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Democratizing Citizens Participation in Public Sector Management: The Policy of Privatization among African States

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ABSTRACT - One of the emergent paradigms which has gained popularity in the international discourse is the new governance perspective. It is a perspective, which has given credence to democratization of ownership of capital and means of production. The Libertarians have contended that the activist state is too costly and ineffective, arguing that its benefits are simply myths and suggesting the reduction of democratic character of politics in favor of minimal state since it is believed that the state is the problem and not the solution. The international community appears to have adopted this as a global paradigm and a course, which modern states must follow to attract benefits of civilized states of Europe and North America. This is in contrast to the 'Satanic Mill' in Karl Polanyi's metaphor, which is capable of eroding the social foundation of state existence.

This paper looks at governance and its democratic character focusing on privatization as a process of ensuring the full citizens participation in public sector management. It examines the case of Nigeria, the largest democracy in Africa and suggests a novel method of privatization, which could guarantee full citizens participation, reduce corruption, guarantee accountability and entrench sustainable democracy. The paper disagrees with the phenomenon of deregulation, which it considers as anti-democratic and condemns the present privatization in Nigeria, which it considers as anti-people and at best exclusive.

KEYWORDS: Democracy, public sector privatization, management, African States.

INTRODUCTION

The citizen in a democratic state is central to the act of governance. He is central because he not only organizes his society in the best way that enable him subdue and conquer nature but also makes the best use of nature. This is the core of technology which is the product of mans ingenuity and innovation. Democratization spans across political participation to economic involvement. In fact participation is the hob and driving force of democratic process. In the age, which is witnessing decline in dictatorial and autocratic regimes across the world, a new universalism has emerged that is opposed to dominance of government in the act of governance. The prevailing emphasis is that the government should withdraw from the traditional role of producing and delivering services and assumes the roles of creating enabling environment and regulating man's activity in industry and commerce without direct participation. This is a new innovation and major changes in the way society provides for their needs. It is also assumed that this particular innovation creates greater avenues for wider citizens participation in public sector management. By public sector we mean those areas of societal activity directly owned and funded by the state.

This is opposed to private sector organized and owned by individuals and groups. By this estimation, the argument is that though the public sector is measured and managed by mostly citizens and non-citizens employed by government and paid from government coffers, these employees who are paid for their services are not direct owners and have little stake in the success and failure of government business. This is opposed to the private sector where enterprises are owned directly by individuals mostly through shares and profits declared at regular periods. While it is easy to measure the success of private sector, it has not been easy to measure that of public sector. The question now is how does the citizen become the 'real participant in the public sector management, measure its success and failures and benefit from its profits. This is where liberalizing the public sector becomes very important. Some have argued for corporatism, while others have advocated a representative bureaucracy. Among these paradigms, privatization appears to have received more wieght and better understood by political leaders, both in Africa and other parts of the world. Eva Etzioni Hale y (1983 defined corporatism as

an institutional arrangement whereby public policy is worked out through an interaction between top state elites and the leadership of a limited number of corporate organization (mainly business and industrial corporation on the one hand and labour unions on the other. Under this arrangement, the

corporate organization are granted a deliberate representational monopoly within their respective areas of interests in exchange for submitting themselves to certain constraints imposed by the state.

Debates surround the concept of corporatism. The first controversy is the fluid nature of the concept, countries where it exists, and its full implication for the relations between bureaucracy and state. Furthermore, where corporatism accommodates some levels of non-governmental participation in the management of public sector the principle is not expansive enough to involve the average citizen. According to Kernaghan and Siegel, in a corporatist state, weaker groups and individuals would tend to be frozen out of the decision making process. The authors of representative bureaucracy are of the view that the public service should be the microcosm of the total society in terms of a wide range of variables, including race, religion, language, education, social class and region of origin. Controversy still surrounds the above contention as to what variables should be included. However, the justification given by the proponents include the need for public servants to exercise significant power in the political system. It is also argued that external control over public servants by the political executive, the legislature, the courts are inadequate to check bureaucratic power and thereby to ensure bureaucratic responsibility. Thirdly, it is contended that a public service representative of the total population will be responsive to the needs and interests of the general public and will therefore be more responsible. Kernaghan and Siegel qualified the third point above in the following ways:

- * If the values of the public service as a whole are similar to those of the total population, then the public service will tend to make the kinds of decisions that the public would make if it were involved in decision-making process.
- * The values of public servants are molded by the pattern of socialization they experience before they enter the public service i.e. by such socializing forces as education, social class, occupational background, race, family and group associations.
- * The values arising from the socialization will not be modified by prolonged exposure to bureaucratic values.
- * The values arising from the socialization will be reflected in the behaviour of public servants and therefore in their recommendations and decisions.
- * The various groups in the general population should be represented in the public service in approximate demographic proportions so that

public servants will be responsive to the interest of these groups both in policy development and in program delivery.

