

African Histories and Modernities

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Adeoye O. Akinola

Globalization,
Democracy and Oil
Sector Reform in
Nigeria

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This book is dedicated to the hundreds of millions of the Nigerian masses who bear the brunt of the mismanagement of the oil resource

PREFACE

The failure of the Nigerian state to convert its resource wealth to national greatness and the contradictions of liberalization, as reflected in the systematic impoverishment of the citizenry, has challenged the theoretical acceptance of globalization as the end of human development. Indeed, capitalism seems to have triumphed over all other forms of economic systems; but the hitherto celebrated ‘logic of the markets’ and ‘invincible hand’—due respect to Adams Smith—has been debunked by the ‘visible hand’ of local and international capitals, which have manipulated and exploited the Nigerian downstream oil industry. The weakness of the state to ‘liberate’ the downstream oil sector from rot and inefficiencies explain the recurrent crises recorded in the sensitive sector of the Nigerian economy. Although, studies on the Nigerian oil sector are available, but this book offers a more succinct and robust understanding of the complexities of the pseudo-deregulation of the oil sector, and unveils the impact of globalization and pressures of democratization on the oil sector reform agenda of the Nigerian state.

The book has been inspired by the urgency to fix the Nigerian oil industry and instigate effective governance under the control of the local population, at this crucial epoch in history when globalization and its discontent have become more apparent. One of the core tenets of globalization—democratization and economic liberalization—are faced with diverse crises. Across the world, there are incidences of mass resistance against the implementation of subsidy reform in the oil sector. From Yemen, to Indonesia, cases of dissent abound. I am of the belief that the

Nigerian state still has the opportunity, with its enormous natural resources and human capacity, to reposition the country for greatness. Incidentally, the future of Nigeria seems to rest on the effective management of the resource sector, especially that of oil. It is instructive for the Nigerian socio-political and economic elites to rise up to the responsibility of engaging in policy transformation in all spheres of the polity.

Since 2009, successive Nigerian governments have shown their commitments towards the deregulation of the downstream oil industry, but the implementation of the policy has left much to be desired. Although the book is skeptical about the appropriateness of the deregulation project; however, based on the character of the Nigerian state and the acceptance of deregulation as the only policy-choice by the political elites, the book will provide a robust practical policy framework for the successful deregulation of the oil sector. It will serve as a resource tool for policy makers and stakeholders in the Nigerian downstream oil industry, while students and researchers interested in development, globalization and policy studies will find the book very useful. The findings will provide empirical and theoretical frameworks for African states as well as other developing countries on the brink of embarking on economic or institutional reforms, especially in the natural resources sectors. The book, broadly captures both humanities, arts and management sciences; thus, students and practitioners in the fields of political studies, political economy, international affairs, international political economy, public policy and administration, governance, resource and development studies will find the book very useful.

One of the uniqueness of the book is its adoption of interpretive and qualitative methodology founded on face-to-face, unstructured interviews conducted in Ibadan, Lagos and Abuja between 2013 and 2016. The target population, purposively selected based on their expertise and active participation in the democratization and reform schemes, comprised policy makers, political class, members of the National Assembly, media practitioners, masses, officials of civil society organizations, officials of oil multinational corporations (both local and foreign), University lecturers, officials of major institutions or agencies in the oil sector, major labour unions in Nigeria and those of the oil sector, as well as respondents drawn from both supporters and antagonists of the liberalization agenda of the Nigerian government.

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Richards Bay
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Adeoye O. Akinola

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