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## The Military and Economic Development in Nigeria; 1966 – 1999

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### Abstract

It is common knowledge that Nigeria has remained in the woods in terms of economic development in spite of enormous human and material resources. Yet, from the country's independence in 1960, its successive governments have been singing the mantra of economic development as being the focal point of their administrations. Typically, the pendulum of governance had swung between the civilian and military regimes. However, from 1966 to 1999, the military ruled for 28 years with the civilians having a shot for only 4 years. Against the backdrop of postulations in some quarters that the military is a corporate institution which is best structurally equipped to manage socio-economic conditions, this paper examines the index of economic development in Nigeria under the military. Deploying narrative and analytical methodology, the paper advances its argument on regime basis. The study is quite significant in the sense that it mirrors the success rate of various strides taken by the military to engender economic development in Nigeria. The paper concludes that in spite of ostensible efforts by the military, Nigeria remained largely underdeveloped economically between 1966 and 1999.

### Introduction

On January 15, 1966, Nigeria's nascent but faltering march towards the consolidation of self-rule which she had gained on October 1, 1960, was halted by a military coup d'etat at the instance of Major Kaduna Nzeogwu. Post-independent Nigeria was beset by a chain of crises, the roots of which were traceable to the character and form of the Nigerian nation-state before independence. The crises and by extension, inept and ineffective attempts by the Balewa government to control them culminated in the incursion of the military into politics between 1966 and 1999. The attention of this paper is focused on economic development as occasioned by the military in the period under review.

### Theoretical Paradigms of Military Intervention

Military intervention in politics has received considerable attention from several scholars and the debate as customary, has remained inconclusive.<sup>1</sup>

Olatunde Odetola,<sup>2</sup> Bonchuk<sup>3</sup> and Bassey<sup>4</sup> have, *mutatis mutandis* respectively identified three principal theories of military intervention. The first theory contends that the military, by tradition, is apolitical and institutionally conservative sequel to its professional training and expertise.

Samuel Huntington, arguably, one of the foremost proponents of the liberal-bourgeoise model of military intervention has it that:

The professional officer is above all obedient and loyal to the authority of the state, competent in military expertise, dedicated to using his skill to provide for the security of the state, and politically and normally neutral.<sup>5</sup>

Concomitantly, the military is construed to have an inert desire to serve its corporate interest. The theory presupposes a condition of impersonality of the military which is said to exist in a social quarantine, and by implication, unaffected by the structure of and conditions within the society.<sup>6</sup>

The second theory is predicated on the developmentalist model which has it that the military is a product of the civil society and of course, part of the dynamics of socio-economic and political vicissitudes of the

society. Representing this school, Morris Janowitz contends that: armed forces are experiencing a long term transformation towards convergences with civilian structures and norms. It can thus, be hypothesized that as a result of broad social changes, the basis of authority in the armed forces has shifted to manipulation and consensus, military skills have become more socially representative; membership of the elite has become more open and ideology of the profession has become more political.<sup>7</sup>

Consequently, the military officers who have become "military politicians" are reckoned, especially in the third world countries, to "make the best, the most thorough going and perhaps the only reliable managers of social changes."<sup>8</sup> Social and environmental conditions therefore influence the military to assume the hue and colour of the civilian population. Thus, the doctrine of civil supremacy withers away in the face of changing conditions.

The concordance theory as postulated by Schiff presents the third model on civil-military relations and concomitantly, intervention. This theory maintains that:

A major conclusion of current civil-military relations theory is that militaries should remain physically and theoretically separated from the political institutions. By contrast, the alternative theory argues that three partners, the military, the political elites, and the citizenry should aim for a co-operative relationship that may or may not involve separation.<sup>9</sup>

However, Okon Eminue, a retired military officer but now a professor of International Relations, in his *Military in Politics*, has identified other theories such as the Reference Group theory associated with Herbert H. Hyman; Ali Mazrui's Elite Mass Gap theory; the military's Stability Hypothesis; Jose Nun's Middle Class theory of the military; Claude Welch's and Aristotle's Zolberg's Coup Contagion theory; and the military's Constitution Custodian theory.<sup>10</sup>

