

State and Economy in Nigeria: Roles and Responsibilities of Political Economist

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Abstract

This paper examines the complex nexus between the state and economy in nations, with Nigeria standing as an illustrative reference point. It sheds light on the critical roles and responsibilities being played by political economists in interdisciplinary examination and analysis of the dynamics in the relationship between state actions and economic outcomes. It underscores the practical and theoretical role played and challenges encountered by political economists in the evolution and implementation of economic policies. The paper also examines the discourse on the theoretical underpinnings, history and significance of political economy, tracing the evolution of the field from classical to modern perspectives and highlighting the immense contributions made by political economists, including Adam Smith, Karl Marx and John Maynard Keynes. The paper conducted a comprehensive review of extant literature and empirical analyses as sources of data and information. It found that political economists play a profound role in shaping the contours of state micro and macro-economic policies and that state actions reverberate throughout the economic landscape determining the success or failure of economic decisions and policies aimed at economic growth, poverty reduction and equitable distribution of resources. The paper concludes that for a transparent and accountable governance framework, efficient resource allocation and minimizing rent-seeking attitude, political economists need to be given large latitude in discharging their practical and theoretical responsibilities in state policy conceptualization and implementation.

Keywords: state, economy, political economist, modes of production, labour, capital, Keynesianism, Marxism.

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Introduction

The state and economy constitute and form a highly complex area of study that touches on every aspect of institutional and human activities. This is because the state is the pivotal institution influencing and determining the processes of the economy and all other forms of development. However, the state and economy are intrinsically related to each other either in terms of harmony or upheavals. Hence, within the function of the state and market, for instance, the converged socio-economic and political environment, which permeates all transactions, entirely impacts society. This is because a fundamental and enigmatic issue in economics can only be unravelled in the state. Thus, the state in economics inherently possesses the potential

power and authority to address and relatively resolve the heterogeneity of interests; notwithstanding the inherent contradictions or conflicts.

In essence, the state's repulsive character and capacity have regulated and constantly intervened in the economy. These inherently develop hegemony and interconnections with capital and its sway of accumulation as well as its penetration elsewhere. Therefore, the capitalist state and the economy are separate but have invariably developed a symbiosis in their relations in all aspects and processes of production, consumption and exchange. In these circumstances and within the context of surplus value, labour and use-value of commodity, the basic elements of the economy can be gleaned from the inherent role of the state with a strong sense of the political economy. However, within the state-economy relations, the form, character and direction of the state are highly dependent on the capacity of the economy to absorb or withhold.

The political economy begins with the issues, problems and challenges of choice in society. Whereas it is confronted with the accompanying outcomes, the complexities and difficulties of political economy are largely centred on the heterogeneity of interests and the struggles to protect or rebel against those interests. The focus of activities, therefore, centres on the intricate processes of policy-making and the decision streams to adopt strategies based on emerging political forces and economic outcomes. Such issues may have, on the one hand, technical implications, and on the other hand, political impacts based on the chosen course of action. The inevitable course of action taken is always surrounded by the question of how a conflict of interests emerges and is resolved within the contours of logical economic entanglements. Given the imperative of the heterogeneity of interest resulting in conflicts, this reflects on the key roles of some underlying actors. These are, however, provoked and motivated by the availability of endowed resources emanating from the arena of the policy-making processes. This has, invariably, provoked contestations based on different influences and appropriately applies to the political economy. All these are essentially based on collective choices associated with the conflicts of distribution of costs and benefits in society.

The State and Economy: An Overview

The foundations of the state and economy have been rough with contradictions, complexities and cosmetic cream that appear, as designed, tempting but misleading. Hence, the economic performance of the state and the designed social well-being of the people are structurally located in and embedded with the combined roles and functions of the state institutions. These

are further accompanied by the preeminence and predominance of market institutions. The preemptive design, characterized by apparent and widespread belief is, therefore, to guarantee the combined system of production and economic growth in social well-being and social production. The Keynesian model of the *redistributive state* is, no doubt, hinged on the capitalist investment policies towards providing people with economic and social well-being (Elbert, 2007:13). This model was essentially designed to avoid tensions in unemployment, inflation and other socio-economic and political conflicts in the state.

The primary objectives and involvement of the capitalist state, within the specific political and economic institutions, are central to its roles and functions. These are characterized by and imbued with complete disregard for the people's interest. This centres on the state's unilateral power to ensure firm control over the means of production. This has led to the complete loss of the generality of people's interest and involvement in the state. The use of excessive power and control is, therefore, more exhibited in situations related to coercion. This is notwithstanding the so-called welfare state posture, geared towards and centred on the state's social responsibility, reflected on policies conjoined with the redistribution of resources (Gough, 1981). However, with high-level taxes that have accompanied the state policies and actions, the outcomes have grossly led to the underperformance and dismal failure of the state and economy in all ramifications.

