SURVIVAL IN DEREGULATED ECONOMY: THE CASE OF NIGERIA

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Abstract

The paper revisited the socio-economic and political stance of Nigeria and identified some of the factors that precipated the introduction of deregulated policies and programmes in the country. The deregulatory policies, plans, programmes and other socio-economic and political systems, policies and programmes necessary lor successful implementation, management and monitoring of the deregulated economy to the advantage of the stakeholders to ensure their successful survival have been highlighted. The paper concludes by submitting that the extent to which the stakeholders successfully survive in deregulated economy is a function of the extent to which the deregulator) policies, plans projects and programmes are implemented, managed and monitored to their advantage on one hand, and the extent to which the stakeholders are empowered socio-eeonomically and politically and are capable, willing and able to effectively and efficiently partake in the implementation and execution of the deregulatory plans, programmes and projects without any form of discrimination on the other hand.

Introduction:

It is an already known fact that Nigeria is richly endowed with abundant human and natural resources going by the share size of its population, the variety of mineral resources such as gas, petroleum, granite, gemstones, iron-ore, etc available in commercial quantity and mass farm land for farming. These economic potentials have made the country one of the richest in the world; were it not for the mismanagement of the economy and bad governance.

The development indices of the country are in variance with its wealth in natural and human resources. Until recently, when the economy is gradually being deregulated, the government remains the major player in the economy to the detriment of the private sector. With proper management of the economy and good governance, it could be said that Nigeria has all it takes, in terms of human and material resources to become the strongest economy in Africa and one of the leading economies of the world by the close of the 20^{th} century.

The Nigerian economy is indeed mixed and open. Although it has undergone some considerable changes especially from the 1980s, it still remains a consumer economy and a primary producing economy. The agricultural sector which used to be the major injector of growth and development of the economy has since given way to the oil sector which has become the major source of earning for the country.

During the good days of the agricultural sectors, it did not only provide the bulk of income needed for the development of the country, but also served as major employer of labour and a source of food for the growing population, foreign exchange and government revenue. Thus, as the agricultural output began to decline in absolute terms as against the average annual population growth of between 2.5% and 2.3%, the option left is the massive importation of goods and services to be offset by the earnings from the oil-sector. It was estimated that between 1973/74 and 1979/80, the agricultural sector recorded a negative real average annual growth rate of -0.7% (George: 2002). By and large, the spiral rise in oil revenues which precipated the gradual neglect of agricultural sector since in the 1970s led to the declining agricultural production, increased importation of goods and services particularly food items such as rice and wheat especially in the 1980s to service the growing population, over dependence on imported raw materials and spare parts to service the local industries, decline in foreign exchange earnings leading to gradual dislocation and consequent closure of local industries, high unemployment, hyper inflation, gradual degradation of living standards of people due to inflation and mismanagement of the country's available natural resources, rise in internal and external borrowing by state and federal governments for execution of capital projects and provision of essential services, decline in the country's foreign reserve and rise in budgetary allocation for debt servicing.

Other consequences of decline in agricultural sector include: problem of land acquisition especially for large and medium scale farming, preference for imported food items; poor transportation system and network especially between rural-urban settings; inadequate capital for medium and large scale farming, increased margin between urban-rural income on one hand and between urban-rural infrastructure and development on the other hand; decline in the quality of health and educational sectors' development; rise to unprecedented unviable projects especially 'white elephant' government expenditure projects and unplanned investment targets; deficit financing of budget, etc. These shortcoming is absorbed by the said surpluses of the Central Bank (Hamza: 1992). The concomitant effects of these shortcomings presuppose that the Nigerian economy can be and is highly vulnerable to the developments in the external sector particularly to those of its trading partners including other OPEC member countries.

The Nigerian Socio-Economic Predicaments

I need not remind you of the fact that the oil boom of the 1970s brought with it the good, bad and ugly faces. The good face of it can be viewed from the perspectives of the volume of monies/revenue abundantly available to be effectively and efficiently used for the repaid growth and development of the country. The bad and ugly faces of it can be seen from the deliberate attempt to down play the agricultural sector and its contributions to the economy on one hand, and the systematic turning of the country into a consumer nation and dumping ground where everything or product dumpable can easily find its way into the country.