Critics of representative bureaucracy contend that in a representative public service, the values of public service as a whole will not be similar to those of the general population rather the values of individual public servants may be similar to the values of those groups in the population they are supposed to represent. Secondly, the public servants, by acting on behalf of their groups they represent, would serve the interest of particular segments of the public rather than the total population.

Thirdly, it is insufficient for the public service as a whole to be broadly representative of the total population; for all interest to be represented in the decision making process; each major administrative unit must be representative of the total population, especially at its senior levels where the most important recommendation and decision are made. From their long list of arguments the critics concluded that it is possible to have a representative public service that is not responsive and a responsive public service that is not representative.

Having said this, we close on privatization as purported paradigm, which its proponents contend, ensures the citizens participation in running of public enterprises.

In Nigeria, privatization has been widely publicized and has attracted public commentaries. It has also occupied major thinking in government circles and decision center as well as corridors of power. This implies that it has been officially and widely embraced both by political elites who possess the where with all to take the advantage the innovation and the general public who may not be able to explain its full implications.

Privatization was made popular by the by the Thatcher's government of Great Britain in the early 1980s. Since its introduction, it has attracted global acceptance as new model of statecraft. Though Thatcher's government made it popular, however references have been made to the ancient Near East, ancient Greece and during the Ch'in Dynasty of China. Privatization and the New Public management appear to be fallouts of concerted action to regulate global economy. The antecedents belies in the havoc done by unfettered capital movements during the inter-war years (see Marquand, D. 1996). The attempts to reverse this trend have put economic forces running ahead of political responses. The prevailing argument is that no government can seek to maintain a welfare state, pursue full employment, or protect basic social rights in a global economy where capital is free to roam world in pursuit of the largest profit margin (see Kevin, 1997). States are posited as

rudderless boats driven by powerful currents of private capital flows with only the power to shape policies. Growth has been highly correlated with integration into the world market (see World Bank, 1996). Demands of international financial institutions are that governments should facilitate relentless expansion of market and remove all barriers to trade and investment.

This trend to push economy to shape political engineering has been translated into minimal state, democratization and what we call new governance perspective. This has informed the agenda of international development. This has also been the driving force behind the phenomenon of privatization and the new public management. The idea of new governance was informed by the concern shared by many public commentators that government was going too far into macro-economic management in addition to its traditional roles of maintaining public order, providing health services, education and other welfarist activities. By 1970s, the concern of state activism increased generating a flurry of interests in policies aimed at shrinking the role of and scope of its operations. In the 1980s, and 1990s emphasis shifted to marketization, deregulation and privatization. The new governance perspective therefore suggests this idea of shrinking state and democratization of means of production, involvement of third party agencies and new public management.. Blair for instance in 2001 proposed giving the private sector a new role in running the National Health Sector and State Schools (Norris, 2001). Marketization here implies the use of market mechanism in the delivery of public services. These include contracting out. An example is where a local government services such as cleaning and refuse collection are offered on the basis of competitive tenders (Doogan, 1997 in Norris, 2001); others include public-private partnership and quasi-market initiatives designed to strengthen customer choice in public services, such as voucher schemes allowing parents to select schools(Kiitte, 2000; Whitty and Power 2000) and information regulation requiring companies to label goods in certain ways, like organic produce and genetically modified foodstuff, facilitating informed consumer Choice (see Norris 2000). The new governance perspective is primarily concerned with the best means to get job done and service most effectively delivered. According to Norris, if ambulances are slow, if schools are crowded, if refuse collection is poor, then the argument is that while government has a responsibility to improve these services, this does not mean that the public sector has to do everything to reform soup to nuts. The idea is to utilize the discipline of market competition so that private companies have an incentive to work for private profit but public ends. Marketization blurs the boundary of private and public sector. It also means reinvention of government. Norris writes that marketization strategies have

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been seen as one way to meet public services by government faced with the combination of rising demand in the welfare state as well as limited revenues due to the fiscal constraints of the global economy.