Invariably, there is a need to strengthen synergies towards bringing about socio-economic outcomes among various economic sectors and other social infrastructure. This scenario is crucial to actualizing high performance in enhancing people's standard of living. This is predicated on the hypothetical assumptions of the goodwill of the state in the management of the economy. All these are designed or expected to bring about meaningful and structural transformation in people's living conditions. These efforts are concentrated within the conjoined endeavours to modernize the condition of people's welfare in the state. But at the expense of social protection and with the state biases in its congruent character towards facilitating profits and growth, based on market forces, these forms of state activity have continued to provide fragile political legitimacy with a series of social, economic and political crises (Rothbard, 2009).

Within the social landscape of the state, it is increasingly flawed by structural inequality and high levels of social tension; resulting in social dislocation in all fundamental human dimensions. Hence, the combined domestic and globalization factors have transformed the

dynamics of the state in social and economic settings. These have exacerbated the structural inequality that has risen steadily with slowed down social mobility and increased social tension in all aspects of societal contexts. Wage inequality, for example, is a growing phenomenon in the state; characterized by adverse policies hinged on market forces with a continuous drop in real wages and value. (Elbert, 2007:2-23). The adverse impacts of increasing globalization of the economy and internationalization of capital on trade and manufacturing have widely weakened the role of the state's capacities and responsibilities in providing social infrastructure for the well-being of the citizens (Abbass, 2019:71-88).

The symbiotic relationship between the government and the economy fantastically expresses the regulatory and repulsive character of the state. Thus, with the state and its regulatory instruments, the temptations and forces to control markets for all their efficiency and desired outcomes are set alight. However, the preeminent need for interventions in other fields, such as social sectors, environmental and healthcare frontiers, is imminent and indispensable to the state. In essence, corporate capitalism entirely depends and thrives on state support to protect and deepen its vested interest in re-germinating itself. This suggests that capitalist enterprises, in industrialized or underdeveloped societies, are completely dependent on the active support of the state. Such state support is crucial in fostering economic activities and ensuring social cohesion, harmony and political stability of the ruling/governing class for the effective exploitation of resources.

It should also be borne in mind that the relationship between the state and the market is inherently anchored to moor the state-controlled economy. Invariably, the state-controlled market is characterized by the tension of decades of early capitalism. Thus, large, medium and small business enterprises are, more or less, dependent on direct state interventions to survive and thrive. In this context, the state, more often than not, underwrites or pays off fundamental or crucial operating costs of such business enterprises through the invisible hands of exploitation and plunder of other areas. However, the active participation of different political actors in policy-making and implementation had made the practices used in the state-building strongly have direct bearings on different ideological orientations and pursuits. These are further accompanied by ideas and methods on how the symbiosis of the state and economy can be effectively managed, organized and improved.

The state's repulsive role in organizing the economy and social settings may be perceived as the need to bring about peace and harmony. This is to end continuous strife sequel to the taming

of the market forces by the state. The device employed has been used by the emerging social democracy in the 1950s and 1960s through the enthronement of contemporary democratic principles and practices. Among these practices are the *representative elections* and *popular participation* which have partially doused the ravelling clouds of tension and conflict in the state management of the economy (Miliband, 1973). Hence, Keynesianism provided the instrument for relative relief in the management of the economy that temporarily reconciled the interest of the democratic state and the market economy. This Keynesian phenomenon brought about a new era in the partnership relationship between the state and the market economy (Miliband, 1986:233-235). Even though any form of state intervention in the economy has counterproductive results, it is not therefore feasible for the state to consider retreating from measures that could be carried out by the market even if it is going to be a compromise position by the state.

Areas of state intervention in the economy are diverse or varied (Abbass, 2014:141-160, Beckman, 1987:110-126). In the first place, the state considers itself the economic investment controller. This intervention may be in the form of either investment of physical capital or investment in human capital or both. It should be emphasized that for the investment of human capital to have a designed and desirable value and use-value, a large chunk of education, especially occupational training and scientific research, is usually financed with public funds. Secondly, the state guarantees the sustainability of the social security system accompanied by the instrumentality of force. This involves a situation when income, for example, becomes adequately proportionate to expenditure, particularly in adjusting retirement age to fit as a fiddle into the circumstances of time and economic realities of the state. These are part of the safety-valve devices employed by the state to prevent its *benevolence* to burst.