On the other hand, given the large amount of oil revenue accrued to the government, it attempted to overstep its boundaries of governance and delved into investment and all sorts of economic activities in the name of intervention to uplift the economy. For example, it took over the major ownership of commercial blanks, petroleum prospecting and marketing companies; commercial blanks, Newspapers, Radio stations, established Insurance Companies, and set the Nigerian National Supply Company (NNSC) promulgated the Nigerian Enterprises Promotion Act of 1972 etc.

By the middle of 1983, the Federal Government has invested in about 90 companies such as the manufacturing, construction, financial institutions, service industries, newspaper publishing, petroleum, etc. Its share capital investment range from

9.25% to 100%. Economic experts such as Ayida (1987) and Asiodu (1993) were not in support of this policy and advised the government against it. By 1983, the Federal Government's investment stood at about N2.8billion (George: 2002:20). Unfortunately, the reports on returns on investment from the State-Owned Enterprises (SOE) were les than 2% annually with most of the returns attributable to the government misplaced priority in proper utilization of the oil windfall. Eventually, this translated into:

- gradual and systematic neglect of rural development and the agricultural sector leading to rapid rural - urban migration
- change in the consumption pattern of the rulers and the ruled in favour of foreign consumer goods and services, and reduction in productive capacity leading to disequilibrium in balance of payments in the face of unfavorable terms of trade, and consequent deep involvement of the government in both domestic and foreign debt crisis.
- Emergence of the concept of 'sharing the national cake' – an off-shoot of 'bureaucratic prebendalism' in form of competitive communalism where every one attempts to come to the centre to get his/her own share of the cake (Prebend) instead of collectively bake the cake, create the wealth, build the economy, and ensure good governance. The cake sharing syndrome could be said to have generated and fueled the acquisitive tendencies (get rich quickly) of both the elites and the populace as well as corruption, mismanagement and bad governance.
- The industrial sector has to invest more in other social services to survive due to near absence of publicly provided services such as electricity, water, telecommication, transportation, etc. These private initiatives are translated into, higher prices of

products, lengthening the gestation period of industrial projects and additional industrial costs in form of overhead and running costs.

- The politicization in the management of the government-owned establishments where political consideration is given priority, not in addition to merit, in the appointment of staff and in the membership of Board of governing councils to favour political heavy weight and patrons, foot soldiers and losers at electoral elections. Of course, the end result is mismanagement, corruption, declining productivity, low staff morale, and non achievement of set targets and goals.
- Decline in the growth and development of the private sector and in their active participation in the growth and development of the economy.

The by-product of this can easily be seen from the pre-matually short down private firms around the country.

To some extent, the structure of the Nigerian economy can still be described as being predominantly surrounded by subsistence and commercial activities, disarticulated production base and capacity, a monoculture production patter, deficient factors of production and basic social infrastructure, and a degraded and abused environment surviving on oil revenue. These deficiencies gave rise to poverty and other associated shortcoming which inhibit rapid and systematic growth and development of the economy to greater heights. The World Bank estimated that about 60% of Nigeria's population was below poverty line with 2/3 of them as being extremely poor, and by year 2006, the country's poverty level will rise by 2/3 of the population.

The Need to Deregulate Nigerian Economy:

Successive governments have introduced some measures and incentives as Import-Substitution Industrialization (ISI) strategy, Green Revolution; River Basin Development Authorities, strategies in the manufacturing /production sector; Nigeria Economic Summit (NES) group; Economic Action Agenda (EAA), Approval Users; Scheme, Indigenization Decree of 1972 and 1977' Import License Scheme. Enabling Environment Forum (EEF); establishment of Nigerian Deposit Insurance Corporation (NDIC), Form 'M' compulsory advanced deposits and turnover tax, SAP, austerity measures etc to cushion the effect of declining oil revenue earnings being experienced since in the mid 1980s and also enhance the capacity of the productive sector particularly the manufacturing industries. These initiatives provided no appreciable results.

