## The Impact of Public Policy on Economic Stability and Development in Africa: an Appraisal of Nigeria's Foreign Policy Actions from 1999-2007

<sup>1</sup>John Kalama & <sup>2</sup>Jacob Ogedi <sup>1&2</sup>Department of Political Science, Federal University Otuoke, Bayelsa State

#### Abstract

rior to the enthronement of democracy on the 29<sup>th</sup> May, 1999, Nigeria witnessed series of economic and political instability arising from policy inconsistency and lack of sincerity and commitment on the part of political actors and elites in the country hence, this paper examined the impact of public policy on economic stability and development in Africa: An appraisal of Nigeria's foreign policy actions from 1999-2007. Findings in the study revealed that the enthronement of democracy in May 1999 helped to restore peace, economic and political stability in Nigeria. Further findings revealed that Nigeria's foreign policy actions under former president Olusegun Obasanjo in 1999 was based on: Re-integrating Nigeria into the world, management of Nigeria's external debts, renaissance Africa, and the recovery of looted monies/finds. The study also observed that the leader to leader approach adopted to drive its policy actions also yielded positive results through the signing of several multilateral and bilateral agreements which equally led to increased volume of trade and foreign direct investment inflow to the country coupled with the re-admission of Nigeria into the comity of nations at the international level. Thus, for African states and leaders to address the socio-economic and political problems confronting the African continent, policy actions and measures must be supported with appropriate implementation strategies and framework in other to avoid policy inconsistency and summersault. The study adopted the institutional approach in explaining the subject-matter while the sources of data were based on secondary sources (text books, published articles, journals and materials from the internet etc). Data from these sources were analyzed through qualitative and descriptive method based on content analysis.

**Keywords:** Enthronement of democracy, Public policy, Economic stability, Development, Nigeria, Africa and foreign policy actions

Corresponding Author: John Kalama

http://internationalpolicybrief.org/journals/international-scientific-research-consortium-journals/social-sci-and-law-jrnl-for-policy-review-vol6-no1-march-2018

#### Background to the Study

African states are constantly faced with various socio-economic and political challenges due to lack of effective public policy formulation and implementation strategies hence, this study examined the impact of public policy on economic stability and development in Nigeria from 1999-2007. Public policy can be defined as a carefully packaged programme, agenda or intentions of a government or state. In his book "Public policy analysis: Theoretical and applied approaches" Habibu Angulu Sani (1999) defined the term policy as "the guiding principles or objectives of the state or an organization". In his words: "These principles and philosophies are sometimes referred to as ideology or the philosophy of the organization but when they relate to the state, the philosophies are formulated either as written or unwritten constitution.

Thus, it is from this supreme law that particular government in power derives its specific policies on specific overriding public interest" (Habibu Angulu Sani, 1999: p. 12-14). Within the Nigerian context, Habibu Angulu Sani defined public policy as the collective decision of the executive council of government on matters which derive their primacy from the constitution as provided for in the chapter on fundamental objective principles of state policy. The gap between a given policy and its implementation is an essential and fundamental aspect of any policy formulation and implementation process because failure on the part of policy makers and states to constantly bridge this gap has led to policy summersault and other consequences such as abandonment of projects, programmes, political instability and economic retrogression etc. This is the case in most African countries including Nigeria. A careful study of the political events in Nigeria showed that from 1985 – 1993, Nigeria witnessed series of economic and political instability arising from policy inconsistency and lack of sincerity and commitment on the part of political actors and elites hence, major national events that threatened the unity and stability of Nigeria within the period include: the frequent and fraudulent change and adjustment of the electoral/transition time table by the Ibrahim Badamosi Babagida regime, annulment of the 1993 June 12 presidential election results which led to the death of Chief MKO Abiola, the hanging of Ken Sarowiwa and the Ogoni nine (9) etc. the above developments coupled with the general insecurity in the country no doubt attracted international attention and sanction when Nigeria was suspended from the commonwealth of nations in 1995.

However, the enthronement of democracy on May 29<sup>th</sup> 1999 and the swearing-in of Chief Olusegun Obasanjo brought sanity, economic and political stability to the system as reflected in the huge debt cancellation, re-admission of Nigeria into the commonwealth and other international organizations, economic reforms coupled with several international financial assistance which Nigeria enjoyed from 1999-2007. Thus, the policy actions, measures, and follow-up implementation strategies adopted by Nigeria from 1999-2007 forms the major thrust of the paper.