A third area of state intervention is that which the state guarantees the National Health Service and realizes that privatization is not a strategic solution. Since inequality in health and pension coverage is characterized by a wave of social exclusion and less coverage for the teeming population, there is a dire need to intervene in expanding health treatment. This is in concomitance with the role of insurance coverage in the provision of overwhelming standards of access to quality healthcare. The prevailing but grossly inadequate healthcare inequality will continuously diminish state efforts imbued with corrupt practices. However, any structural feature and defect of inequality in pension coverage will also diminish the performance and relevance of the state in the economy.

There is, therefore, the paramount need for the state to control what consumers need and what they are consuming. This implies that private operators of insurance scheme systems, for example, are likely to have weak capacities in providing adequate and satisfactory assistance to their customers (Elbert, 2007:85). In addition, the healthcare system and other vital sectors should prevail in the hands of the state. Fourthly, state intervention in the economy should focus on the protection of the unemployed. The state should invariably guarantee that while such groups of people are in a state of unemployment, they should be enabled to develop their desired sustainable employability statuses and capacities.

Political Economy: A Discourse on Theory, History and Significance

Political economy studies the relations and ties that shape the essential aspects of the processes of production, distribution, exchange and consumption of material goods and services at different phases and stages of human existence. As a hybrid discipline or integrated social sciences, political economy studies the entire economic behaviour and interests of the state. This, intrinsically, deals with the gamut in the exercise of political power, authority and influence in the state. It, however, examines the complete range of competition or struggle for power among different political systems and political actors. In its socio-economic angles, political economy further deals with the allocation on distribution and exchange of scarce resources within a political system and thus analyses the social relations within or among the people in a society. Furthermore, political economy ventures to understand the past, by analyzing it objectively, reflects on the present and scientifically predicts the future based on the analysis of the past and critical understanding of the present. In other words, political economy employs the method of dialectical and historical materialism in the analysis of economic issues within the political environment towards an understanding of public policy issues pursued by the state.

As a form that gives a blend and shape to inter-disciplinary studies; political economy, composed of economics, politics, law, history, geography, sociology, anthropology, etc., seeks to explore, examine, analyze and explain the phenomena of nature and society as well as and the role of political issues in economic determination of events in the state. As a hybrid discipline, political economy is the study of the business environment and international relations that focuses on interrelationships among individuals, groups, governments and public policy. This also studies all aspects of micro and macroeconomics as well as the examination of institutions and their connections with each other. Political economy brings the intersections

between politics and economics that are affected or connected with the state systems of production, exchange, distribution and consumption.

The political economy discipline, therefore, focuses on and analyses local or domestic and international political forces and factors in direct relation to the micro and macroeconomic outcomes. It also deals in determining their intricate relationships, particularly in trade, commerce, taxes, and finance within the market and non-market situations or environment. In addition, political economy studies how economic theories of modes of production (especially capitalism) occur in real-world situations. This, therefore, seeks to understand and analyze how history, culture and customs have serious impacts on domestic and global economic systems. Hence, global political economy studies how international political forces appropriately shape and determine global economic interactions. This is underscored by succinctly describing policy issues and other corresponding economic impacts on society.

The theory and subject matter of political economy essentially centre on the vital questions raised on how politics affects and determines economic occurrences or outcomes and vice versa. In essence, such inclusive interactions of political forces and factors fundamentally ascertain the course and outcomes of economic activities and how they play out in the real world. Invariably, the discipline of economics views political forces as having both influencing and determining power in its outcomes in all respects. Hence, the basic elements of the science and theory of political economy consist of the simple character of the conditions and reactions of wealth and their dominance in the economy. Since value depends on utility, labour, rather than utility, is the origin or even the cause of value (Jevons, 1965). What therefore constitute the natural laws of variation of utility? This, no doubt, depends on the quality and quantity of the commodity in arriving at an appropriate exchange theory. This is essentially based on the basic laws of supply and demand with inherent outcomes. Labour more often than not, indirectly determines value with different degrees and parameters of the utility of a commodity strictly based on the increase or reduction in the product supply.

Since labour is a process by which human beings and nature participate, it is, no doubt, controlled and regulated by man. It should be stressed that the elementary factors of labour, especially the mental and physical capacities (labour power), are exercised to produce the use-value of commodities. When the labour power is hired or sold to the owner of capital, the abstraction of human labour is, therefore, exchanged for money towards the production of goods or services. The labour theory of value essentially indicates that the exchange of value

of commodities is expected to be proportional to the amount of socially necessary labour that becomes embodied in them. This is when workers sell their labour power for a specific time and is thus determined by certain social conditions. The commonest thing about commodities is that they are products of human labour with their exchange value appropriately related to the quality of labour that produces them. Whereas work is executed or performed with a corresponding level of equipment and skills within a specific period, socially necessary labour is, therefore, crucial. Such a law of value has invariably constituted the basic foundations of the Marxian political economy.