To some extent, it could be said that the Nigeria's economic crisis can partly be hinged on poor implementation of the country's budget, development plans, economic strategies and poor governance. This can be attested to from the deficit financing of both the federal and state budgets to be serviced by domestic credit and external loans which could have otherwise been utilized by the private sector to increase the capacity of the productive/manufacturing sector. In spite of this, the private sector is beset with high banking lending rates due to measured introduced by the Central Bank of Nigeria (CBN) to control cash liquidity in the economy. The SAP initiative aimed at arresting the collapsing Nigeria economy through such measures as freezing of lines of credit, which result is already being noticed as inflations rate has dropped to single digit and the Naira exchange rate is appreciating against foreign currencies between 1986 and 1989, has been punctuated by series of malpractices in its implementation.

The banking industry is being faced with variety of challenges and problems especially the issue of insolvency. By 1998, about 84 Nigerian banks were declared insolvent due to under capitalization while 26 of them were liquidated by the Federal Government as distressed with outstanding debt of about N16.33 billion.

Similarly, the per capita income in Nigeria has gradually fallen to about US $250 per annum as against most of the West African Countries such as: Cameroon (US $1,200), Ghana (US $400), Benin Republic (US $390), Gabon (US $3,000) Senegal US $ 650) and Cote d'Ivoire (US $770). The GNP has also fallen down to about $US & 280 while the government's expenditure on social services such as health, education, has reduced drastically to be one of the lowest in per capital when compared to some African Countries such as Ghana and Cote d'Ivoire who expend 3 times and 4 times more than that of Nigeria respectively on education and health.

The household incomes have been substantially affected by devaluation of the Naira where the average take home pays of the labour force can not take them home successfully by the end of the month. The continued erosion of the value of Naira over foreign currencies impacted negatively on the growth of private entrepreneurship, terms of obtaining credit loans from the bank, equity participation of financial institutions, foreign investments, debt conversion programme for generating new equity, profit earnings, and costs of production.

The Deregulation of the Nigerian Economy:

The deregulation of an economy which can also be translated into privatization is essentially aimed at improving the performance and efficiency of the economy so as to prevent it from degeneration and eventual collapse. The objectives of deregulating an economy is better achieved when it is focused at driving sector reforms; accelerating programme implementation, strengthening institutional integrity, effective programme planning and funding, thorough transaction, due diligence, aggressive marketing drive, closer collaboration with stockholders and improved publicity and enlightenment campaign.

It is essential that the deregulation of an economy is hinged on the need to establish:

- the basis for a sustainable and non-inflationary or minimum inflationary growth;
- obtain fiscal and balance of payments viability over a targeted time frame;
- restructure and diversify the productive base of the economy so as to reduce dependence on unstable and volatile product/commodity such as oil revenue and on imports, especially of non essential commodities;

reduce the dominance of unproductive investments in the public sector to improve its efficiency and intensify the growth potential of the private sector.

The deregulation of the Nigerian economy became imminent with the collapse of the oil boom in the 1980s resulting into structural problems. One of the major misnormal in the Nigerian economy is the deficit budgeting and the fixture adjustment of the budgets on international oil prices which are indeed always unstable and volatile. This is in variance from what is obtained in other oil producing countries. There has been no fiscal rule de-linking Nigeria's budgeting from oil price so that it can have a stable expenditure pattern.

In essence, it could be said that the deregulation of the Nigerian economy has been precipated by the declining productivity of the economy arising from:

- Poor state of social infrastructure such as water electricity, communication, transport which have bearing on the production of installed capacity.
- Unprecedented importation of and preference for foreign goods and services due to non self-sufficiency in and quality of locally produced goods and their accompanying costs of production and prices
- Low income generation capacity of the productive sector in the face of declining
- Production capacity, generation of capital for investment and to service debts
- Imbalance of trade due to massive importation of goods and services in the face of continued devaluation of the naira and inverse relationships between imports and exports.

The deregulation of the Nigerian economy could be said to have started with the introduction of the Structural Adjustment Programme (SAP) in July, 1986. The broad objective of SAP was to correct the structural unbalances in the economy so as to alter and restructure the consumption and production patterns of the economy effectively, using market-oriented instruments, to eliminate price distortions, diversify the productive base of the economy to reduce its dependence on oil revenue and launch the economy on the path of more sustainable growth and development.

