
Next Generation Nigeria: What is restructuring and does Nigeria need it?

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21 September 2017

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Introduction

The following is a summary of a meeting held at Chatham House on 21 September 2017 on the subject of restructuring and federalism in Nigeria. The speaker was HE Mallam Nasir Ahmad el-Rufai and the meeting was chaired by Jerome Okolo.

Economic stress and political uncertainty in Nigeria, together with multiple localised violent conflicts and the rise of divisive rhetoric, have reignited debate in the country on how power and resources are shared and managed across the federation of 36 states and the Federal Capital Territory of Abuja. Regardless of ethnicity, religion or socioeconomic status, some citizens are calling for a comprehensive rethink of Nigeria's governance architecture, and are demanding that a process of 'restructuring' takes place. Others argue that improving the current model is crucial before pursuing anything new. It remains unclear exactly what restructuring would involve, what the consequences could be, and how it could be properly and peacefully implemented. Fractious politics and competing interests risk muddying the waters of the current debate.

In the first of a series of meetings at Chatham House which will be livestreamed, HE Mallam Nasir Ahmad el-Rufai, Governor of Kaduna State and chairperson of the All Progressives Congress's committee on restructuring, explained what restructuring means, discussed key points in the restructuring debate, as well as the implications and hurdles of achieving 'true federalism' in Nigeria.

The meeting was held on the record. The following transcript is intended to serve as an aide-mémoire for those who took part, and to provide a general summary of discussions for those who did not.

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HE Mallam Nasir Ahmad el-Rufai

When I concluded plans to visit London this week, it was for the purpose of making a presentation on primary health care at Chatham House. But about a week ago, I received a request to also speak here about the restructuring debate in Nigeria. I accepted with reservations, because I chair the APC's Committee on True Federalism.

While I appreciate that the invitation to speak on the matter reflects the international attention the Nigerian debate on restructuring is attracting, I am keenly aware that whatever I say here is liable to be misunderstood or misinterpreted by interested parties back home as the position of the committee. So, a useful caveat early on.

I will try to scope the debate around restructuring, place it in the context of the history of Nigeria, highlight what the key issues appear to be and conclude with how the All Progressives Congress Committee on True Federalism is proceeding with its assignment. Where I consider that outlining my personal views could contribute to the discourse, I will not hesitate to do so, and make clear that such opinions are mine alone.

Over five years ago in April 2012, I wrote a widely published article titled “*A Federation without Federalism*”. The article reflected the broad consensus amongst Nigerians, then and now, that our federation has been dysfunctional, more unitary than federal, and not delivering public goods to the generality of our people.

Despite possessing significant natural resource endowments, being Africa’s leading economy and most populous nation, Nigerians are neither happy nor content with the current political structure, the 1999 Constitution, and virtually all the institutions of governance at the federal, state and local levels. While this may be largely attributable to our political culture and weird leadership selection process rather than institutions and the constitution, many see the latter as the cause and effect of our national discontent.

This state of national dissatisfaction for a variety of reasons and motives has led to strident calls from virtually all segments of Nigerian society for political, constitutional and fiscal reform using various words and phrases - restructuring, true federalism, devolution, resource control, regionalism, self-determination and so on. How do we separate the signal from the noise?

How much of the debate is propelled by a desire for national progress and how much is mere politics, opportunism and search for sectional entitlement? Is the debate mostly driven by our fractious politics and competing interests, or are there real grievances whose resolution will create a critical juncture and opportunity for national rebirth. I will attempt to explore these questions and end with some thoughts on how the APC Committee I am privileged to be chairing is hoping to address them.

Everyone knows that Nigeria was founded by British fiat in 1914, bringing together the diverse peoples and cultures of a vast land under one polity. As the winds of change unleashed by the outcome of the Second World War and the independence of India spurred agitations for self-government, Nigerians debated, under British tutelage, the political structure of a future, free Nigeria. Those who wanted federalism won the argument, at the cost of being derided as “Pakistanists”¹ by a vocal minority that wanted a unitary Nigeria.

The 1950s saw the emergence of three regions, Northern, Eastern and Western, with elected Nigerian leaders with limited powers of self-rule. In the pre-independence debates, the leaders of the Western and Northern regions were especially insistent on a loose federation with strong regions. This ultimately prevailed at independence in 1960, and was reaffirmed by the republican Constitution of 1963. Historical records indicate that the peoples of the smaller ethnic groups in the North, West and East, largely accepted and supported the federalist consensus, and they expected its logic to extend to the creation of new regions for them, or special arrangements to accommodate their interests.

