Social Implications of the Economic Reform Process in Nigeria since the Onset of Current Democratic Dispensation: A Gender Perspective

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Abstract
Reforms in general are meant to improve development process in a country. Economic reforms have two major facets: the policy and the institutional components. Some of the economic reforms since the onset of the current democratic dispensation include privatization and deregulation. Privatization was partly designed to reduce the role and size of the public sector. Its negative impact on women stems from the prevailing gender inequalities; resulting from attitudes, prejudices and assumptions concerning the roles assigned to men and women, which are learnt, and largely determines the type of work women and ultimately determines their income level. Given the above scenarios, Nigerian women are at the receiving end in three major ways as far as privatization and deregulation are concerned. First, privatization will necessarily lead to “down-sizing” which will affect women more because of their low level of education and skills. Secondly, they have to pay more for goods and services with little income. This shows that there are gender implications of economic reforms, which will have effect on the realization of our developmental goals. Gender mainstreaming is a necessary condition to mitigate the impact of the reform on men and women and ensuring optimal development. The essence of this paper is to highlight what is needed to be done by policy makers to make economic reforms (privatisation and deregulation) more gender equitable to enhance national development.

Keywords: economic reforms, gender, democratic, privatisation, deregulation

INTRODUCTION
The onset of democratic governance has led to the initiation of many economic reforms in order to curb the instability resulting from years of military rule. Economic reforms have two major facets, namely, the policy and the institutional components. (Oshionebo, 2004). According to Oshionebo (2004), the World Bank asserted that “policies are relevant only if there is the institutional capacity to carry them out, while strong institutions are ineffective – even counterproductive – if the policy framework discourages efficiency”. The implication of the above assertion is that in order to meet up with the challenges of economic management, there is the need for countries to continually revise their policies and also restructure the institutional framework for implementing them. (Oshionebo, 2004). To meet up with this, the federal government put in place various programmes and activities targeted at strengthening the institutional framework necessary to carry out these reforms.

These reform processes met with serious opposition from many Nigerians. The Nigerian Labour Congress¹ (NLC) has been in the forefront in challenging many of these reforms. This has also spurred on some reaction from the presidency regarding the reforms. According to the Vanguard (October 6, 2004), the then president – Chief Olusegun Obasanjo said that resistance to economic reforms in the country would not move government to change the reform programmes. He added that he is committed to their full implementation. He stressed the need for Nigerians to be ready to cope with this challenge. His words “The beauty of new ideas, for instance, economic reforms, is that they come with teething challenges which are surmountable”. To him, these challenges should spur people to greater heights. He added “On our part from the outset, we did not expect the task to be easy neither did we expect the process of adaptation to be smooth sailing. However, irrespective of the pockets of resistance and inevitable occasional hiccups, we shall not waver”. From the words of Mr President above, it could be deduced that there are certainly some social implications of the present economic reforms on the generality of the citizens, and these reforms may affect men and women differently. Recently, the privatisation of the power sector by the present regime has met with stiff opposition from the workers, and the general population. This shows that the problem associated with reform process is still on-going in Nigeria.

¹ This is a Central Labour organizations consisting of many affiliated trade unions.
Gender discourse is very influential and calls attention to the unwarranted discrepancy between the locations of men and women in the state and society in almost every facet of life. It places particular emphasis on the oppression and marginalisation of women at all levels (Omotola, 2007). Gender refers to a system of roles and relationship between women and men, not biologically but by the social, political and economic context (Ebeze, 2003).

Although, there are several economic reforms that have been carried out since 1999, this paper will focus attention on two major economic reforms namely: deregulation and privatization.

THE PROBLEM
Privatization was designed to reduce the role and size of the public sector and to encourage the participation of the public through buying of shares of privatized parastatals. Since the onset of the current democratic regime, free market policies were introduced which has continued to favour the well connected, mainly men at the expense of their women counterparts. This stems from the pervading inequalities between men and women, resulting from attitudes, prejudices and assumptions concerning the different roles, assigned to men and women in society (Overholt et. al., 1984). The patriarchal nature of Nigerian society brings a system of domination and control – as a child a woman was under the control of her father, as a wife she was under the domination of her husband and as a widow she was under the protection of her son. This makes many women not to have any separate or independent existence of their own. Women have thus been structurally incapacitated to participate in the privatization and deregulation programmes of the government.