Typically, Alozie Ogugbuaja, Police Public Relations Officer in the 1980s, propounded the "Pepper Soup" and "Alcohol Drinking" theory for

coup plotting in Nigeria. According to Ogugbuaja, it emanated from idleness which characterized the barracks and the life of soldiers. Coup plotting therefore became a past-time of officers in the Nigerian military.<sup>11</sup>

Drawing parallels from these theories, reasons for military intervention are characterized by lack of overall classification system and quantitative studies in search for isolated common factors.<sup>12</sup>

Anthony Nwabughuogu postulates that in spite of various reason that have been advanced for military intervention in politics, "the army tend to come to power when, at a certain point in the life of a nation, there appears to be a sense of disillusionment with existing order and no visible means of change"<sup>13</sup> Similarly, S. E. Finer reckons that military intervention is a collorary of the level of political culture of a given society in relation to its civilian institution. He observes that "given the obvious power of the military, the wonder is not why it revolts against its civilian masters, but why it obeys them."<sup>14</sup>

The military on its part thinks of itself as the saviour of the nation states, especially in Africa. General Ibrahim Badamosi Babangida of Nigeria told the Ghanaian armed forces in January, 1987 that "the various coups and counter coups by the armed forces of African states can be explained in terms of the military as the custodian of the nation."<sup>15</sup> However, D. J. Goodspeed maintains that the primary causes for coup d'etat are located within the social, economic and political framework of the nation.<sup>16</sup> This clearly underscores the fact that military intervention in politics is not amendable to a single causation theory.

### **Military Intervention in Nigeria in Nigerian Politics**

The incursion of the military into Nigerian politics and *ipso facto*, domination, of Nigeria's overall fortunes were accomplished through coups and counter-coups. Between 1966 and 1999, civilian administration became aberrant of some sort because out of the 33 years, the military ruled for 28 years while the appetite for civilian rule was whetted for 4 years only. But what is a coup d'etat?

The word coup d'etat is of a French root but has benefited from several definitions. For our purposes however, the definition by Major-General Chris Ali, Nigeria's former Chief of Army Staff (COAS), suffices. He maintains that a

coup d'état is a behavioural pattern of actions, conspiratorial in nature, by which an individual or groups with vested interests seek to change by violent overthrow, the status quo.<sup>17</sup>

If militarization of politics was a seeming Third World affair in the late 1950s and in the 1960s, domestic conditions in Nigeria engendered the germination and outburst of discontents. As observed by Arthur Nwankwo, a lot of crises greeted post-independent Nigeria.<sup>18</sup> Without doubt, these crises had their roots before 1960.

The tripartite configuration of the Nigerian polity and consequent 'introduction' and ossification of ethnicity at the instance of the Richard's Constitution (1946) dealt a serious blow to 'Nigerian Unity'. The 1959 independence elections laid bare the ethnic question for inspection as the Northern Peoples Congress, led by the Sardauna of Sokoto, Sir Ahmadu Bello, became the dominant party in northern Nigeria. Chief Obafemi Awolowo's Action Group predominated in the West while Dr. Nnamdi Azikiwe's National Council for Nigeria and the Cameroons (later National Council for Nigerian Citizens) held sway in the East.<sup>19</sup>

Ethnic and regional affinities combined with other factors to give impetus to a series of crises. These crises, *inter alia*, included the demographic imbroglio of 1961 and 1963; National Bank of Nigeria (NBN) palaver following the Banking Act of March, 1961 which sought to crumble NBN and other indigenous banking institutions; contentions within the Action Group which culminated in the declaration of a state of emergency throughout Western Nigeria; the creation of Mid-West region; upheavals following the results of the 1964 elections; the Tiv riots and general lawlessness.<sup>20</sup>

The foregoing ostensibly provided the *raison d'être* for military incursion into Nigerian politics on January 15, 1966 at the instance of Major Kaduna Nzeogwu. However, the ruins of the coup were gathered by Major-General J. T. U. Aguiyi Ironsi who became Head of the National Military Government. Six months later, a counter coup and progrom, principally against the Igbo, ensued following perceived selective killings of non-Igbo during the January coup as well as the attempt to impose a unitary government on the whole country by Ironsi.