A deal between the parties controlling the Northern and Eastern Regions produced the governing coalition at independence in 1960. In 1963, the Mid-West was carved out of the Western region as the fourth region. Each of these regions had a written constitution, emblem and an official representation in London. They had significant powers, and were authorised to raise the revenues needed to fund themselves and contribute to the central government.

The political giants that led the old regions competed to do their best for their respective peoples: the Western Region launched the first public television service in Africa, a few years after adopting a free education policy that consolidated its head start in western education by extending universal access to the masses. Each of the three original regions founded its own university, built industrial estates, and

¹ The firebrands of the Zikist Movement, for instance, believed that a unitary structure was best for uniting a diverse country like emergent Nigeria, and they regarded the federalists as seeking division.

developed hospitality businesses; and they tried to build the physical infrastructure needed for a modern economy. Some of the most enduring institutions in Nigeria were built by these regional governments, hence the understandable nostalgia in some quarters for the currently-dysfunctional federal structure of Nigeria to revert to the regions of old.

However, after the “Five Majors” struck in 1966, and assassinated virtually all the elected political leaders of the Northern and Western Regions, a unitarist tendency gained influence in General Aguiyi Ironsi’s government, and a unification decree was enacted in May 1966, unifying the public service across the country, to much opposition, especially from the Northern Region. Although a counter-coup in July 1966 sounded the death knell for the unification decree, the remnants of unitarism remained, enabled without doubt by the centralised structure of the military which inexorably further distorted our post-independence federalism. The counter-coup was followed by widespread violence in the North, the creation of 12 states out of the four defunct regions, threats of secession and a civil war.

To raise the resources for prosecuting the civil war which started in 1967, the taxation powers of the former regions were changed in favour of the federal government, further strengthening the centre at the expense of the twelve states. The military sat tight for 13 years in their first coming. They ensured that the Federal Republic of Nigeria, headed by a Supreme Commander, and ruled by the Federal Military Government, became a strangely named, mainly unitary state.

The four years of civilian democratic rule between 1979 and 1983 saw some resurgence and reassertion of the federal spirit. Lagos State, for instance, established a state university, a radio station and a television service. Alhaji Lateef Jakande, the governor, even signed contracts to build a metro system in Lagos even though railways are, until today, on the Exclusive Legislative List in our Constitution, making it a purely federal function.

The second coming of the military lasted until 1999. In those sixteen years, the unitarist takeover was completed. A new generation of citizens grew up knowing only the command-and-control system of the soldiers. A psychological distortion made political deformation even worse. More powers had been concentrated at the centre, the federal bureaucracy had ballooned and there were now many states (from 12 to 36) whose evident limitations proved insufficient to discourage the demand for yet more states. As states multiplied and became smaller and less fiscally-independent, a powerful centre, manifested in a Federal Government that assumed ever more powers and responsibilities, took the biggest chunk of national revenues (now about 53 per cent) but did very little well. This is a brief summary of our national journey to dysfunction.

Our national psyche has since then been focused on the distribution of easy oil rents from the central government to the states. Thus, after 57 years of independence, it is not unusual to see official government forms that ask for state of origin, ethnicity and religion, rather than state of residence, and what taxes one paid last year. These unitarist and distributive impulses did not accelerate the evolution of national unity and productive endeavour. Rather it created a rentier economic structure and preserved the colonial stratagem of divide and rule using ethnic, religious and geographic identities.

By the late military era, coinciding with the democratic wave unleashed by the end of the Cold War, political groups and civic organisations, mainly in the south, were agitating for a sovereign national conference to negotiate the terms on which the constituent parts of Nigeria would stay together. The military ruler of the time, President Ibrahim Babangida resisted the call, but his successor, General Abacha, convened a national conference that neither restored federalism nor produced real democracy until he died in 1998.

Democratic rule was restored in May 1999, following the election of former General Olusegun Obasanjo as president. In 1976, General Obasanjo became the second military officer hailing from the south to become Head of State. In 1999, he became the first from the south to take office as an executive president. The calls for a sovereign national conference became slightly muted in the period leading to the 2003 elections, but came alive again in 2005, as Obasanjo's tenure was coming to an end.