The above situations are at the root of new governance. However, governance has been used by the World Bank in a didactic manner to designate the institutions and political practices that would, in theory be necessary for the development of Africa and were defined by introducing the idea of good governance (Senarclens, 1998). By shifting participation in economic process and in turn political process to third party providers, NGOs, Civil Society Organizations, government gradually loses some monopoly of legitimate power since other participate in economic and social regulation. According to the Commission on Global Governance, it is the total of the various ways in which individuals and institutions, public or private, manage their own affairs. It affirms that this is a continuing process through which diverse or conflicting interests can be brought together in order to find co-operative solutions (Senarclens, 1998). Good governance then should involve the participation of the non-governmental bodies, notably private firms and the civil society. To the World Bank governance should be a way in which power is exercised in the management of a country's economic and social resource with a view to development. The Bank links it to sound management of development which it sees as necessitating the introduction of standards and institutions providing a reliable and transparent framework for the conduct of public affairs, and requiring those in power to account for their actions (see Senarclens, 1998). Good governance Senarclens writes should involve the participation of the non-governmental bodies, notably private firms. The OECD went a step further to define governance as the use of political authority and exercise of control in society in relation to the management of its resources for social and economic development. By this definition and standard, the public authorities have the responsibility of ensuring that necessary environment is provided for economic agents to function satisfactorily. Some questions are suggestion by the above position. Firstly, is 'who is the economic agent and what is the nature of the environment? Secondly, how do these agents participate in economic management? Thirdly, what is the relationship between the state and society? Fourthly, how does the civil society get involved or participate in economic management and public administration? In this regard, the practice among the OECD countries has been to denationalize the state firms and privatize public companies. We are not constrained to answer the above question but to examine the phenomenon of privatization and its potentials in ensuring citizen participation. The regime of capitalist dispensation and value convergence has translated into Fukuyama's end of

history, which is engrossed in a universal consensus on the superiority of the market and liberal democracy. This made Richard Rosecrance (1996) to argue that in foreseeable future, the only international civilization worthy of the name is the governing economic culture of the world market. The idea of market economy, which gave rise to privatization, is a direct indictment on the socio-economic variables on which the activist state is based.

The hug of the discussion is governance without government. This does not wish away certain responsibilities of government. According to Senarclens, other organizational structures are appearing, driven by new social actors, to take over those functions that public administration appears incapable of discharging satisfactorily. This forms the basis of democratizing citizens' participation in public sector management. In understanding this stance it worthy of note that privatization which we adopted as a model which facilitates citizens' participation does not imply the end of government but a new beginning for stronger involvement in strengthening the environment of participation. It must provide a conducive environment for private delivery of services through financing, subsidizing, promoting and contracting. Government must regulate by setting policies, legal frameworks and standards of operation. The executive summary of the UN Report on Privatization (1999) put clearly what should be the role of government in a privatization regime. It advocates for regime of attitudes developed to displace a culture of risk avoidance and secrecy. Government, the Report states should be able to analyze market conditions; set policy frameworks; draw up, negotiate and enforce contracts; regulate monopolies; coordinate, finance and support producers; enable community self-provision; and provide consumers with information on their options and remedies.

Adjustment and Privatization in Nigeria.

Nigeria's efforts at adjustment dates back to February 28 1972 when the then military administration promulgated Enterprises Promotion Decree No 4 under the Second Development Plan. Prior to this there was Companies Decree of 1968 that aimed at bringing local subsidiaries of Multi-national corporations under control. The indigenization policy as it was popularly called came into effect on the 31st March 1974 eight years after the Companies decree. However this idea of open private enterprise have been a subject of discussion since 1962 and was reflected in the 1962-68 Development plan. Reliance on Internal factors more that external pressures appear to have compelled the country to opt for indigenization unlike privatization, which was more the result of external pressures. The indegenization policy was more a product of desire by the nation to achieve some reasonable desire of