Some of the strategies and policies adopted to achieve the objectives of SAP was the economic reform agenda introduced through:

- introduction of tight fiscal and monetary policies to reduce inflationary pressures;

- establishment of a realistic exchange rate policy and liberalization of trade and payments system to ensure a more efficient allocation of the scarce foreign exchange resources among competing demands;
- introduction of market-determined pricing policies and reduction of complexities in administrative controls through dismantling of commodity prices, trade transaction and exchange controls;
- introduction of foreign debt conversion programme
- introduction of civil service reforms and rationalization of public expenditure;
- rationalization of customs tariffs and excise duty regimes.

One of the major steps taken to implement the SAP programme was the establishment of Technical Committee on Privatization and Commercialization (TCPC) and now Bureau of Public Enterprises (BPE) to commercialize and privatize state/public enterprises. Other measures taken include the rescheduling of external debt, promotion of non-oil exports, and introduction of rural development programmes such as "Better Life for Rural Women, Directorate of Food, Road and Rural Infrastructure (DAFRRI), National Directorate of Employment (NDE), et.

Between 1986 and 1989, the positive result of SAP is being felt in the society as inflation had dropped into single digits and exchange rate became almost steady. Pat (2000) described the period as the golden years of leadership in Nigeria. Unfortunately however, the positive impact of the SAP on the economy and on the Nigerians did not last long due to delibilitive malpractices which eventually brought it to its knees around 1991. For instance, budget implementation was not seen by the government as policy implementation guide.

Surviving Deregulated Economy:

Survival in a deregulated economy can be conceived from the perspectives of the strategies and efforts adopted by both the government and the governed to enhance the capacity and proficiency of the economy to bring about sustainable growth and development of the country and indeed of the citizenry into greater heights in socio-economic, political and cultural prosperity. There is no doubt in the fact that Nigerians want and need:

- a chance to live in peace, harmony and prosperity;
- a chance to have hope for their children living and yet unborn;
- their children to be educated and be in good healthy and in environmental friendly condition
- non-gender biased circumstances;
- an opportunity to develop themselves to become more useful to themselves and their societies in particular and the nation at large;
- not be beggars and charity seekers at home and abroad
- not be in perpetual poverty; living from hand-to-mouth;
- not live in perpetual hunger and disease and in any form of socio-economic, political and cultural disability such as lack of access to clean potable water, good sanitation, high rate of maternal mortality, dictatorship, etc

For survival strategies and efforts to be relevant in the scheme of things in a deregulated economy, they should be conceived within the frame work of international and national interests and endeavors aimed at promoting and supporting peace and harmony, as well as socio economic, political and cultural growth and development devoid of any form of disability to be relevant in the scheme of individual and collective contributions to the realization of the much needed progress and advancement of the individuals and the nation into greater heights.

International Strategies:

One of the survival strategies in deregulated economy can be viewed from integrated approaches at international and national levels to make the world a worth living place/environment.

At the global, there is the Millennium Goal which sets to promote sustained growth and development for the good of mankind globally. Essentially, it seeks for collaborative efforts among the nations to make the world a progressive place to live in peace, harmony and prosperity without any course to regret living a live.

Within the framework of the Millennium Goal, the New Partnership for Africa's development (NEPAD) emerged as a vision, philosophy, a movement, and an evolving process with the basic objective of eradicating poverty and place Africa on the path of sustainable economic growth and development. The UN resolution (57/17) backs the NEPAD and the establishment of its national offices in the African states. Tony (2005) remarked that 'we cannot confront the endemic perpetual crisis of African poverty on any basis other than a partnership between African government and those of the developed world. The old donor/recipient relationship is patronizing and unworkable."

In order to deepen and accelerate the pace of regional integration in the face of enormity of the challenges of globalization, the ECOWAS leadership adopted the fast-track initiative in 1999/2000. therefore, the World Bank adopted in 2001 a Regional Integrated Assistance Strategy (RIAS) for West Africa to facilitate a more organized and increased support to the deepening of regional integration in West Africa within the framework of a Regional Poverty Reduction Strategy Paper (RPRSP). The RPRSP is aimed at providing the basis for a comprehensive review of the regional dimension of poverty and mapping out a collective strategy for getting rid of it as a complement and supplement to the likely short falls that could arise from national efforts at fighting poverty and encouraging economic growth performance.