On August 1, 1966, then Chief of Staff, Nigerian Army, Lt. Col. Yakubu Gowon, a northerner, became the Head of National Military Government and Supreme Commander of the armed forces. The stage was thus set for a protracted military enterprise in Nigeria with a corresponding impact on economic development in the country.

### The Concept of Economic Development

The conceptualization of the word "development" is indeed an arduous a controversial task. The word itself is composite and amendable to different interpretations at different times and at different places. In orthodox scholarship, development is seen as being squarely located within the province of economic growth and economic development. This position becomes more sensible when it is reckoned as Walter Rodney does that the economy "is itself an index of other social features."<sup>21</sup> To be sure, C. P. Kindleberger posits has it that

Economic growth means more output while economic development implies more output and change in the technical and institutional arrangement by which it is produced and distributed.<sup>22</sup>

To be sure, economic development means more than economic growth. Readily, it is, as succinctly put by Caroline Thomas, structural transformation: the economic growth of national economies, coupled with the material improvement in the lives of their citizens evidenced in poverty reduction and increased equity.<sup>23</sup>

### Analysis of Economic Development under Various Military Regimes

The primacy of the economy in relation to the development and by implication, sustenance of any given society has been clearly canvassed in political economy, liberal or orthodox and Marxian literature.<sup>24</sup> The performance of any administration, military or civilian or any colouration as it were, is largely measured through its economic prism. This paper approaches this presentation on regime basis to make it less amorphous and less ambiguous.

### Aguiyi Ironsi's Regime (January – July, 1966)

The administration of Major-General J. T. U. Aguiyi Ironsi, Nigeria's first military leader, was a short-lived one which lasted barely six months. It was primarily focused on keeping Nigeria intact from the menace of ethnocentric pogrom and military mutiny which greeted the January coup of Major Nzegwu. For all intent and purposes, Aguiyi Ironsi was quite preoccupied with the onerous task of steadying the nation's ship which was increasingly becoming more rudderless by the day. He announced that the Nigerian Armed Forces were "invited to form an Interim National Government for the purpose of maintaining law and order and of maintaining essential services."<sup>24</sup> On May 24, 1966, the Unification Decree was promulgated and in it contained a proposition for a New Economic Plan. However, the administration could hardly settle down before it was overthrown by a military putsch led by then Lt. Col. Yakubu Gowon.

### Yakubu Gowon's Regime (1967 - 1975)

Lt. Col. (later General) Yakubu Gowon assumed the leadership of the country on August 1, 1966.<sup>25</sup> From then until July 6, 1966 when the Civil War broke out, Nigeria was engulfed in protracted state of turmoil.<sup>26</sup> On January 15, 1970 the Civil War had ended. As expected, there was no deliberate strategy for economic development of the country in the inter-war years. However, Gowon's economic policies and pursuits were contained and expressed in the Second National Development Plan (1970 – 1974). The Plan technically charted a road map toward economic advancement. A "Development Plan", it would be noted, serves a lot of purposes. Hollis Chenery in "Approaches to Development Planning" maintains that:

It is at once a political symbol of a government's commitment to economic and social progress, a general strategy for remodelling the economy and its institutions, a basis for decisions on individual investments projects and a standard against which to measure the results.<sup>27</sup>

The four-year plan was ostensibly predicated on the 3 Rs of Reconciliation, Reconstruction and Rehabilitation with the intention, according to Sam

Aluko, to utilize the "anxieties, efforts, hopes, consciousness and readiness of the people for greater productive activity, spurred by the memories of war."<sup>28</sup> Gowon inherited an essentially agrarian and export-oriented economy from preceding administration but he elected to focus his thrust on the provision of basic infrastructure through sectoral allocation of funds.<sup>29</sup>