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self-reliance and overcome internal economic difficulties, which came up in the 50s and 60s. The country was concerned with the problems of unfavourable balance of payment and worsening terms of trade caused by cessation of the export boom induced by Korean war; the escalation of imports; the general rise in the cost of private foreign investment. The country was also concerned about the increasing repatriation of profits, capital flight, decline in inflow of foreign capital and dwindling and Progressive tightening of conditions of official aid flows into the country (Eteng, 1981). Another reason for indigenization was the determination by the Nigerian government to stimulate indigenous entrepreneurship. Schatz, S.P (1964) had also noted the frustration resulting from capital shortage, inadequate managerial expertise, 'negative socio-cultural and motivational characteristics' of the world of private indigenous entrepreneurs, and the dominant presence and restrictive practices of private foreign-owned commercial banks which dominated the credit system and had demonstrated their aversion to aid indigenous business. Eteng writes identified some factors, which also furthered the policy of indigenization. These include: the enlightened radical opinion which he claimed pressured the Federal Government to wrest the investment from alien control and curb excesses of foreign monopolies. He also identified the increasing cost of dependence on foreign capital, and escalation of restrictions on migration from the poor to the rich nations, the anxiety to avoid the political embarrassment to Nigeria, which would apparently result from the crystallization of foreign economic dominance in the country, and wartime austerity, which Nigeria experienced between 1967 and 1970. It was also believed that by promoting indigenous entrepreneurship in the country, national capitalism, economic development, and social progress were simultaneously advanced, and monopoly capitalist control of the country's political economy would correspondingly minimized. The indegenization program was also designed to effect a process of transferring control over small-scale industries and service sector of the economy to Nigerian Entrepreneur. To this end 22 business concerns were exclusively reserved for Nigerians while 33 others were open to aliens with the guarantee of 40% indigenous participation. To ensure effective implementation of this program the Federal Government established 'the Nigerian Enterprises Promotion Board' to coordinate the activities of states' Enterprises Promotion Board (NEPB); the Nigerian Bank for Commerce and Industry (NBCI) was asked to provide loan to some deserving Nigerians who were interested in assuming full or partial ownership of these enterprises vacated by foreigners; the Capital Issues Commission (CIC) was established in 1973 to regulate the issuing and sale of shares or debentures to the public; and the Center for

Management Education and Training (CMET) and some Polytechnics were directed to furnish the new entrepreneurs with management and technical advice (see Eteng, 1981).

There is no doubt that indigenization programme was designed to ensure greater citizens' participation but from the way it was implemented it succeeded in concentrating the wealth of the nation into few hands. It was not elaborate enough to guarantee the participation of the civil society. The work force were excluded and even at a point small business holdings were not able to compete with state governments in the purchase of these companies shares. In fact the policy was more of a desire to wrestle the command and control of the economy from foreigners who owned most of the major enterprises, made a lot of profits and transferred same to their home states. Indigenization served the purpose of pride and nationalism rather than a well-structured programme of economic management aimed at ensuring genuine citizen participation. The indigenization programme was later followed up with austerity measure which has no structured ideological contents. It was a fire-brigade approach to governance and economic management and does not deserve much space here. What was significant in terms and in line with our discussion was the structural reforms introduced by the Babangida Administration in Nigeria. In 1985 the administration formulated a two-year programme of structural adjustment, which was to last from July 1986 to June 1988. The programme was never an effort at ensuring wider citizen participation in governance. According Babangida, it was to achieve fiscal and external balance, minimization of government subsidies on non-social services and achievement of realistic exchange rate for the Nigerian currency (the Naira). The government also pursued a policy of liberalization aimed at removing what it termed unnecessary administrative bottlenecks, which it believed had fuelled corruption and sharp practices. The growth of public sector expenditure was curtailed. In addition to these a second-tier exchange Market (SFEM) was introduced. This it was believe would remove the arbitrariness associated with devaluation and import licensing. In the like manner structural adjustment was not a people oriented programme. In Nigeria it created more problems of hunger, starvation and economic downturn. This failure was a result of structural imperfections and corruption prevalent in the system. However it is important to note that that combination of conjectural and secular forces, the economic crisis of 1973 in both industrialized and less industrialized nations of world as well as upsurge in world economic integration in the post war period all gave rise to the idea of structural adjustment programme as way of escaping from economic stagflation. In this case the dominant view was that economic problems of

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the 1970s were directly due to the past pursuit of policies of high aggregate demands, full employment, high rates of taxation, generous social welfare benefits and growing state intervention (OECD, 1987; Britton, 1991 in Ghai, 1992). It was argued that these policies had led to inflationary pressures through excessive wage demands, introduced rigidities in factors and product markets and thus blunted the incentives to save, work, invest and take risks (Gai, 1992). Structural adjustment was therefore a radical response to promote market forces and curb the role of the state. These measures were necessary to curb full employment policies and union militancy and consequent bud bug effect of profit rates.