Consequent upon the decision to fast-tract regional integration process and need for the coordination, monitoring and implementation of NEPAD agenda and programmes in West Africa, the synergy between NEPAD and ECOWAS Programmes (ECOWAS/NEPAD) was established in 2003 to enable the regions embark on effective implementation of NEPAD programmes and projects, especially in the areas of energy, road transport, telecommunications, monetary and fiscal policies, agriculture and food security, intra-regional trade development and external market access, strengthening good governance, democracy and regional peace and security (Ibn Chambers:2005). Thus, in order to provide support to the platform for regional integration, fight poverty and facilitate socio-economic growth performance and development in West Africa, ECOWAS/NEPA short term action focused on trade issues, infrastructural development, regional peace and security, and institutional capacity building was adopted in March 2004 in Accra.

The extent of the impact of NEPAD on the lives and livelihoods of the African citizenry and particularly Nigerians is a function of the extent to which all stakeholders, including the private and public sectors and the civil society are mobilized to actively participate in its process, agenda and programmes.

National Strategies:

The extent of successful survival in a deregulated by all and sundry in any given country is a function of the to which the country is willing and able to introduce some economic policies and reforms which will mobilize the private and public sectors of the economy as well as the civil society to collaborate in the pooling, harmonization and effective and efficient utilization of all factors of production; and in the implementation, monitoring and evaluation of such economic policies, reforms, agenda and programmes that will enhance the rapid growth and development of the economy to greater heights for the overall interests and benefits of the government and the governed/citizenry.

To a large extent, the Nigerian economy can be said to be deregulated when the privatization and commercialization activities of the BPE are put in focus. A number of public/government enterprises in such areas as communication, transportation, health, education, finance, etc have been either partly or fully commercialized or privatized to enhance rapid socio-economic performance growth and development in the country. Thus, considering the objectives and programmes of NEPAD, which are essentially aimed at empowering the economics of the African countries to cope with the challenges of globalization, and eradication of poverty, hunger and diseases, it could be said that the BPE, if properly and judiciously managed and monitored, is in a way aimed at propelling and facilitating the performance of the Nigerian economy to cope with the exigencies of the time and moment in the 21st century.

The survival strategy in a deregulated economy such as Nigeria can be viewed from the perspectives of the socio-economic and political reforms, agenda and programmes the government has put in place; and what and how the private and public sectors as well as the civil society are engaged in, to fully participate in the realization of the goals and objectives/aspirations of such socio economic and political reforms, agenda and programmes necessary to effectively and efficiently fight for the reduction or elimination of poverty, hunger, disease, ignorance; ensure peace and security; and facilitate rapid growth and advancement of the country and the citizenry irrespective of their socio-economic strata and political linage. Some of the strategic socio-economic and political reforms, agenda, and programmes put in place to survive deregulated or seemingly deregulated Nigeria economy and also cope with the challenges of the 21st century including that of globalization include:

- The establishment of NEPAD Nigeria implement the ideals of ECOWAS/NEPAD, the NEPAD and the Millennium Goals.
- The establishment of National Economic Employment and Development Strategies (NEEDS), as domesticated PRSP, with a medium-term strategy (2003-07) to achieve the country's long-term goals of poverty reduction and eventual eradication; wealth creation; employment generation; and value-reorientation
- The conception of NEEDS as a national coordinated framework of action in close collaboration with the state governments; with their state Economic Empowerment and Development Strategies (SEEDS), and other stakeholders to consolidate on the socio-economic and political gains (dividend of democracy) of between 1999-2003) so as to build and sustain a solid foundation for the attainment of Nigeria's long-term vision of becoming largest, and strongest Africa economy and a key player in the world economy devoid of any forum of socio-economic, political and cultural decay, degeneration and disintegration. Its

estimated that a coordinated NEEDS and SEEDS programmes will generate about 7 million new jobs, reduce poverty, lay sustainable development foundation, and provide responsive and efficient instruments for services delivery to the people.