There have been two national conferences in the Fourth Republic, convened by sitting presidents, but both were trailed by suspicions that they were arranged to advance some kind of personal or sectional political agenda. The conferences instituted by Presidents Obasanjo (2005) and Goodluck Jonathan (2014) did not lead to the restoration of federalism or advance democratic consolidation.

As observed earlier, in recent months, there has been a resurgence of the clamour for restructuring. Some of the advocates have not bothered to define what restructuring means to them: is it devolution of powers, resource-control, regionalism, or even self-determination, or all of these? Restructuring is the new buzz word, and some of its advocates demonize anyone not using the same registers as them, while many a politician espies in it opportunities for media attention, renewed relevance or career-enhancement. Perhaps I have only described the variety of motivations that tend to surround great questions.

I have previously expressed my personal view, regretting the opportunism of certain leaders who espouse restructuring now for purposes of political and media attention, noting that they did nothing to advance such goals when they were in power. And I pointed out that the Federal Government needs to devolve more powers to the states, and the states to the local governments. On live national television, I asserted that this is already happening under the APC national government by convention and pragmatic devolution, without any legislation, national conference or constitutional amendment.

For instance, my colleagues and I in the Kaduna State Executive Council requested that the Federal Government should re-designate two major roads in Kaduna, our state capital, as state roads. The Federal Executive Council granted our wishes, restoring the two roads to our control and saving us the inconvenience of seeking permission from a federal bureaucrat before we can install street lights on a major road in our state capital. I also cited the fact that the Federal Government no longer just issues mining titles in Abuja; rather it now works with state governments that control the titles to land, unlike in our recent non-collaborative past. In Kaduna State, we are trying to devolve control of forests, management of fire services and other 'state-level' functions to our 23 local governments, in addition to many others.

As I argued at a recent event, I do not believe that a single, centralised police force can deliver on the necessity to visibly project state power and enforce the law in this vast country of ours with nearly 200 million people. Neither is the exclusive control of over-crowded prisons and an unmanageable number of federal trunk roads and railways. Amidst these renewed demands for restructuring, our national parliament - the Senate and House of Representatives - had voted against key restructuring provisions in the proposed constitutional amendment bills. The APC has a majority in both chambers of the National Assembly, and the public expected the party to provide leadership on the issue of true federalism, which is one of our manifesto commitments.

In response to these developments and due to the need to clearly articulate our roadmap for political and constitutional reform, the APC set up a Committee on True Federalism to help to give structure to the debate, remove the bile and bitterness colouring the matter and transform the discourse into a nation-building event. Our party is particularly keen to hear the voices of young people that account for over 80

percent of our population, not just the eloquent assertions of the old politicians like me who are above the age of 50.

The APC Committee on True Federalism, which I chair, has the following Terms of Reference:

1. To examine the Party constitution, manifesto and other publications to ascertain the true intent and definition of the national structure promised by the Party during the Presidential campaign;
2. To review all various ideas being promoted in the current public debate on national restructuring;
3. To take a studied look at the report of the various national conferences and in particular that of 2014, its recommendations to identify areas of concurrence with the Party's promise in (1) above;
4. To liaise with APC caucus in the National Assembly to deliberate and recommend a legislative strategy for addressing the demand for political restructuring and how to use the report of National Conference in the best interest of the country;
5. Arising from (1-4) above, to propose appropriate mechanism for implementing the Party position within the confines of current constitutional arrangement without prejudice to the continued unity and shared prosperity of the nation.
6. To make any other recommendations which, in the opinion of the committee, advance the unity, national integration and collective wellbeing of the country.

The Committee began by focusing its preliminary research and preparatory work in the following four broad areas:

- Balance in the federation - Devolution of powers to sub-nationals;
- Review of revenue allocation formula;
- Citizenship matters including federal character, and
- Review of key recommendations of the 2005 and 2014 national conferences.

The general opinion is that the Federal Government needs to shed weight, and return powers and resources to the states where most government functions can be more efficiently undertaken. For the states to take on these powers, they need to access a greater share of the nation's resources. And we need to sort out the notion of citizenship so that every Nigerian can enjoy the protection of the Constitution wherever they choose to reside. In many communities, people still use the notion of 'indigene-ship' to consign compatriots to a position of 'settler' and, by implication, perpetual exclusion from enjoying the full political, social and economic opportunities guaranteed by the Constitution to every citizen.