The roles assigned to men and women differently, which are learned, (e.g. those of parent, housekeeper, provider of basic needs, etc.) largely determine the type of work men and women do which in turn determine their income level. Furthermore, because of their assigned role as dependent members of the household, women tend to be relatively more active than men in non-market activities and in the informal sector; to be considered by others and even by themselves as economically inactive; and, in times of economic downturn or structural adjustment, to be amongst the first dismissed from their paid jobs (Greenwood, 2001).

Another major area of gender differentiation as far as privatization and deregulation is concerned has to do with the allocation of resources in the society. It has been observed that women who are self-employed have more limited access to production resources than men, which lowers their income (Dixon-Mueller and Anker, 1990). In addition, women do not necessarily have control over their use of the resources available to them, nor do they necessarily reap the full benefits accruing from their efforts. In the words of Singh et al, (2003), the need for health services and thus the potential benefit of meeting the need, is greatest among the poorest women in the world’s lowest-income countries.

Given the above scenarios, it could be said that Nigerian women will be at the receiving end in three major ways as far as privatization and deregulation are concerned. First, privatization will necessarily lead to “downsizing” or “rightsizing” which will affect women more because of their low education and skills. Second, because of their poor earnings, and variably or invariably low or no savings, they cannot afford to buy the shares of the privatized companies. Third, they have to pay more for goods and services due to privatization and deregulation with little income. This shows that there are gender implications of the present economic reforms in the country.

LIMITATIONS OF THE STUDY
The fact that there are other economic reforms apart from privatization and deregulation is a limitation of this paper. There are other forms of reforms that have socio-economic implications from gender perspectives. This limitation do not in any significant way diminishes the relevance of the issues of gender implication of economic reforms.

WHY ECONOMIC REFORMS?
As stated earlier on, the present democratic dispensation embarked on many economic reforms in order to curb the instability that resulted from long years of military rule. In the early eighties up till date, Nigeria found herself embroiled in severe economic problems. In the 1980s, it became obvious that the state apparatus had failed as a vehicle for development of the Nigerian economy. The situation from the mid-1980s was such that owing partly to an increasingly hostile international environment and partly to inadequate or misdirected policy responses since 1960, the Nigerian economy became embattled from all fronts and with cries of ramifying descriptions – food crisis, employment crisis, balance of trade crisis, debt crisis and crisis of economic management (Oshionebo, 1998). Among all these problems, the crisis of the management of the economy was the most devastating. One of the causes of this economic management crisis was the excessive focus on the public sector as the engine of growth and development. Among many goals that economic reform is to achieve include, (i) Traditional administrative efficiency in the sense of saving money through form simplification, procedure change, duplication reduction and similar organization and methods (O&M) approaches, (ii) reduction in perceived weakness such as corruption, favouritism, political spoils and so on (Dror, 1971).
This paper attempts to show the social implications of the economic reform process embarked upon by the present democratic regime from a gender perspective. The paper pins down on privatization and deregulation of the downstream oil sector and their implication for the poor and across gender. The paper also traces some reforms that took place in the past prior to the present regime. The paper also highlights the weaknesses and successes of the reforms under consideration. What needs to be done in form of recommendation was also discussed in the paper to strengthen and improve the effectiveness of the mentioned reforms.

CONCEPTUAL CLARIFICATIONS

Gender - This is socially determined and gender roles can be reversed because it is man-made and can be fixed to suit human purpose in development. Gender inter-links with development when roles, responsibilities, attitudes and stereotypes not necessarily linked with sexual capabilities are imposed on men and women. Resulting inequalities of opportunities, capabilities, and productivity when men and women are socially separated in the development process, is a cost, not only to the individual but also to the household, community and economy that depends on the activities of these citizens. Going by the nature of the economic system and the circular flow of income, unexploited opportunities constitute a leakage to the whole system.

A gendered model of development therefore addresses fundamental inequities based not only on sex or biological separation of men and women, but also addresses most of the socially imposed inequalities that skewed the development process and their outcomes either in favour of, or against a population segment.

Gender Inequality – Gender inequality implies inequality of status, situation and positions resulting from discrimination in social, economic and political spheres of life based on perceived gender rights and not necessarily based on sexual or biological capabilities of the individual. Facets of gender inequality are the gaps that exist in the quality of life of women and men in different geographical spaces and socio-economic groupings in the country. They manifest as gaps in literacy, knowledge, employment status, occupational status, assets ownership (buying of shares of privatized companies), health status, household welfare, skill level, access to market and especially private sector spaces, resource endowment and entitlement, access to common property resources, public institutions, decisions making processes and so on.