- Introduction of new fiscal reform or management style based on discipline, transparency and high performance standards anchored on the ideals of NEEDS. The Federal Ministry of Finance (FMF) publishes monthly details of funds allocated to the different tiers of government, to facilitate monitoring of government expenditure. It decentralized payment of contractor arrears to the various debtor ministries for full responsibility of ascertaining the veracity of claims and assurance of accountability.
- The introduction of new pension scheme as against the old 'Pay As You Go' (PAYG) system whereby the FMF opted for 'Contributory Pension Scheme (CPS) where the government and the workers share the burden of providing for workers in their old age
- The introduction of monetization policy for the civil service whereby all benefits accruable to the public servants such as housing, transportation, etc are converted to cash to reduce the huge drain of government resources and the inherent loopholes venal officials exploit in the old system. Its expected that the implementation of the monetization policy based on paying pre-determined sum directly to the respective workers will promote transparency, control and workers empowerment to plan for suitable lifestyle and allocation of their resources according to their prioritized areas of interests and needs.

- The introduction of Due Process Certification whereby high caliber committee (Cash Management Committee CMC) meet bi-monthly to approve the release of funds allocations from the capital budget to spending agencies after appraising and ascertaining that projects earmarked have actually been executed and are awarded Due Process Certificate. Its expected that the CMC's functions which include quarterly monitoring of budget implementation will ensure that government funds are released with the most stringent accountability parameters such as matching expenditure with expected revenues; permission of only projects with cash backing; non-dependence on Central Bank Ways and Means Account which often leads government to unplanned debt and rise in interest rates.
- The establishment of Debt Management Office (DMO) to among others:

  ensure effective and efficient debt management of the nation's accumulated debt stock often characterized by systematic and structural deficiencies resulting in diffusion of responsibilities across numerous agencies, inadequate debt data recording system, poor information flow across agencies, inaccurate and incomplete loan records, complicated and inefficient debt service/payment arrangements and lack of well-defined debt strategy. It is with interest and joy that Nigeria's external debt of US $30 billion has been substantially reduced by the country's creditors (Paris Club) by 60%. This translates into a reduction of US $18 billion of the US $ 30 billion debt burden (Semenitari:2005).

- The establishment of Nigeria Deposit Insurance Corporation (NDIC) through Decree 22 of 1988 now Cap 301 Law as an explicit deposit insurance scheme and a risk minimizer by design, with the powers and responsibilities to insure deposits, monitor the health of insured institutions and provide orderly resolution mechanism for failing and failed insured institutions. Essentially, the NDIC is to protect depositors through effective supervision of insured institutions; prompt payment of guaranteed sums; provisions of technical/financial assistance to eligible insured institutions, and orderly resolution of failing and failed insured institutions.
- The establishment of Abuja Securities and Commodity Exchange PLC (ASCE) (formerly Abuja Stock Exchange Plc) on June 17, 1998 as an electronic, multi-purpose exchange to among others:
    (a) help improve non-oil earnings of the Nigerian economy
    (b) serve as platform for trading in commodity contracts in order to manage the effects of price fluctuation on the earnings of primary producers such as farmers;
    (c) redress a lacuna that emerged in the trading of various commodities, such as cocoa, cotton, groundnut, palm produce, etc, following the abolition of commodity boards in Nigeria; and engender competition in securities trading in Nigeria.
- The establishment of the Independent Corrupt Practices (and Other Related Offence) Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) to curb corruption and corruptive tendencies and

practices, and other forms of financial crimes such as the 419, oil bunkering, stolen money and assets stocked in foreign banks, etc endemic in Nigeria. They are aimed at enthroning accountability and transparency in both the public and private sectors of the economy; boost the image of the country at the international scene and ensure confidence among trading partners at home and abroad.