The history of political economy seeks to offer an explanation and analysis of the dynamics that influence and determine the global system of production, distribution, exchange and consumption of wealth since time immemorial. As a broad field of inquiry with a long tradition and legacy, the historical relationships of the economy, environment and climate change express the crucial role of the state and the laws in conditioning economic life. The centrality of these issues in political economy indicates the relevance of the historical and theoretical underpinnings as well as problems or challenges of capitalism or the capitalist mode of production. These bring insights into the conceptual apparatuses of socio-economic issues of labour and inequality in the society transcending to the histories of slavery and its emancipation as well as issues related to race and racism.

The history of modern political economy can be traced back to the works of Adam Smith and David Ricardo in the 18th and 19th centuries respectively. Their works outlined a model which supported the growth and development of economic markets and free trade based on labour theory and value. Thus, the value of goods and commodities produced is directly linked to and connected with labour in such productive processes. The works of Marx invariably hijacked the works of Smith and Ricardo by reforming them to address the problematic of capitalism through the publication of *Capital: Critique of Political Economy*. This has served a very vital function in the entire critique of the emergent political economy of capitalism during the era of the industrial revolution. Marx's contentions, therefore, stand and remain the substantive tools and foundations for the studies of the modern political economy for about two centuries.

An overview of the history of political economy points out that the previous doctrines on the economy were concerned with the bourgeois society. However, the history of political economy can be divided into three districts but overlapping stages. The first stage relates to the period when the productive system became appropriately fit with the feudal relations of

production. This was a period when philosophers were engaged in theorizing the doctrine or principles of emerging capitalist relations in production. Philosophers during this era began to critically study the existing relations of production towards finding the appropriate mode of production to replace it with the emerging ones. The character and form of political economy during this stage were concentrated and focused on the sentiment with mental apprehension as opposed to artificial order.

The image of the natural order at this stage consisted of *perfect harmony*. This was punctuated with what contradicted the essence of such natural order. Since was systematically manipulated with the laws of nature by the political actors and philosophers, the objective was essentially to use it and retain power to make things appear ideal and real. Not only were political principles used to justify the situation in the society; but also, economic operations corroborated with the natural order of things to further justify the political and economic outcomes. The natural economic order during this stage was depicted based on the capitalist relations of production. Hence, the so-called natural laws were the law of capitalist systems of production. These laws were systematically indoctrinated within the psyche of the entire society as absolute, unchallenged and unchangeable principles. Such projected bourgeois relations of production and prejudices of capitalism were highly overwhelming. As if these were not the product of historical processes akin to feudalism, the previous systems were considered as artificial orders.

Since the generated relations of production developed over time and produced the previous system had perished and given way to new or further relationships of production, the capitalist relations of production cannot be an exception. It will equally perish and give way to new relations of production at the exigencies of time and events because it is not an ideal and perfect order. All these were constructed and thus featured within the idealistic bourgeois attitude as appropriate to the prevailing political economy. Thus, the generated materialist conception of history should be clearly understood within the bourgeois doctrines. It should be borne in mind that capitalism, like feudalism and other preceding modes of production, is the unavoidable phase which societies pass through in the process of growth and development.

Like all other previous modes of production, the capitalist mode of production, from its earliest to highest form of development, inevitably lays down its conditions for its collapse and replacement by a new or fresh system. The moment this development has reached a certain point, change is inevitable and a new system comes into being. Hence, the materialist

conception of history generates human consciousness of their responsibilities and role in society to positively and progressively advance the appropriate production system forward.

The second phase in the development of political economy relates to the era of the established capitalist relations of production. This is associated with exposed contradictions in the system and struggles between and among classes. It is also associated with less sharpened class consciousness, class struggle and conflict. Economists at this stage of the historical development of political economy were preoccupied with a striking justification for their ardent belief in the capitalist mode of production. They were also concerned with earnest clarification of its laws of motion in production, consumption and exchange. This was, according to the bourgeois perspective, the era when the political economy reached its apogee. Hence, as crucial objects and principles of political economy, capitalist relations of production had fundamentally reached a level of indoctrinated reality. This was the period when fundamental doubts about its operations had not yet appeared notwithstanding its imperfect harmonious order.