In February, 1972, the Nigerian Enterprises Promotion Decree was promulgated with the provision that "by March, 1974, a range of economic activities, presently dominated in varying degrees by non-nationals, be partly or wholly owned by indigenes."<sup>30</sup>

On January 1, 1973, the use of the Pounds sterling became lawful and the Naira became Nigeria's official currency. In the course of the year, government revenues had improved a great deal from crude oil sales following an embargo on Arab oil in the aftermath of Arab-Israeli war. Several roads, new airports, refineries were established at Eleme – Port Harcourt and Kaduna. In the wake of the oil boom, housing projects sprang up in major cities nationwide. The National Youth Service Corps (NYSC) was also established in 1973 to enhance qualitative and spatial distribution of manpower as well as to foster national unity. By 1975, six new universities were established at Benin, Calabar, Jos, Kano, Maiduguri and Port Harcourt; while the running of the older ones namely, Ahmadu Bello University, Zaria, University of Ibadan, Ibadan, University of Ife (Obafemi Awolowo University) and the University of Nigeria, Nsukka were taken over by the government.<sup>31</sup> In the same year, salaries and wages in public enterprises were increased by 100% following the recommendation of Jerome Udoji's Commission.<sup>32</sup>

The seeming economic boom of the "Gowonian" era presented a paradox. What masqueraded as milestones indeed had debilitating impact on the country's economy. The Udoji salary award readily occasioned an upward increase in the consumer price index while industrial input including raw materials as well as entrepreneurial skills became imported items. The fortunes of agriculture plummeted as basic food items such as rice, tinned-food, tinned-fish and even toothpick were imported. The collorary of this state of affairs was the sharp decline of industrial output. Cement became a basic imported item and other local manufactures could not withstand competition from imported items. These, without doubt,

inflicted untold stress on foreign exchange and the performance of the local currency in the long run. Nigeria increasingly became monocultural, depending largely on the sale of crude oil. Macro-economic policies therefore encouraged consumption rather than production. Sharp practices became rife and corruption as well as looting of government treasury became the business of the day.<sup>33</sup>

General Gowon's nine-year old regime was punctuated in a bloodless coup d'etat on July 29, 1975 following a combination of malcontents among the civil populace, personal ambitions within the military and the refusal of his regime to keep to an earlier promise to hand over to civilians in 1976.

#### **Murtala Mohammed/Olusegun Obasanjo Regime (July, 1975 – September, 1979)**

Generals Murtala Mohammed and Olusegun Obasanjo inherited the Third National Development Plan (1975 - 1980) from Gowon and baring slight modifications, the administration embarked on agricultural expansion. However, following the assassination of Murtala Mohammed on February 13, 1976, Obasanjo took over the reins of power and immediately introduced Operation Feed the Nation (OFN) on May 21, 1976 to replace the National Accelerated Food Production Programme earlier introduced by Gowon in 1974.<sup>34</sup> Under this scheme, land ownership was vested in the government and it culminated in the eventual promulgation of the Land Use Decree in 1978.<sup>35</sup> Accordingly, the government became directly involved in food production. River Basin Development Authority Scheme such as the Cross River Basin, Rima River Basin, Osun River Basin Development Authorities and so on, were established.

More Commodity Boards for agricultural products were established to facilitate the mopping up of products. Kaduna and Warri Refining and Petrochemical Companies were established while steel production received a boost with the establishment of plants at Ajaokuta, Aladja and Oshogbo.<sup>36</sup>

On September 2, 1976, the Universal Primary Education Scheme (UPE) was launched but before the end of the year, austerity measures (popularly called 'low profile') were introduced by the administration to arrest the apparent drift of the economy. However, economic slide

continued inexorably. Gross Domestic Product (GDP) which grew at 10.5% in 1976 plummeted by 5.7% in 1978.<sup>37</sup> Charles Ndiomu, a retired Major-General in the Nigerian Army observed that:

during the tenure of the regime, not only did traditional agriculture exports like coca, cotton, groundnuts and palm produce decline, the nation's food import rose steadily.<sup>38</sup>