The promise of tax reduction widened the constituency for reform. A combination of monetary, neo-classical and supply side theorists furnished the intellectual support for the position that the material prosperity of the industrial countries and rapid economic progress of the Far East Asian Countries was the result of their reliance on market forces.

In 1988, the federal government of Nigeria established the Technical Committee on Privatization and Commercialization. The membership was drawn from public and private sector so the experiences of both could be brought to bear in the drawing and implementation of privatization and commercialization programmes. While commercialization in Nigeria meant the re-organization and restructuring of the selected state owned enterprises in such a way as to make them more efficient, more commercially viable and more profit-oriented, privatization involved divestment of government shareholding in some selected enterprises. According to Babangida (1991), the programme is a critical element of economic recovery and development strategy, which could lead to reduction of government subventions to otherwise commercially unviable enterprises. It addition it would increase the scope of private sector activity through the public sale of shares and contribute towards the deepening and broadening of the Capital Market.

In order to realize the objectives of privatization, the federal government introduced some structural readjustment aimed at redefining the role of the supervising Ministries to ensure that they no longer interfere in the day to day operations of public enterprises; a redefinition of the role of Board of Directors who shall now be given more powers to regulate and supervise public enterprises including the determination of their conditions of service and tariffs; the redefinition of the role of Management to make them accountable for results; to effect changes in procedure and criteria for appointment and removal of members of Board of Directors to emphasize

merit over patronage and to ensure continuity by staggering such appointments; Changes in the procedure for the appointment and removal of Chief Executive and Executive Directors to ensure that such appointees are accountable to their Board of Directors; introduction of Executive Directors in all Boards to the extent of 40% of Directors. Over all, privatization is believed to help restructure the Nigerian economy by attracting foreign investors and restore confidence of the international monetary institution and external creditors. The shift in focus to privatization and its global acceptance was linked to the successes of tiger nations and poverty of communist states, which was blamed on state intervention in the management of the economy. In the developing countries, in which Nigeria is one, difference constellations of forces led to emphasis on privatization. Though we had outline some reasons before which were domestic, still pressures from creditor nations, international monetary institutions, commercial banks and Supra national organizations constituted the dominant external forces. While in Africa organized lobby group hardly existed; for Latin American countries, free market policies had been associated with military and conservative forces. In places like India and Pakistan, economic crisis and foreign pressure played major roles in addition to some powerful domestic lobby constituted by big business and the bureaucratic and technological elite, which felt that liberalization of the domestic and foreign economy was essential for the modernization and rapid growth of the economy. Ghai writes further that the reforms in the South-East Asian Countries were greatly influenced by the experience of the four Tigers and had less to do with economic crisis or pressure creditors.

Nigeria's reform programmes has witnessed frequent devaluation of the countries currency, removal of subsidies especially on petroleum products with its attendant difficulties on the citizens. The reform measures contrary to their professed benefits have brought untold hardship to the average Nigerian increased the costs of services and enhanced corrupt practices-ills, which it supposed to cure. As a new innovation the organized labour has kicked against it because of the fear of its adverse effect on job security. An additional problem of this programme is the failure of the state to embark on systemic adjustment thereby not creating the necessary conditions for structures to adjust. This systemic adjustment includes those of ideas, cultural institutions and practices. In states where the values of centralism and collectivism are preferred options, such will run contrary to those values which Adam Smith and Milton Fredman preached in their various writings. These are values of individualism, self-interest and market driven economy. These are values, which they believe will create social harmony and defend

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the rich against the poor. Market forces are in-built regulator that keeps the economy from flying apart in competition.