David Ricardo is a typical representative of political economy in the second period. Adam Smith can also be included; even though he had identified tendencies corresponding to the first stage. During this stage of the history of political economy, the development of capitalist production had a short lifespan. This was because there was a continuous growth of contradictions in the system that had become openly exposed. These were manifested by the growing and periodic appearance of crisis generated through class consciousness, class struggles and rebellions of workers and other workers' movements. However, the political economy at this stage became confronted with a dilemma by reaching a crossroads. This required a dividing line in the choice between two alternatives. The options were either discarding a capitalist standpoint so that it was scientifically transformed or maintaining its class standpoint at the expense of science. Hence, the unfolding events in the entire system of production were characterized by contradictions. The capitalist production became highly incompatible with the standpoint of the apologists of the system in defence of the crumbling system.

One of the major significant aspects of studying the history of political economy is the quality of clarification and connection that connect our understanding of past economic theories. It also enables us to comprehend various issues, problems and challenges faced by political economy. Furthermore, the significance of the study of political economy facilitates

appreciating events that are historical and developmental in character. Since political economy begins with the theoretical underpinnings of the economy of bourgeois society, it has continuously been transformed historically and developmentally in unprecedented dimensions over several decades and within varied perspectives. The historical development of bourgeois society is, therefore, connected to and related to the framed-up historical development of political economy. This is also linked with the identification of laws with the dynamic shifting schools of thought in political economy.

Another vital significance in the history of political economy consists of its specific form of study and its pursuance in the general context. This sheds historical light and unravels threads of various schools of thought in the process of underpinning its scientific legitimacy and relevance. It is also significant to systematically address how and why issues of a specific school of thought on the political economy can be considered unique and groundbreaking within the various stages of the development of the political economy discipline. In addition, its uniqueness provides a firm appreciation and understanding of how economic doctrine is influenced and determined by political forces. In essence, the significance of the verified developmental laws or stages of political economy has greatly enriched our understanding of the main and current development trends in the subject matter of political economy.

The State and Economy in Nigeria

The incorporation of the Nigerian state and economy into the worldwide system of production was through various phases since the initial contact with Western Europe. The British imperialism, colonialism and indirect rule system, based on mercantile influence, had expanded its power and authority over time by blocking all forms of agrarian transformation through institutional reforms (Martinussen, 1997:138-142). The economics and politics of the state are dictated and conditioned by international trade and international politics. However, the construction of the state has been primarily created to take the overwhelming imperial interests of the forces that have come into effect. It is, therefore, incontrovertible not to understand this essential problem because the processes have been effected to reflect and affect all aspects of societal activities.

Nigeria is one of the most populous countries in the world with over 200 million (UN, 2020, World Bank, 2019). The state has vast natural resources, such as petroleum, natural gas, columbite, uranium, gold, lead etc. and is characterized by striking agroecological diversity with infinite potential. Oil has created enormous wealth and, at the same time, unprecedented

waste and corruption beyond reality in the Nigerian state. Since the 1970s, however, the Nigerian economy has been tremendously triggered and awash with abundant wealth but punctured with depressions and recessions due to mismanagement and corruption. These events in Nigeria, sequel to the oil boom, were occasioned by spectacular political instability that produce and have continued to ignite insurgencies and other criminal activities due to the cumulative state failures. The erosion of trust in the state's capacity to protect lives and property as well as properly manage the economy has created and sustained such socio-economic and political chaos and quagmire.

The prosaic issues and historical legacy of Nigeria's agricultural crises, stagnation and underdevelopment have been blamed for the oil discovery and especially during the oil boom era. Hence, the declining and eventual collapse of food production and the entire agricultural decay in Nigeria have had deepening implications and impact on the state and the economy. In the 1960s and 1970s, Nigeria's economy was primarily agriculture with substantial employment being prominently engaged in a variety of agricultural production. In essence, the dominant production system had been the household activity engaged by the small farmer producers. These were based on simple labour instruments of production, even though deeply embedded in market economic orientation. These were supplemented by the dry season, basically consisting of small-scale irrigation (*fadama*) system that has currently been overtaken by large-scale mechanized irrigation at the Agricultural Development Projects (ADPs) and River Basin Development Authorities (RBDAs).

Tremendous Nigeria's oil fortunes completely transformed the state and characterized it with high *absorptive capacity* in oil-based capital accumulation (Watts, 1987:9). The interactions and processes between the state and socio-economic development are, therefore, germane in capturing the State and its organs as catalysts of growth and development. This is focused and based on social classes, state power, state control/dominance and state mode of functioning. All these potentially manifest the product output in the arena of conflict and struggle between the contesting or contending forces. These struggles and conflicts have been intensified in all forms and dimensions due to the influence and authority being exercised by the state actors through the apparatuses of the state and international institutions.