As could be extrapolated, poor implementation of policies especially that of the import substitution scheme, gave impetus to graft, structural distortions and inadequacies. General Olusegun Obasanjo took over the reins of power following the assassination of General Murtala Mohammed by Lt. Col. Buka Suka Dimka – led failed coup on February 13, 1976. After general elections in 1979, Olusegun Obasanjo voluntarily handed over to the civilian regime of Alhaji Aliyu Shehu Shagari on October 1, 1979.

#### **Buhari/Idiagbon's Regime (January, 1984 – August, 1985)**

The duo of Generals Mohammadu Buhari and his Chief of Staff, Supreme Headquarters, Tunde Idiagbon, inherited a jaundiced economy from the rudderless and profligate civilian administration of Shehu Shagari. However, the new regime embarked upon the cleansing of the Augean stable, part of which resulted in the incarceration of public officers on charges of embezzlement.<sup>39</sup>

The government adopted economic stabilization measures which included a change in the currency to frustrate speculation and trafficking; wage freeze and cuts in public spending. Miscellaneous Offences Decree No. 20 of 1984 was accordingly promulgated to provide the legal instrument against economic sabotage.<sup>40</sup>

A loan of N26b negotiated by the previous administration with the International Monetary Fund (IMF) was rejected by the new regime. More so, it "refused to devalue the naira, adopt liberalization and reduce petroleum subsidies, as demanded by the stringent IMF conditionalities."<sup>41</sup>

However, dwindling revenue from oil sales, crushing internal and external debt, attended by paucity of funds caused a lot of workers to be retrenched. School fees were re-introduced while food subsidies in higher

institutions were withdrawn. However, prices of consumables were forcefully brought down by the government. Counter-trade measures were adopted as a strategy to stabilize the manufacturing sector. Nigeria's crude oil was directly exchanged for industrial input from Brazil, France, Austria and Italy.<sup>42</sup> Also, Nigeria received completely-knocked-down (CKD) parts for Volkswagen and Peugeot from Brazil and France respectively.

The regime was quite a strict one and therefore did not brood corruption under any guise. Consequently, past corrupt leaders were thrown into jail as legitimated in the various decrees that were promulgated by the regime. Citing the "draconian" posture of the regime, neo-colonial elements in the country rose up against the regime and it was supplanted by General Ibrahim Babangida-led coup d'etat in August, 1985.

#### Ibrahim Babangida's Regime (1985-1993)

On assumption of office, Babangida threw the operationalism of the country's economy into a public debate, particularly, the N2bn loan from the IMF. Kalu Idika Kalu led the government's side while Dr. Ibrahim Ayagi was at the head of the other divide. The nation rejected the loan and Babangida reflected this verdict in a nation-wide broadcast that

We have decided to face the challenges of restructuring our economy, not through an IMF loan, but the determination of our people to make all necessary sacrifices to put the economy on the path of sustained growth, doing so at our own pace and our own volition.<sup>43</sup>

However, Babangida surprised the nation by foisting an economic adjustment programme known as Structural Adjustment Programme (SAP) in July, 1986 on the country at the behest of the West. It was intended to last for 15 months but it nevertheless, subsisted till the end of his eight-year administration.