After a careful review of history, literature and reports on the four broad areas identified above, the APC Committee on True Federalism has reduced the subject matter into the following twelve contentious issues that have consistently featured in virtually all previous debates on the issues around restructuring by whatever name or phrase:

1. Creation or merger of states and the framework and guidelines for achieving that;
2. Derivation principle, bordering on what percentage of federal collectible revenues from mining should be given back to the sub-nationals from which the commodities are extracted;
3. Devolution of powers: what items on the exclusive legislative list should be transferred to the recurrent list, especially state and community police, prisons, etc.;
4. Federating Units: Should Nigeria be based on regions or zones or retain the 36-state structure?
5. Fiscal federalism and revenue allocation;
6. Form of government - (parliamentary or presidential?);
7. Independent candidacy;

8. Land tenure system;
9. Local government autonomy;
10. Power sharing and rotation of political offices;
11. Resource control; and
12. Type of legislature – part-time or full-time, unicameral or bicameral?

We have since published calls for memoranda, created various social media platforms to tap into the opinions of the younger generation, and commenced public hearings in 12 locations across Nigeria. The final public hearing will take place in the nation's capital Abuja, targeting National Assembly members and the general public living within the federal capital territory.

The Secretary of our Committee, Senator Bunmi Adetunmbi articulated our position very clearly recently:

“The APC recognizes that the work of nation-building is an ongoing process in which every stakeholder has a role to play, by making his own contribution. In this case, the APC as a national political party is an institution and a stakeholder that has a role to play in making its own contribution. This exercise is our own way of making that contribution.

The APC leadership felt that it is not necessary to think alone among ourselves, but to also ask members of the public what they think. That is why everything this Committee is doing is not about its own opinion, but harvesting the opinion of the ordinary people in order to form an opinion. After all, no political party exists just by itself, but by the mandate of people.

In this regard, we have put up an announcement calling on members of the public to submit memoranda and meet us at designated venues of the public hearings without any discrimination. So, it is an open invitation to all Nigerians to attend and make their views and voices to count.”

With this multi-pronged approach, we are confident we will feel the pulse of ordinary Nigerians and submit a credible report that will guide the leaders of our party, and governments. With this open-minded approach to the question of restructuring, I have no doubt that we will credibly fulfil our terms of reference.

As I have argued since 2012, there is no doubt that the Nigerian federation is unbalanced and in dire need of structural rebalancing. This I think we all agree as Nigerians, but the devil is in the details. While some advocates of wholesale abandonment of the existing political structure are probably unrealistic in their expectations, I believe most Nigerians appreciate and cherish our unity in diversity but seek the enthronement of a fairer, meritocratic system that puts social justice above everything else. It is not very hard to achieve this.

Under the current constitutional order, such a system can be achieved peacefully either (i) gradually as shown by the Buhari administration's devolution of responsibilities and increasing involvement of sub-nationals in national economic policymaking or (ii) more rapidly through constitutional and legislative actions of the National and State Assemblies well before the 2019 general elections. Both options are already being pursued albeit in a haphazard manner, hence the need for our Committee.

Our expectation as a governing party (and government in office) is that the voice of Nigerians – particularly young people – ought to set the agenda for what is desirable in creating a country where there are equal opportunities for all, and where peace and justice reign. The insistent din of the vocal political minority should not drown the new voices of the majority, many of whom are young and apolitical.

Our Committee hopes our approach will enable our party to attain the goal of getting to the very heart and soul of the restructuring debate through the lens of the ordinary Nigerian. There is an opportunity for Nigerians to advance, discuss and refine ideas for adjusting the Exclusive List, Minerals and Mining Rights, the local government system, choice of National VAT versus Sub-National Sales Taxes, Population Census and re-Demarcation of Federal and State Constituencies based on the 2006 Census – all matters that are long overdue for deep reflection and reform.

This nation-building exercise could also encourage consensus for introducing State Constitutions, State Police, Appeal and Supreme Courts, creation or merger of states, reviewed tax powers, and reinforcing state government control over land by vesting mineral rights in the states, subject to federal royalties, export duties and taxes.

We intend to submit our Committee's report to the Party by the end of October 2017 by God's Grace.

I thank you for the opportunity. Thanks for listening and God Bless.