Oil-based accumulation in the Nigerian state is accentuated primarily due to both internal and external dynamics through the *internationalization* of the state. However, the dependency of state resources on foreign forces is inherently linked within the circuits of global markets.

These invariably provide State access to the world market and facilitate the exchange of commodities and investments. In addition, the *domestication* of the state is related to the aegis of domestic economy and socio-economic well-being (Watts, 1987:10). This is attained through public expenditure in the provision of infrastructure and social welfare services through the state's predatory bureaucracies.

The Nigerian state and the oil-based economy have been mushroomed by corruption and constitute a major propelling growth industry. This typical mushroom syndrome economy, anchored by state corruption, woefully fails to bring changes to vibrate the ailing society. Public and even private means of transportation, such as roads, railways, and airlines, have completely crumbled. Electricity or all forms of energy or power have become a scarce commodity. Other services such as healthcare, water supply, education, and environmental issues have decayed with a serious impact on the state and the economy. Crucial issues of security of lives and property are equally questioned and jettisoned by the state with all sorts of political instability, manifesting in ethnic and religious wars, coups and counter coups, insurgencies and terrorism. The state and economy are really in a state of turmoil with all sorts of complexities and contradictions as well as embroidered in chronic foreign debts, control and manipulations.

The dominance of the Nigerian economy is characteristically in its public sector or bureaucracies. This parasitic public sector (including the parastatals) consumes substantial expenditure and enjoys high state patronage (Abbass, 2019:13-15). These bureaucratic apparatuses, therefore, beat the waves and drums of politics and are intrinsically fueled by corruption in the state backed by the oil-based economy. However, the cartelized feature of the global oil market and production facilitated the Nigerian state to possess the elitist hegemony over the entire economy with the federating states entirely depending on the federal *might*. The political economy of the oil-based economy of the Nigerian state essentially centres on the rentier character of the state through the international oil firms. The incontrovertible facts remain as established that the Nigerian state has been transformed as a conduit or terrain of struggle and conflict by different specifications of political actors (military and civilians). With desperate struggles to cling to power, through negotiated alliances with international institutions, politics in Nigeria has turned out to be a warfare, *a-do-or-die-affair*, and a matter of life and death (Obasanjo, 2007). This is strategically designed or aimed at looting/siphoning the state resources to primitively accumulate and for laundering purposes.

The rentier quality of the state and the prevalence of rent-seeking and corruption in Nigerian society constitute a common thread

running several... involvement of the state since 1973 (which) has meant that private accumulation more than ever before rests on the state patronage, government connecting, and federal subsidies (Watts, 1987:16).

State intervention in agriculture in Nigeria has been very erratic, oscillating between the military and civilian regimes. The force generated behind the state intervention has been to centralize control over the sector by the international financial institutions, such as World Bank, IMF, and World Trade Organization (WTO) etc. Such interventions in Nigeria included the establishment of the National Accelerated Food Production Programme (NAFPP) which also culminated in the establishment of the Agricultural Credit and Cooperative Bank in 1975. This Bank issued loans to *kulak* farmers which turned out to be *de facto* gifts to such state-favoured farmers. Consequently, food imports jumped beyond limits. In addition, there was the establishment of Operation Feed the Nation (OFN) ostensibly to encourage farmers to grow food with accompanying new institutions. However, the Green Revolution strategy of 1980 aspired to achieve zero-food import in Nigeria by 1985. This was accompanied by the establishment of ADPs, RBDAs, irrigation (*fadama*) schemes, state farms, tree cropping programmes seed multiplication and tractor hiring schemes etc.

The form and character of agrarian change in Nigeria centre on capitalist farming. This brings or sets the fundamental agrarian question in context. Hence, contrary to the high expectations of agricultural transformation, all efforts have turned into widespread rural poverty and proletarianization, rural-urban migrations, rural decay and stagnation as well as increased urban tension and crimes. The rural peasants consequently lack the wherewithal and capacity to produce for their sustenance due to the intense capitalization, commoditization and commercialization of the agricultural production system. However, the dispossession of the peasants of their land (as the only means of their survival) through the logic of capital in the commoditization and control over land and labour became the last straw that broke the camel's back.