Gender Equity - This is the ultimate goal of gender equality or gender redistributive policies. It implies the fairness of development tools to both men and women. It implies that policies and programmes have been designed to ensure equality of opportunities for production, participation and development for men and women. The outcome of gender equity is social justice and balanced development both for individuals and for the overall economy or society.

Gender equity goals therefore promote equality of opportunities and capabilities for men and women, towards optimum application in enhancing overall development. It translates into optimality of responses to development incentives.

Privatization: Privatization has to do with shift or transfer of public sector activities to the private sector. It is often associated with the sales of the state assets, or shares in public enterprises. It also involves the introduction of private capital or management expertise into a public sector activity (Obadan, 2000). In a narrow sense, and for the purpose of this paper, privatization entails the transfer, through sale of public assets or enterprises to the private sector. The sale may be 100% or less of the specified assets of the state or shares in the designated public enterprises.

Deregulation: Deregulation envisaged a substantial state pull out from its overbearing participation in the nation’s economic activities. It sought to bring greater management efficiency in both the public and private sectors through conscious decentralization of decision making, minimizing state interference and removing bureaucratic controls.

PLACE OF REFORM IN DEVELOPMENT

According to Oshionebo (1998), development is not just a quantitative increase in the aggregate or per capita output of goods and services in the economy but also to a positive and qualitative change in the social, institutional, and other structural relationships within which the growth takes place. Development, therefore, relates to structural transformation, sustainability and equity. Structural transformation means continuous changes and improvements in the methods of doing things, diversification of activity, and continual support of many goods and services while sustainability implies ensuring that the improvements last longer. Equity involves evenness in the distribution of resources and access to locational and productive economic opportunities. Development therefore means economic growth plus change-the achievement of better health, better education, better living conditions and an expanded range of opportunities in work and leisure for the poor (Meir, 1971).

In order to achieve the above, reform of the total economy becomes necessary, and this involves reforms that include privatization and deregulation.
These are quite central to the programme that envisaged states withdraw from its overbearing participation in the nation’s economic activities. Privatization and deregulation has been seen as a vehicle that will bring greater management efficiency in both the public and private sector of the economy. The essence of these reforms is to improve the standard of living of the populace through availability of goods and services.

It’s worthy of note at this juncture, that there have been many economic reforms embarked upon since 1980s. In the years 1981 – 1985, Nigeria witnessed serious economic downturn and stringent monetary and fiscal measures were ineffective in addressing the economic problems. The adoption of structural Adjustment programme (SAP), initially for two years (July 1986 – June 1988), was the major reaction to the dwindling oil resources, macroeconomic policy distortions and the increasing need to diversify the production base of the economy. The economy also witnessed a number of policy reversals between 1988 and 1989 of the attempt to cushion the adverse effects of the belt-tightening measures implemented in 1986 and 1987. Consequently, some of the gains of economic adjustment in those two years were gradually eroded.

Several policy changes also took place between 1986 and the early 1990s, designed to restructure and diversify the productive base of the economy in order to increase efficiency and reduce dependence on the oil sector. In addition, there was the need to achieve fiscal and balance of payment viability, to lay the basis for sustained economic growth, to improve the efficiency of public sector investment and to concentrate government efforts on increasing the growth potential of the private sector. These policy reforms were generally in the areas of Exchanges Rate, Foreign Trade Policy, Banking and Financial Sector Policy reforms, as well as commercialization and privatization of government owned companies and parastatals. The outcome of the implementation of the various policy reforms over the years indicated considerable improvements in the performance of the Nigerian economy.

**SOME ECONOMIC REFORMS SINCE 1999**

Several economic reforms have been carried out since 1999. Among these reforms are; privatization and deregulation.

**Privatization**

Privatization was designed to reduce the role and size of the public sector. It was rightly argued that the public sector was inefficient and corruptly operated. It was therefore necessary to downsize it and provide an enabling environment for expansion of the private sector which was assumed to be more effectively run. Past federal governments before 1999 exhibited caution, delay, even ambivalence while dealing with privatization. But since 1999, free market policies were introduced which has continued to favour the well connected. After all, only the wealthy can afford to buy shares of privatized parastatals. No wonder, the opponents of privatization have argued that taking over of parastatals through privatization should not be achieved by a few privileged individuals and corporations at cheap prices.