- The introduction of Fiscal responsibility Bill to ensure rapid growth of the Nigerian economy, promote transparency in the planning and implementation of budgets, with the view to challenge all tiers of government to conform to certain prudential norms; and set targets and benchmarks of performance in every budget. It sets to correct the previous mistakes where budgets and budget adjustments are based on international oil prices are prone to fluidity and instability. Essentially the Fiscal Responsibility Bill aims at getting the general public involved in the formulation of medium term economic plans, annual budgets and appropriation acts; instill good fiscal behaviour in the conduct of government business; combines moral suasion with sanctions; overtakes immunity granted some public office holders; and regulate the procurement of goods, works and services in the public sector to enhance economy and efficiency in the utilization of public funds.
- the establishment of National Insurance Commission (NIC) under the National Insurance Commission Act of 1997 with an autonomous status and powers to among others:

a) regulate, supervise, control and administer the insurance industry in Nigeria;

b) establish standards for the conduct of insurance business in Nigeria.

c) approve rates of premiums as well as the commission to be paid in respect of all classes of insurance business;

d) the establishment of Nigerian Export-Import Bank (NEXIM) by Act 38 of 1991 to replace the defunct Nigerian Export Credit Guarantee and Insurance Corporation. It is to among other functions:

   a) provide financial and risk bearing services

   b) provide credit in local currency to support Nigeria exports;

   c) pro vide export credit guarantee and export credit insurance

   d) provide domestic credit insurance where such a facility will help export

   e) maintain a foreign exchange revolving fund for lending to exporters who need to import foreign inputs, raw materials and packaging materials

- the establishment of Nigerian Export Promotion Council (NEPC) in 1976 as a Federal Government agency for the:

   a) promotion of and development of non-oil exports

   b) promotion of Nigeria's non-oil exports through product development, market sourcing and dissemination of trade information to end users;

   c) introduction and administration of non-oil export incentives; and

d) registration, training and development of Nigerian exporters through export awareness programmes and exposure at international trade for a

- provision of enabling environment for facilitating trade and security in the African sub-regions of West and central Africa through a regional Meeting of Heads/Directors-General of customs in the region to:
  a) wage war against dumping of goods from developed parts of the world
  b) the use of modern technologies in customs operations to cope with the global economic trend which seeks to eliminate many impediments to trade
  c) strive to eliminate smuggling and ensure faithful implementation of fiscal and trade policies
- the introduction of banking sector reforms in July 2004 to among others:
  a) provide a stable framework for the economic development of Nigeria through the effective, efficient and transparent implementation of monetary and exchange rate policy and management of the financial sector
  b) create a sound banking system that depositors can trust and banks that investors can rely upon
  c) enhance transparency, professionalism, accountability and good cooperate governance etc (Soludo:2005).
- other socio-economic and political systems, structures and institutions put in place to survive in the seemingly deregulated Nigerian economy include:
  a) National Poverty Eradication Programme (NAPEP)
  b) Urban Development Bank of Nigeria Plc

c) National Directorate of Employment (NDE)

d) Stabilization of democracy through maintaining multi-party system to ensure popularity and freedom of choice

e) Infrastructure development, especially in the communication sector to support socio-economic re-engineering

f) Placement of 100% tariff on food items that can be produced locally to boost agricultural sector, etc.

Concluding Remarks:

There is no doubt in the fact that the deregulation of any economy points to the fact that it is derailing, degenerating, collapsing and about hitting the rock to the detriment of the government and the governed to cope with the exigencies of the moment at home and abroad. Consequently therefore, the implementation of any deregulatory policy presupposes that it can no longer be business as usual if the resolve is to get out of the socio-economic and political mess that bring the country and its citizenry down to their knees due to massive poverty, ignorance, disease, hunger, corruption, bad governance; political instability, poor and dilapidated infrastructure, etc. Thus, the main focus of any deregulatory policy and strategies to survive it should aim at providing the enabling environment to facilitate socio-economic and political re-engineering and reforms that will bring about positive changes in the well-being of the citizenry, build confidence in the economy, ensure rapid growth and sustainable development of the country in all sectors of the economy, and be able to participate and compete favourably with other nations in global economy, politics, culture and sociology. Thus, the extent to which all and sundry successfully survive in deregulated economy is a function of the extent to which the deregulation policies, plans, and programmes are implemented, managed and monitored to the advantage of all the stakeholders irrespective of their socio-economic strata, political leanage, and cultural background, in one hand, and the extent to which the stakeholders are empowered socio-economically and political and are capable, willing and able to effectively and efficiently partake in the implementation of the execution of the deregulatory plans, programmes and projects especially through the provision of the right enabling environment on the other.

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