The Nigerian state is in chronic economic crises and stagnation. Thus, the state still retains some significant pre-capitalist system of production. These consist of various forms of peasant modes of production, consumption and exchange. Such peasant mode of production consists of significant features of the out-modelled technology. This is characterized by small-holder production units and lacking product specialization with a weak exchange of products among various production units. The dangerous element in this system is that the peasants have

continuously redressed to the extent that they cannot sustainably produce for their subsistence let alone produce for market or state to appropriate the surplus. The limited scope of peasants to produce a surplus has rendered individual rural peasant holders in a state of poverty and all forms of deprivations. The rudimentary nature of the technology being used by peasants cannot, therefore, provide room for any form of manipulation and control of nature to suit circumstances of enhanced production and income generation.

The weak socio-economic network among the rural peasant households makes cooperation difficult, if not impossible, to organize a network of production and exchange. This equally reflects the weak nature of the state system which has separated itself from the peasant and all peasant circumstances of production exchange and consumption. The state alliance with international capital and other international financial institutions, such as the World Bank and international monetary fund, buttresses the insensitivity of the state to the plight of the rural peasants which claims that only free market strategy will bail the state out of its quagmire. Trajectories of the character of national elites and the configurations of socioeconomic and political conflicts were heaped up on peasants' forceful adaptations to the detrimental development of capital incursions into the rural areas by International Financial Institutions (Lam, 1975:1-7). The state intervention in agriculture, for example, in Nigeria has failed to critically analyze the entire socio-economic structure, needs and capacities of the peasants and the system of production, consumption and exchange (Abbass, 2014). This indicates that state intervention in Nigeria via IFLs is responsible for all its development failures. The rural-urban divide further adds new dimensions embedded in the state's action and direction on the economy. This situation manifests strongly in the *economy of affection* (Hydeni, 1983) that is being regulated by tradition and other social and cultural factors connected by kith and kin, community affinities, etc.

The character of such an economy, based on the nature of the state, inherently, tends to withhold any form of national development. This is a result of the systematic delaying of the transformations of people's attitudinal and behavioural patterns. It is also due to the institutional structure in bringing about sustainable economic growth which is equally inevitable in bringing about serious social inequality in the society accompanied with great social dislocation. The peasants, invariably, lack social security and thus become easy prey to the predatory *Kulak* farmers who are supported by the state with all resources. The prolonged existence of peasants' exploitation and available resources has been wrecked by the patterns of economic growth and development masterminded by the state and its actors who are being

supported by international capital. This is affected and characterized by all forms of corruption in the conduct of statecraft; characterized by misappropriation of public funds, nepotism, and tribalism, in the over-blown bureaucratic apparatuses.

A weak production system makes the management of socio-economic development herculean. The *overdeveloped* character of the Nigerian state makes it incapable to discharge essential services with weak ability in the accomplishment of economic role and responsibility or any meaningful policy (Alavi, 1979, Poulantzas, 1969, 1973, 1981). In other words, the state with its innate character kills the power and capacity of the people to initiate and manage the formulation and implementation of socio-economic development. The created state apparatuses, since the colonial era, were therefore *overdeveloped* vis-à-vis the societal structures and only designed to save vested foreign interest. The state actors, out of obscure interest and necessity, have tilted towards the market in the preferred romantic embrace with international capital against socio-economic service delivery.

The fatal choice of foreign capital accessibility in the economy has rendered the state ineffective or weak with an abundant waste of resources. These have been channelled through foreign firms and patronage (through the so-called Foreign Direct Investment – FDI) with huge debts incurred by the state, making it more structurally dependent and underdeveloped. However, state agencies created to implement and manage economic policies within the formal bureaucratic institutions engrafted on since the colonial era, have been systematically manipulated to serve only the state and international actors rather than the social, economic and political system. The systematic politicization and invasion of the state bureaucracy reflect the grieved and dismal state of affairs of the Nigerian state and economy.

The Roles and Responsibilities of the Political Economist

The political economist has a significant role to play with attached responsibilities in the entire state's activities. In essence, the political economist begins the initial role of critical observations of the social, economic and political configurations of the state with acquired power and authority. This is accompanied by the responsibilities that are directly involved in the process of actual and optimal policies and policy implementations. The technical, informational and political constraints faced by the political economist may arise spontaneously due largely to conflict of interests in the state forms and activities. This arises where there is a need to pave ways for assessing the collective interest and choices that should be performed by the political economist.

The role of the political economist is basically to enhance, rather than cloud, our understanding of the phenomena, the dynamics of society and all other intricacies of the disciplines of politics and economics. This is designed to bring significant insights into the phenomenon being studied. However, the responsibility of the political economist in this regard is to dilute, synthesize and ease the wrong perception that political economy has a magic wand in producing remarkable outcomes. It should be noted that intractable solutions to problems, if not fully understood and sanctioned by science, within the context of dialectical and historical materialism, may be a mirage. In other words, there is no mysticism or supernatural practice and actions in the quality of state socio-economic and political performance that gives and enhances appearance that is misconstrued for reality.