**Deregulation**

The deregulation of the economy is quite central to the economic reforms embarked upon by the federal government. It envisages a substantial state pull out from its overbearing participation in the nation’s economic activities. The programme further sought to bring greater management efficiency in both the public and private actors through conscious decentralization of decision making, minimizing state interference and removing bureaucratic controls. The new administrative philosophy aimed to:

(i) espouse reliance on the guiding wisdom of market forces – the forces of seam and supply – to achieve optimal efficiency in the production process; and

(ii) assign to the state, the task of creating an enabling environment for business while private initiative was substantially to manage the economy.

Nigeria’s deregulation policies are marked by a number of features. First, they did not bother to postpone deregulation where it was considered as creating severe social, political or economic problems. Second, realizing that deregulation could be destabilizing, past military governments either deliberately postponed its implementation or cleverly redefined it to minimize the expected pains of rising prices.

The Nigerian Fourth Republic fully adopted deregulation as an important economic policy instrument. Specifically, deregulation of the downstream petroleum sector implicit in allowing marketers to determine prices of petroleum products has significantly increased prices of petroleum products, fuelled the rate of inflation and generated social unrest.

**STATUS OF WOMEN IN NIGERIA**

Table 1 shows the status of women in Nigeria in different areas of human endeavour. The gender status index of less than 1 shows that women are at disadvantage; equals to 1 means that there is parity between men and women, and when it is more than 1, it means that women are at advantage over men (when it is from the positive direction). It could be observed from the table that in areas such as education, employment/earnings, representation in governance process, women are at a disadvantage.
position. For instance, the table shows that only a little above half of women compared to men are literate (according to the available data in 2003, this improved slightly according to NDHS 2008) and have access to tertiary education. The available data also shows that more males than females registered for primary schools. The implication of this is that women in Nigeria have lower education or are less educated compared to men. One of the major determinants of good employment and earning is the level of education, and since Nigerian women have less education compared to their male counterparts, the probability of engaging in less pay jobs is very high, which is actually the case.

Table 1: Gender Status Index

<table>
<thead>
<tr>
<th>Gender Concerns</th>
<th>Data Profiles</th>
<th>Gender Status Index</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2003</td>
<td>2008</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>+Adult literacy rate</td>
<td>0.66</td>
<td>0.72</td>
</tr>
<tr>
<td>+Gross primary school enrolment rates</td>
<td>0.82</td>
<td>0.91</td>
</tr>
<tr>
<td>*Access to tertiary education</td>
<td>0.63</td>
<td>0.60*</td>
</tr>
<tr>
<td>Employment/Earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*Ratio of estimated earned income</td>
<td>0.43</td>
<td></td>
</tr>
<tr>
<td>*Proportion in different sectors of employment</td>
<td>0.60</td>
<td></td>
</tr>
<tr>
<td>*Female economic activities</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>Gender Representation in governance process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>**Gender representation in federal executive positions</td>
<td>0.05</td>
<td>0.30</td>
</tr>
<tr>
<td>**Gender representation in elective positions</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>*Gender distribution of decision-making in households</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td>*Exposure to mass media</td>
<td>0.90</td>
<td></td>
</tr>
<tr>
<td>*Gender representation in public appointments</td>
<td>0.39</td>
<td>0.73</td>
</tr>
</tbody>
</table>

Sources:  
  FME: Federal Ministry of Education (Various years)
  + NDHS (2003, 2008) Nigeria Demographic and Health Survey
  **INEC: Independent National Electoral Commission (Various years)

The table also indicates that the amount of estimated income earned by women is about 43% of the income earned by men, while the percentage of women compared to men in all forms of employment is 60%. It is worthy of mention here that out of this figure, the majority are either self-employed (petty traders) or are in low cadre jobs. With regard to representation in governance, only 5% of women compared to men are represented in federal executive positions by 2003 and this has improved to 30% in the current dispensation. While 39% compared to 100% of men are represented in public appointments. Female representation in elective position at the federal parliament grew from 4% around 2003 to 7% at present, while exposure to mass media even reduced compared to previous years.

The scenario given above about the status of women in Nigeria shows that in almost all facets of life, women are at disadvantaged position. The implication of this among other things is that women have little income with little or no savings, which makes it difficult for them to participate in the buying of shares of privatized companies and parastatals of government. They are also affected in other ways, this include the fact that they are first to be laid off from work due to “rightsizing” or “downsizing” which always go along with privatization. The reason for this is not farfetched. The low level of education of women is a major factor in this observed situation.