#### **Theoretical Framework**

This study adopted the institutional approach in order to unravel the impact of public policy on economic stability and development in Africa with particular reference to Nigeria from 1999-

2007. The institutional approach was applied in this study in order to explain the relationship existing between various component units and institutions that make up the entity called Nigeria. Advocates of this approach argue that to effectively study and analyze any political system, existing institutions which serve as platforms or machinery through which the system operates must first be examined and studied hence, it is believed that problems (socio-economic or political) facing any society or political system can only be tackled effectively if the institutions operating within the political system are functional. The institutional approach is relevant in this study because the executive arm of government is an important institution which executes and implements the law and the constitution hence, public policies cannot be effective if there are no strong and viable institutions to drive the policy process. In the case of Nigeria, the federal government in 1999 was able to articulate its policy actions through the ministry of foreign affairs and the presidency. The results achieved clearly indicate that strong and viable political institutions facilitate effective public policy formulation and implementation processes which in turn promote socio-economic development and political stability in the system and the society in general.

#### **Conceptual Analysis**

It is a fact that the process of policy formulation, analysis, and implementation is faced with series of problems and challenges in most third world countries hence, this aspect of the study examined the concept of public policy and other concepts relevant to the study. The importance of public policy formulation and implementation has compelled scholars to conduct research into various aspects of decision making. According to Herbert Simon in his book "Administrative Behaviour" cited in Kalama (2008), at any point or situation, administrators should consider all possible causes of action and also evaluate the benefits and losses of each alternative. To ensure precision, he advocated for the use of quantitative techniques in decision making. In his words: "This approach is what the economists call optimizing approach or cost benefit analysis which is an attempt to estimate the value of various causes of action so that a good choice can be made" He therefore, concluded that a good decision or policy must pass through seven stages. On their part, Lindblom and Braybrook defined public policy as a course setting involving decisions of the widest ramifications and longest time perspective in the life of an organization (Adamolekun, 1983: p.142).R.F. Ericson cited in Kalama (2008) also defined the concept of public policy as a future oriented inquiry into the optimum means of achieving a given set of social objectives.

In the same vein, George Kent cited in Kalama (2008) defined public policy as a kind of systematic, disciplined, analytical, scholarly, creative study whose primary motivation is to produce well supported recommendations for action dealing with concrete political problems. While x-raying the subject matter from a more broader perspective Sani (1999) argued that the policy process is a process of applied and theoretical research which strives to propose a number of possible options from which the political leader or chief executive may select the best possible alternative based in the final analysis on what is in the best public interest. In a micro Nigerian context, H.A. Sani (1999) described public policy as "the collective decision of the executive arm of government on matters which derive their primacy from the constitution as provided for in the chapter on fundamental objectives and directive principles of state

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policy". The above analysis dearly revealed that the policy formulation and implementation process at any level is complex and dynamic hence, it requires reasoning and high level of rationality to ensure effectiveness in terms of costs and optimum utilization of human and material resources. To further give direction to the study, the following concepts were also examined and analyzed:

1. Public policy: The concept of public policy can be defined as a proposed programme or intentions of a government, organization or an institution. The term public policy according to Habibu Angulu Sani also means the guiding principles or objectives of the state or an organization. In his words:" These principles and objectives are sometimes referred to as ideology or philosophy of the organization but when they relate to the state, the philosophies are formulated either as written or unwritten constitution and it is from this supreme law that the particular government in power derives its specific policies on specific issues of overriding public interest". (Kalama, 2008: Sani 1999:p.12)

Public policy within the context of this study refers to the foreign policy actions embedded in former president Olusegun Obasanjo's leader to leader diplomatic approach.

- 2. Foreign policy actions: The concept of foreign policy can be defined simply as nation's relations with other nations in the international system. Rosenau etal. (1976) cited in James Okoro (2006) have distinguished three conceptions of foreign policy: namely foreign policies as a cluster of orientations, foreign policy as a set of commitments to and plans for action; and as a form of behaviour. In the same vein, Frankel (1995) view the term as a dynamic process of interaction between the changing domestic demands and support and the changing external environment. This study however relies on Cummings and Wise's definition which clearly define the subject matter (foreign policy) as "the sum of goals, decisions and actions that govern a nation's relations with the rest of the world" (James Okoro, 2002: p. 1-2). However, foreign policy actions in this study refers to the various diplomatic shuttles made by Nigeria's former president from 1999-2007 in order to implement its policy of:
  - a) Re-integrating Nigeria into the world
  - b) Management of Nigeria's external debts
  - c) Renaissance Africa and
  - d) The recovery of looted monies/funds
- 3. Impact: the BBC English Dictionary Defined the term impact as something that has a strong effect or force on another situation or person. Impact here refers to the several bilateral and multilateral trade agreements and other dividends that accompanied Nigeria's foreign policy actions from 1999-2007.
- 4. Economic Stability: According to the BBC English Dictionary, economic means concerned with the organization of money, industry and trade of a country, region, or social group. Thus, economic stability in this context means maintaining

continuity and steady progress in the entire economic system in Nigeria as reflected in the study. It will be recalled that from 1999-2007 Nigeria's volume of trade increased while the commonwealth also re-instated Nigeria into the international community and global economic stage.

