gate keeper that is itself part of the problem.

I believe there is a future for the Nigerian federation, as a democracy—and only as a democracy. But the survival of this great and important experiment must begin with a frank recognition of how depraved Nigeria's institutional frameworks are. Unconditional aid and debt relief are not going to provide anything more than a temporary palliative. Nigeria's only hope lies in an alliance for reform, drawing together democratic actors and thinkers in Nigeria's civil society and academy with the international community, and with the more reform-minded (or at least open-minded) politicians and civil servants. This alliance must demand that serious institutions be put in place (and with serious, independent managers) to monitor and punish corruption, promote transparency, decentralize power and resources, enforce and interpret the law, and implement decent, credible, and fair elections, so that the instruments of horizontal accountability can be supplemented with the blunt but important vertical instrument of electoral accountability. Particularly for the national elections next year, it will be important for the international community to be heavily engaged with substantial financial and technical assistance to domestic election monitoring efforts and with a highly competent and experienced

team of international observers. Both of these efforts must begin several months in advance of the voting, when administrative preparations are being made.

The international community can also help fight predation everywhere by reforming international banking practices so that it is easier to track corrupt flows of money and to return them (somehow) to the publics from which they have been stolen.

There are no quick fixes for what ails Nigeria. It is easier to imagine Nigeria becoming collapsing into civil war or state failure than it is to imagine it becoming a stable and decently governed democracy. But the world has a huge stake in helping to steer Nigeria toward the latter path rather than the former, and this is going to require some very tough-minded and vigorous engagement.