Regarding deregulation, the low income among women as a result of factors discussed above will make it harder for the women to pay for the prices of goods and services which have gone up as a result of the deregulation of the downstream oil sector. It is a known fact in Nigeria that the prices of goods and services are closely tied to the prices of petroleum products.

In a nutshell, women are unable to participate well in the on-going privatization exercise due to their low status in the society and this will make them to be more vulnerable to poverty.

SOCIAL IMPLICATIONS OF PRIVATIZATION AND Deregulation FROM GENDER PERSPECTIVE

There is no doubt that the privatization and the deregulation policy reforms going on in the country are having a lot of impact on the Nigerians, and especially the women. With regards to privatization, the policy favoured the well-connected and the rich people in the society. After all, only the wealthy can afford to buy shares of privatized parastatals. It has been discovered that only a few have taken over the privatized parastatals at cheap prices (Osagie, 2004). The fact is that women are not able to participate like their male counterparts due to their low status in the society as a result of the factors discussed above which include low education and low earning. A very important and emotional issue is the impact of privatization on equity. Men and women are not given equal opportunity to participate due to attitudes, prejudices and assumptions concerning the
different roles assigned to men and women in the society.

As the interpersonal distribution of goods and services closely reflects the distribution of wealth, a privatization exercise that widens inequality of wealth— as is the case in Nigeria—is bound to result in inequitable distribution of goods and services, in which the women will be at the receiving end. This has adverse repercussions on social stability, since women constitute at least half of the population of the country. In essence, the privatization exercise going on in the country favours the rich and well-connected at the expense of the common man, especially women. In line with the privatization exercise is the policy of “downsizing” or “rightsizing” which in most cases affect the junior workers in the establishments, where the majority of the women are found, those who are more vulnerable to poverty. The same argument goes for the deregulation of the downstream oil sector, which has increased fuel prices, which has fuelled inflation in the country. It should be noted that the women are mostly affected in that they earn less due to low education, and have to pay high prices for goods and services. It should be noted that everything that takes places within the economy in the country is tied in one way or the other to the prices of petroleum products. The increase in fuel prices as a result of deregulation has affected the prices of food items and transportation, which also affect the women negatively.

Considering the above scenario critically, it can be said that it will affect the goals of Transformation Agenda of the Federal Government negatively. The major goals of Transformation Agenda are; wealth creation, employment generation, and poverty reduction among others. The privatization and deregulation reform instead of generating employment is making more and more people lose their jobs. This will make people, especially women, to be more vulnerable to poverty instead of alleviating their poverty. The present reforms therefore, if not implemented in a gender sensitive way, will negatively affect the goals of Transformation Agenda.

CONCLUSION AND RECOMMENDATIONS

This paper has attempted to expatiolate on social implications of the present economic reforms process from a gender perspective. It was established that women are unable to participate fully in the privatization exercise because of their relative position in the society. The privatization exercise since 1999 has continued to favour the well connected, mainly men at the expense of their women counterparts. This stems from the fact that there is inequality between men and women, which results from attitudes, prejudices and assumptions concerning the different roles assigned to men, and women in the society. Closely related to the above is the allocation of resources in the society, which also reflect gender differentiation and affect privatization and deregulation in the country. It has been observed that women who are self-employed have limited access to production resources than men, which lowers their income. Furthermore, women do not necessarily have control over their use of the resources available to them, nor do they necessarily reap the full benefits accruing from their efforts. The above scenario will put Nigerian women at the receiving end as far as privatization and deregulation are concerned.

It is therefore recommended that there is the urgent need on the part of government at all levels to work towards enhancing the status of Nigerian women by giving them adequate education and other necessary resources that will improve their participation in the on-going economic reforms in Nigeria. There is also the need for sensitization programmes aimed at enlightening Nigerians on the need to change their attitudes regarding the roles of women in the society. All these are necessary if the goals of Transformation Agenda of the Government are not to be short changed. In order to achieve the enhancement of the status of women, there is the need to gender mainstream government policies. This involves bringing into a development issue the different policy implications, perspectives and priorities of women and men. This will help to inform the design, implementation and assessment of policies and programmes related to the development issue in a gender-sensitive way.

REFERENCES