- 5. Development: Development to the political economist implies the ability of a political system to promote nationalism and stimulate growth in the economy measured in terms of Gross Domestic Product (GDP), Gross National Product (GNP) and industrialization. Within the context of the study, development refers to the foreign direct investment inflow and other economic benefits that accrued to Nigeria from 1999-2007.
- 6. Appraisal: This simply means to consider something carefully and form an opinion about it. Contextually, appraisal as used in this study means to review and investigate Nigeria's foreign policy actions and measures from 1999 to 2007 in other to determine the strategic changes that occurred within the period.

### Methodology and Scope

The concept of methodology according to Kaplan, cited in Obasi (1999) is to help in understanding in the broadest possible sense both the products and the process of scientific investigation. Nachmias and Nachmias (1985) also see methodology as a system of unambiguous rules and procedures upon which the basis of an enquiry is formed and claimed knowledge evaluated. Thus, this section of the study provides a description of the sources of data used and the applicable methodology. The study relied on the descriptive research method while the data used were curled from official government policy statements and publications including published scholarly works (secondary data). Data analysis was based on content analysis which is often applied in qualitative research. In terms of scope, the study was limited to Nigeria's foreign policy actions and measures on economic stability and development from 1999-2007.

# Analysis Showing the Impact of Nigeria's Foreign Policy Actions and Measures on Economic Stability and Development in Nigeria from 1999 - 2007

This section of the study examined the views of scholars and public policy analysts and experts in other to determine the impact of public policy on economic stability and development in Africa with particular reference to Nigeria's foreign policy actions from 1999-2007. Where necessary, tables will be presented and analyzed through qualitative method and content analysis as earlier state.

While affirming the fact that there is indeed a relationship between public policy and the development of any nation or society Habibu Angulu San: (1999) in his book "Public policy Analysis: Theoretical and applied approaches" stated that an unfettered atmosphere within the ambit of the rule of law in the formulation of public policies therefore will allow for substantially improved quality of life through the collective action of the larger society in the kind of inputs the citizens make to the policy process. In his words:"A dictatorship in whatever

form is obviously an aberration of this policy processes. Through creative and effective public policies, the renaissance in Europe brought radical changes which eventually led to the diversification and transformation of the economies of most European nations."

In the same vein, John Kalama (2008) argued that public policy in any form can be used as a tool to improve and stabilized the economy of states especially, states experiencing economic and political crisis. In his book "Public policy formulation and implementation in Nigeria: Problems and prospects" added that the main target of a foreign policy is to influence the policies and actions of other nations and actors in the international arena. In his words:"to understand the foreign policy of a country, it is very necessary that its domestic policy has been properly understood because foreign policy means nothing but the promotion of national interest at the international level" (Kalama, 2008: p.79-80). While making reference to Nigeria's foreign policy actions from 1999-2007, Abdul Mumin Jibrin (2004) stated categorically that the nexus and connection between domestic and foreign policy explained why the Olusegun Obasanjo-led administration embarked on internal domestic restructuring and reforms which led to the establishment of anti-corruption agencies such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practice and Miscellaneous Commission (ICPC) before pursuing an aggressive foreign policy which yielded positive results. He maintained that personal leadership qualities of leaders play a major role in the policy formulation and implementation process hence; he stated that when Olusegun Obasanjo assumed office as Nigeria's president in 1999, he exhibited a sound element of charismatic leadership that held the nation (Nigeria) together. In his words:"President, Obasanjo is bold, fearless, courageous, principled and steadfast. His performance should be assessed from the battle against human right abuses, fight against corruption, wide ranging reform policies towards economic recovery, peaceful transition from civil to civil rule, creation of a peaceful and cordial atmosphere of relationship with other countries, culminating into the hosting of major events and meetings such as the COJA games and the commonwealth games (CHOGM), among others".

While reiterating the fact that personal leadership qualities and attributes play a major role in the policy formulation and implementation process Abdul Mumin Jibrin (2004) stated unequivocally that the Olusegun Obasanjo-led administration in 1999 appreciated early enough that to attract foreign investors: reschedule or cancel Nigeria's debt, stabilize our currency, attract foreign assistance, compete in global market, accept and effectively exercise our sovereignty, regain our prestige, position and status all over the world, popularly contribute to global and regional peace and security and improve Nigeria's image among others, can never be achieved by simply sitting back at home in a world that is fast becoming a global village (Abdul Mumin Jibrin, 2004: p.7 and 143). The role of political actors especially that of the president in foreign policy formulation and implementation was also highlighted by James Okoro who in his book "Understanding Nigerian foreign policy" insisted that the president's dominant position in foreign policy stems from the constitution as well as from real world necessities, formidable powers that make him Commander-in-Chief of the armed forces authorize him to negotiate treaties, and appoint and receive ambassadors. In the case of Nigeria, he added that the Nigerian Supreme Court has recognized that these powers place the

president above other foreign policy actors and that in respect of foreign affairs, the president assumes responsibility for major foreign policy actions and decisions (James Okoro, 2002: p.66).