The basic policy instruments of SAP *inter alia*, included the following:

- a. Adoption of a realistic exchange rate policy;
- b. Further rationalization and restructuring of tariffs in order to aid the promotion of industrial diversification;
- c. Improved trade and payment liberalization;

- d. Reduction of complex administrative controls simultaneously with a greater reliance on market forces;
- e. Adoption of appropriate pricing policies; especially for petroleum products and enterprises; and,
- f. Commercialization and privatization of public sector companies.<sup>44</sup>

In 1988, the naira, under Decree 25, was devalued ostensibly, to facilitate the achievement of SAP. The banking sector was liberalized. With a minimum paid up capital of N50 million and N40 million, a commercial and merchants banks sprang up respectively.<sup>45</sup> By 1990, there were 61 banks as opposed to 12 recorded under Buhari's administration.<sup>46</sup> Community banks rose from 1 in 1991 to 186 by the end of June, 1992 with requisite minimum paid-up capital of N250,000.00 only.<sup>47</sup>

From 1990, National Economic Reconstruction Fund (NERFUND) loans were floated. Officially, the banks were to charge 4% interest on loans granted to small scale enterprises (SMEs) but in practice, the said loans attracted 23.5% interest rate charges.<sup>48</sup> Also, the National Directorate of Employment (NDE) was established to train for self employment and entrepreneurship. Similarly, the Raw-Materials Research and Development Council was established to facilitate the sourcing and usage of local raw materials in the country's industries.

In 1996, Babangida's government established the Directorate of Food, Roads and Rural Infrastructure (DIFRRI) with focus on rural development. To address development problems in oil producing areas, the government as well, established the oil and Mineral Producing Areas Development Council (OMPADEC).<sup>49</sup>

At a glance, Babangida's economic policies and thrusts were quite intentioned but they were roundly marred by paucity of transparency, somersaults, imprudence and dwindling revenue from oil. It also became common knowledge that the Structural Adjustment Programme (SAP) indeed 'sapped' Nigerians of their means of survival through compulsory deductions from salaries and wages, 30% import levy and 15% charges on corporate profit. Subsidies on petroleum products were removed during the early life of the administration. Premium Motor Spirit (PMS) increased from 20 kobo to 30 kobo per litre, while the price of Automated Gas Oil

(Diesel) was jerked up from 15 kobo to 29.5 kobo.<sup>50</sup> Meanwhile, the nation's refineries were allowed to become comatose as a result of lack of Turn Around Maintenance<sup>51</sup> which would have serviced the machines for optimum performance.

Foreign Exchange Market (FEM) and Second-tier Foreign Exchange Market (SFEM) operations resulted in a depreciated exchange rate of the naira. Exchange rate instability created uncertainty and fuelled inflation.

The aftermath of these states of affairs were a rising rate of unemployment, anti-SAP riots of May and June, 1990, non-payment of workers' salaries, capacity under-utilization, excruciating external debt burden of N27 billion US dollars, collapse of various banks, high rate of official corruption and criminality epitomized in the advanced free fraud (notoriously known as 419) and other vices.<sup>52</sup> Trade liberalization had the tendency of short-changing local producers because of the influx of cheaper foreign goods.

What could be more revealing? General Babangida confessed about the failure of his economic policies during his valedictory address to the nation on August 27, 1993, when he stated that

the economic and structural reforms of the magnitude we embarked upon were bound to inflict unintentional and unavoidable pain on some sections of our society .... We were aware of some of the problems of implementation of some of our laudable programmes caused primarily by what we now know as the Nigerian factor ... I am not unaware of the present deterioration in the quality of life of sections of our people and the escalating costs of our basic commodities even in our rural areas.<sup>53</sup>

By the time Babangida was forced to 'step aside' following the political turmoil which engulfed the nation in the aftermath of the annulment of June 12, 1993 election in which Bashorum M. K. O. Abiola was set to win, the Nigerian economy was worse off than he met it.

### **General Sanni Abacha's Regime (1993 - 1998)**

General Sanni Abacha assumed power in November, 1993 by

pushing away the Interim National Government – a contraption led by Chief Ernest Shonekan<sup>54</sup> in a suspected pre-arrangement with Babangida.<sup>55</sup>

As opposed to untrammelled deregulation policy of preceding administrations, General Abacha settled for a 'middle ground' between the proponents of deregulation led by Paul Oguma, the Central Bank Governor and Chief Michael Ani, the Finance Minister; and opponents of deregulation led by Professor Sam Aluko.<sup>56</sup> Christened "guided deregulation", the middle ground provided for fiscal discipline and freeze on external loans negotiations.