Democratizing Public Sector Participation

Few countries in Africa were unfortunate not to have experienced the impact of 'external rule', which we called colonialism. That does not suggest that colonialism never existed in such states. No state in Africa is free from internal colonialism in which one group or major groups dominated the others. This is not the matter here. The post colonial period was dominated in some states by pro-socialist economic regimes while in others it was a situation of what some called mixed economy. In such countries the state still owned some strategic enterprises and still permitted the establishment of private enterprises. Emphasis on emerging paradigms occasioned by the new global movement post-dated colonialism. Still the reduction of the role of the state does not yet suggest the end of the state or its economic involvement especially in Africa. Rather what the economic history of the state suggests is the mixture of public and private ownership in means of production and commerce. The new universalism is perhaps novel in African States. This informs the cautious optimism beclouding the philosophy of privatization. Perhaps privatization have come as deliberate policy or the need to improve the economies of African states because as we stated before the state ownership benefits only the ruling class who exploit the state resources through the logjam in the administrative process of public enterprises. Eradicating this process of exploitation is not also in the interest of some members of the ruling class. What is done is to structure privatization in such away that it will exclude the people and continue to benefit the same group. But the philosophy if structured to be people oriented, could be the best democratic process of bringing in those at the receiving end of power to participate in the management process.

The democratization, which we are talking about, has to do with the process of ensuring participation of the ordinary worker, members of civil society organization and the rest of us to be part owners of public enterprises and their management because the word participation is the driving force of a democratic society. This participation could be within the framework of politics or economy, as democracy does not stop in voting or being voted for, free and fair elections, independence of judiciary, equity, regular and systematic change of government. It extends to economic freedom, market forces of demand and supply. It is this freedom to participate in running and controlling the public sector that we are talking about. The questions, which this suggests, are: what is public sector? Through which process can the

citizen participate in public sector management in Africa? It is in an attempt to answer these questions that privatization becomes relevant. Truly, privatization will promote transparency, and accountability. Independent auditors will audit company accounts and rules of corporate governance will be observed. Methods of dealing with business failures will be entrenched and enforcement procedures established. The problem in Africa and indeed Nigeria is lack of political will to let public enterprises into the hands of the citizens and make conditions of membership open and clear to all as well as affordable to even the lowest paid worker. This informs the phenomenon of partial privatization which the leaders defend with the concepts of cautious optimism often stating that they are acting to protect national interest. Yet the underlying reason is the desire by political elite to retain control over appointments, expansion and possibly profits. This paper suggests privatization or non. The idea of partial privatization is a fraud. Privatization in which the citizens are fully involved will guarantee better labour relations. In such a case labor becomes part owners of the capital and may never be interested in running down an establishment in which their life depends. True privatization would make workers smile home with dividends and build 'community of ownership'. Democracy should be real and down to the roots. According to Fung Archon and Erik Olin Wright (2000),

Democracy as a way of organizing the state has come to be narrowly identified with territorially based competitive elections of political leadership for legislative and executive offices. Yet, increasingly, this mechanism of political representation seems ineffective in accomplishing the central ideals of democratic politics: facilitating active political involvement of the citizen, forging political consensus through dialogue, devising and implementing public policies that ground a productive economy and healthy society, and, in more radical egalitarian versions of the democratic ideal, assuring that all citizens benefit from the nations wealth.

Archon and Wright write that this apparent decline in the effectiveness of democratic institutions led to the escalation of attack on the idea of affirmative state, arguing that the state can only retain its relevance if it dramatically reduces the scope and depth of its activities. On a similar ground, the libertarians blame the state for infringing on property rights and individual autonomy-the benefits supposedly provided by the state are myths; the costs-both in terms of the resources directly absorbed by the state and indirect