While analyzing the techniques and strategies adopted by Nigeria from 1999-2007, James Okoro asserted that former president Olusegun Obasanjo entered the presidency with rather clear cut ideas of how he wanted to run the foreign affairs of Nigeria. In his words: His administration differs sharply from his predecessors as far as foreign policy issues are concerned. The differences are discernable from their personal experiences, preferences, orientations, perception threshold and interpersonal relations. (James Okoro, 2002: p.57).He therefore summarized Nigeria's foreign policy actions and goals from 1999-2007 to include:

- a. Re-integrating Nigeria into the world.
- b. Management of Nigeria's external debts.
- c. Renaissance Africa: and
- d. The recovery of looted monies/funds.

On whether the above policy framework yielded fruits or not, Abdul Mumin Jibrin (2004) in his book titled "Obasanjo and the new face of Nigeria's foreign policy" argued that in all Olusgun Obasanjo's diplomatic shuttles, his mission and interest were basically economic political, peace, security, and socio-cultural. In his words:"Nigeria's foreign policy worked effectively during the period because Obasanjo layed emphasis on personal contact with political leaders, business leaders, Nigerians residing in such countries, the press and any other group as situation may demand. Thus, this leader to leader approach further gave direction to Nigeria's foreign policy actions within the period. Recalling the gains recorded, he maintained that the lifting of the suspension placed on Nigeria by the commonwealth, the recovery of looted funds, the reintegration of Nigeria into the comity of nations in the international system and the signing of several bilateral and multilateral trade agreements which increased the volume of trade and foreign direct investment inflow are clear indicators to show that Nigeria's foreign policy actions from 1999-2007 witnessed tremendous success due to the techniques and strategies adopted by the Nigerian government coupled with the charismatic leadership qualities displayed by the then president. The above analysis clearly revealed that strong political institutions, visionary leadership coupled with the practice of democratic values and principles greatly enhance the policy formulation and implementation process.

#### Conclusion

The study examined the impact of public policy on economic stability and development in Africa with specific reference to Nigeria's foreign policy actions from 1999-2007. The study observed that prior to 1999; Nigeria witnessed political and economic instability arising from policy inconsistency and lack of commitment on the part of political actors in the country. In terms of methodology, the study adopted the qualitative research method based on the descriptive approach while secondary sources of data were relied upon. Data for the study was analyzed through content analysis. However, findings in the study revealed that the enthronement of democracy and the formulation of proactive foreign policy actions by the Nigerian government greatly enhanced and promoted economic stability and development in Nigeria from 1999-2007.

#### Recommendations

Based on the findings, the following recommendations are hereby proposed:

- 1. African states and leaders should go a step further to develop and design post-policy measures and strategies that will guarantee effectiveness and precision in the policy formulation and implementation process hence, policy actions should be accompanied and supported with appropriate implementation strategies and methodology.
- 2. Since exposure and experience are vital qualities required to ensure effectiveness in the policy process, political actors and leaders in Africa should be made to undergo formal or informal training on leadership and management in other to improve their capacity and proficiency.
- 3. Public policy formulation and implementation thrives more in open, transparent and democratic governments hence, African states and leaders especially states experiencing military dictatorship should embrace democratic principles and values where the rule of law and the fundamental human rights of citizens can be protected and guaranteed.
- 4. Old and existing laws and policies should be reviewed or discarded in line with contemporary realities and challenges hence, the pre-1960 held belief that Nigeria's foreign policy is centered on Africa should also be reviewed in other to make Nigerian foreign policy objectives work for the benefit of Nigerians anywhere in the world.
- 5. The positive impact and gains of effective public policy should be judiciously and prudently utilized by African leaders and states. Such proceeds can be re-invested back to the economy in other to stimulate economic growth and development in the system. It will be recalled that through the leader to leader (personal contact with global leaders) diplomacy approach adopted by Nigeria under the Olusegun Obasanjo administration from 1999-2007 several looted funds including the Sani Abacha funds were recovered back to Nigeria from foreign countries yet the average Nigerian did not feel the economic impact of such looted funds. Thus, there is need for more commitment and sincerity on the part of policy makers, political actors and elites

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