In 1994, Value Added Tax (VAT) of 5% was introduced to shore up the revenue base of the government. This was achieved through the imposition of taxes on a wide range of consumer goods and services. In 1995, the Petroleum (Special) Trust Fund (PTF) was established as an interventionist agency to stem the tide of decay in various sectors of the national economy. Headed by General Buhari (retd.), former Head of State and a man of Spartan qualities, the PTF was ubiquitous in the construction and renovation of school blocks and libraries, provision of drugs for hospitals, free distribution of exercise books for school children as well as the provision of potable water and electricity to various communities nation-wide. This state of affairs was tendentious to "excessive and undue interference by the higher tiers of government in the third tier's affairs."<sup>57</sup>

Also in 1995, Abacha introduced a dual exchange rate regime aimed at arresting the continuous depreciation of the naira in relation to foreign currencies.<sup>58</sup> A prognostic team of experts known as the Vision 2010 Committee was inaugurated by the regime to brainstorm and chart a new course for the nation's future economy.

However, the few gains Abacha made were dissipated by his transmutation ambitions and unmitigated tendency towards graft. Victor Abia in his book, *Understanding Nigerian Government and Politics*, observes that out of N5 billion naira purportedly spent on Vision 2010, the Committee received only half of the amount.<sup>59</sup> Under Abacha, the nation's four refineries crumbled in spite of over \$100m contract awarded to Emeka Ofor for Turn Around Maintenance (TAM) of the refineries.<sup>60</sup> It has been argued that the fortunes of the refineries were not intended to be revamped *ab initio* as the major importers of petroleum products into the country were members of Abacha's immediate family or fronts.<sup>61</sup> During this

administration, Nigeria increasingly assumed a pariah status as a sequel to the intransigent political cum diplomatic posture. Consequently, foreign grants and aids either thinned out or were stopped outright. The nation groaned economically while unemployment, spiralling inflation, low or nil capacity utilization, retrenchment and general want became the order of the day. On the other side of the coin, Abacha's family members were neck-deep in money laundering, fraud and embezzlement of public funds.<sup>62</sup> On June 8, 1998 General Abacha died suddenly and was succeeded by General Abdulsalami Abubakar.

#### General Abdulsalami Abubakar's Regime (June, 1998 – May, 1999)

General Abubakar inherited a prostrate economy. In fairness to him, he was not prepared for his new job as his naivety was brought to the fore. For instance, he arbitrarily increased the minimum wage to N5,000.00 nationwide, without due consultations with different states of the federation regarding their abilities to sustain such a huge wage bill. Moreso, he did not consider the long term effect of such a venture on the coffers of the federal government. The decision was concomitantly jettisoned. The take home package of federal workers was reduced to N3,500.00 while that of state governments was pegged at N3,000.00 with prolonged running battles between states' workers and their governments.<sup>63</sup> The euphoria of drawing increased salary was short-lived. In point of fact, it was a Greek gift. Abubakar's government increased the pump price of petroleum products in November, 1998.

Following mass protests, the government accordingly made reductions in the prices of petroleum products. The price of Premium Motor Spirit (PMS) or petrol, for instance, was reduced to N20.00 against the initially announced price of N24.00 per litre. Meanwhile, the government released the sum of \$92m (N7.73 bn) to Total International of France for the Turn Around Maintenance of the refineries in controversial circumstances. The contract was neither regularly awarded nor was it awarded to a competent firm with proven track records in refinery maintenance.<sup>64</sup>

Abubakar's regime showed unmitigated tendencies towards greed and graft. Oil concessions were 'dashed' to the military top brass. *The Economist*, as cited by Dotun Adekambi, maintains that money recovered from the Abacha family and aides has been distributed to members of the Provisional Ruling

Council as their final pay-off before leaving office; an estimated \$800m commissioned from oil sales was said to have been cornered by senior government officials.<sup>65</sup>