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negative effects on economic growth and efficiency they say are **real and** increasing-tending to reduce the role of politics altogether. Emphasis in Nigeria has been on deregulation, reduction in social services, and removal of subsidies and curtailment of state spending. Committed attention has not been on participation, greater representation and what Archon et al called effective forms of democratic state intervention thereby lending credence to the statement that 'the state is the problem and not the solution'. However, the leftists contend that the state is necessary to cushion the effects of capitalist exploitation by making provisions for unemployment, bridging inequality, reducing poverty and provision of public utilities. They argue that in absence of state intervention the capitalist market becomes a 'satanic mill' in Karl Polanyi's metaphor and erodes the social foundations of its own existence. It partly against this background that some developing countries embraced the principles of downsizing separated into privatization, deregulation and commercialization. Prior to the period when this discourse became popular, and gained ground, the dominant feature has been indigenization as stated earlier on. Even at that the latter did not guarantee effective citizens participation. Instead the process only succeeded in switching the control of productive forces from foreign bourgeoisie to their domestic counterparts who continued their exploitation from where their foreign counterparts stopped. Privatization was then embraces for the reasons already stated. Privatization would guarantee effective citizens participation in public sector management if shares are sold in the following manner: 40% government ownership; 30% workers ownership and 30% to other bidders. For workers who cannot buy shares, their pension benefits would be converted in advance into shares. The justifications for this method are varied. One is that by converting a worker's pension into shares, he starts reaping the dividends early enough. The worker feels committed and not alienated to the job and goals of the organization because he is part owner of the establishment. He attends Shareholders meetings and contributes to policy making and implementation. He no longer feels alienated and nonchalant in the affairs of the organization. His shares appreciate on yearly basis and give him pride, sense of dignity and job security. He will more likely be opposed to anti-system behaviour because he has a stake in its survival. Privatization to him would be a welcome idea and fears associated with innovation such as loss of job and uncertainty will be allayed. He feels proud to tell people that he is one of the owners of the enterprise and by investing in the establishment, he has laid foundation for the future of his family. This is because one of the factors that lead to corruption and accumulationist tendencies among public employees in Nigeria is lack of old age and family policy-policies which

guarantee care and love at the old age. People now accumulate through both fair and foul means to take care of themselves at old age. Where workers future and interests are secured in this manner it may serve the interest of political stability and economic self-sufficiency. Every body wants stability for economic survival.

Some scholars have argued for deregulation. There is no doubt that deregulation is another way of ensuring competition and efficiency of services and productivity. The programme of deregulation makes it possible for private establishments to exist along parallel lines with state owned enterprises. Unfortunately, deregulation cannot guarantee wider citizens involvement because the apparent poverty prevalent in our continent. It is only an exercise for the rich and well to do. What we are therefore saying is that privatization should be citizen oriented to facilitate citizen participation.

Conclusion

The new governance perspective is a democratic process, which attempts to incorporate third party providers in the management of government business. It emphasizes the reduction of politics, reduction of the activities of the state especially in the operations of the economy limiting it to such technical areas, which may not be within the purview of the individual. This is part of democratic process in which participation received greater emphasis. This paper has attempted to demonstrate that this democratic process could be actualized by bringing the worker, the ordinary citizen to have stakes in the public sectors where they work by making them part owners of government enterprises. We departed at the point where we suggested that such process should not mean complete withdrawal of the state but the state retaining slightly greater share of investment in terms of stocks while facilitating workers participation and ability to buy shares by converting some of his benefits into shares. The imperatives of African situation veer off from that of Europe and North America. We also feel that this process should be followed up with systemic transformation in which new values and structure of institutions and law must be transited to reflect the new situation. We are of the view that a privatization exercise as is presently done in Nigeria which is our primary case study excludes the workforce and only creates room for dishonest people who have used their position to immerse state wealth to buy off the state enterprises. The implication of this is adverse reaction from labour and the entire low-income earners in the society who perceive such efforts as stealing. *This pattern of privatization as presently being done in Nigeria is immoral and must continue to be opposed not only because it is exclusive, it does not guarantee a future for the workers as well as their job*

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security. It is also immoral because it continues to concentrate the wealth of the state into few hands. Thirdly it has little or no government control in terms of pricing policy and administration. In a similar manner, this paper is opposed to deregulation. This is because such programme has little or no room for wider citizens' participation. Establishing parallel enterprises could engender quality but the experiences with the deregulation of Nigerian Telecommunication (NITEL) and the introduction of GSM cellular phone by third party providers have shown that there is little the government can do in controlling pricing policies of private firms. It is another way of establishing monopolies and exploitation. We have not advocated for full government ownership because of the general malaise which visit government enterprises since experiences have shown that govern menace is not an African and definitely not a Nigerian having been tagged the most corrupt in the World by the Transparency International. In the final analysis we are of the view that if privatization is properly done and becomes citizens oriented, all-inclusive, such programme will not only guarantee greater participation but also entrench a culture of honesty, accountability, good governance and sustainable democracy.

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