Government companies, parastatals and public institutions were hastily 'sold' for scandalous prices by the Bureau for Public Enterprises (BPE) howbeit, at the behest of the government. Similarly, contracts were awarded for inflated sums on the eve of the administration's departure. For instance, contract for the construction of the Central Bank of Nigeria was awarded for \$158m (N15b); Defence Headquarters contract was awarded for N24bn as against N4bn recommended by experts. Similarly, the Nigeria Police Force headquarters attracted N15bn.<sup>66</sup>

Through these spurious awards, Nigeria's foreign reserve of over \$7bn as at June 1998, was depleted to \$4bn when Abubakar left office. Within the same period, the exchange rate of the naira to one US dollar rose from N86.00 to N103.88.<sup>67</sup>

As a final scoop, the renovation of Eagle Square, Abuja, was awarded for an embarrassing sum of N2bn in preparation for a few hours handing over ceremonies<sup>68</sup> to a new civilian administration of Olusegun Obasanjo, erstwhile military head of State on May 29, 1999.

#### Conclusion

While the debate regarding the military as an "agent of development" among various scholars rages on, the actual drama of economic development at the instance of the military clearly played itself out in Nigeria as noted from the foregoing.

Within the period under review (1966 - 1999), the military dominated the scene and was on the saddle of governance for 28 years out of 33 years. The civilians only ruled for four years. Accordingly, economic development in Nigeria was therefore prismatic of the activities of the military enterprise in the country. The paper has chronicled and presented the economic performance of the military on regime basis for graphic appreciation.

The military no doubt made some strides, especially during the regimes of Yakubu Gowon and Ibrahim Babangida but these strides were dislocated and/or disabled by the military itself. For instance, incessant government change through coup d'etat occasioned policy somersaults and

discontinuity in the execution of projects. Succeeding regimes, in frantic efforts to establish “legitimacy” engaged in rubbishing the strides of proceeding regimes. More so, the military class exhibited unmitigated proclivities towards graft and corruption thereby precipitating the emasculation of initial attempts at development by various regimes. What therefore appeared to be the common denominator was the fact that the *dramatis personae* gradually assumed the hue and colour of the corrupt society which they, *ab initio*, set out to sanitise.

It remains a sad commentary that Nigeria's post-independent attempt at economic development remained prostrate with the military as the major stage players in governance between 1966 and 1999 in spite of abundant resources, human and material.

### Endnotes

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- <sup>4</sup>Joseph Basse, *Epitaph to Military Rule: Political and Administrative History of the Nigerian Local Government, 1951 – 2003* (Uyo: Minder International Publishers, 2005), pp. 15-16.
- <sup>5</sup>M. O. Bonchuk, *Civil Military Relations*..., p. 16. See also Okon Eminue, *Military in Politics* (Uyo: Soulmate Press and Publishers, 2006), p. 363.
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- <sup>10</sup>Eminue, *Military in Politics*, pp. 297-309.
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- <sup>17</sup>Eminue, *Military in Politics*, p. 126.
- <sup>18</sup>Arthur Nwankwo, *Nigeria: The Challenge of Biafra* (Enugu: Fourth Dimension Publishing Co. Ltd., 1972), pp. 11-14.
- <sup>19</sup>Adewale Ademoyega, *Why We Struck: The Story of the First Nigerian Coup*, (Ibadan: Evans Brothers [Nigerian Publishers] Ltd., 1981), p.6; see also Victor Abia, *Understanding Nigerian Government and Politics* (Lagos: Concept Publications Ltd., 2002), p.17.
- <sup>20</sup>For details of these crises, see, among others, Abia, *Understanding Nigerian Government and Politics*, pp. 157-170; Ademoyega, ..., pp. 3-33; John Hatch, *Nigeria: A History* (London: Heinemann Educational Books Ltd., 1980); A. O. Ojigbo, *200 Days to Eternity* (Ljubjana: Mladinska Knjiga, 1979); Raph Uwechue, *Africa Today* (London: Africa Books Ltd., 1991), pp. 150-160.
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