Concerning the theoretical heritage of the political economy phenomenon, the role of the political economist is to persistently and systematically work out a more organized and coherent presentation and treatment of the discipline. This is done by showing the strengths and weaknesses, through a dogged survey of various works on political economy, especially in the micro-economics and political practice. This should include a systematic approach designed to organize a critique of the existing bodies of literature that significantly serve as a guide to academics and practitioners of governmental activities. This should, however, show the symbiosis between the heterogeneity and conflict of interests in understanding the subject matter of political economy. The interesting point in this context is that this understanding should serve as a useful point of reference or departure in the subject matter of political economy. This is designed to express the extent of shaping our understanding of how the central role of conflict of interest in the state appropriately fits into the entire matrix of the system of production, consumption and exchange in society.

An all-inclusive and vague definition of political economy is essentially the study of the intrinsic interactions between politics and economics. Even though this does not give the specific issues being studied, how then is political economy fundamentally different from public finance, public economics or even the theory of public choice? The role and responsibility of the political economist is to clarify these issues. The basic relationship between politics and economics or state and economy may be identified through their interactions and outcomes. Since political economy begins with the political nature of decision-making and the outcomes, the political economist should be concerned with how politics reflects and affects economic choices undertaken by political actors in society. Hence, the political economist should scientifically demonstrate how politics of power, authority and

influence etc., through the process and exercise of power and authority can be transformed into a fierce struggle for power to control economic resources and activities in the state.

But precisely by this focus, the political economist scientifically expresses the inherent existence of the heterogeneity of interest with fierce conflicting interests and struggles. This is demonstrated between and among political and socio-economic actors in the society in a dialectical, and materialistic fashion. In essence, the processes of how and why individuals, classes, strata, or groups within the state vehemently struggle and acquire as well as use such power, authority or influence (forcefully or democratically) indicate the intricacies and complexities of politics and economics. In addition, the ways and trends they have tried to maintain or retain such power are primarily for economic benefits. This is to reflect their preferred cause of action and direction suggesting the stark reality of fierce competition. This apparent demonstration of political praxis cannot escape the orthodoxical views of the political economist. Since economics is the study of the optimal use of scarce resources, the roles and responsibilities of political economists are to analyze this aspect within the political context. However, since it contains implicit and crucial implications, these assumptions should be practically applied to the relevant policy choice of the state. In other words, when such an optimal policy is made by the policy-maker, it is expected to be optimally derived and carried out or implemented for maximum benefits.

It is also within the realm of the roles and responsibilities of the political economist to raise and ask fundamental questions. Such questions include how political circumstances and constraints in the polity may address and explain the crucial choice of policies and indeed economic outcomes. However, the political economist's roles and responsibilities also focus on the extent to which the choice of policies in the state can be segregated from the optional policies. It, therefore, centres on how the economic outcomes of most policies would have serious implications for the economic well-being of the people. In other words, the logic of control measures of power and authority which political actors employ in choosing any given policies, within the ambit to fierce struggle of conflict of interests, will inherently imply that the outcomes will relatively suit the dynamics of societal socio-economic and political systems.

Let the political economist, regarding himself, on the one hand, and, on the other hand, forms of external matter which, as he knows by experience, are bought and sold in civilized communities, reflect what his feelings would be if he should himself become a producer and a consumer of them, selecting, at will, several articles of necessity or luxury, let him consider

what satisfaction is derived from them, and what toil is endured by those whose labour produces them; what satisfaction, for instance, is derived from the warmth, the protection, the dignity, the beauty of raiment,... (Jennings, 1969:77).

The role and responsibility approach expected to be played and adopted by the political economist, given the existing political exigencies, enables or enhances the need to bring about insights on how the social and economic forces in the society can bear or best attain the specific economic goals of the state. Hence, this enables the need to overcome political challenges in attaining essential economic outcomes. By addressing such challenges, the political economist's roles and responsibilities squarely centre within the ambit of political influences on economic outcomes. Hence, the contemporary ties inherent in politics, political choice and political economy are central to the issue of conflict of interest.

Were there no heterogeneity of preferences over outcomes, there would be no need for a mechanism to aggregate individual preferences into a collective choice. Similarly, were there no conflicts of interests whatsoever, the choice of economic policy would be that of social planner maximizing the utility of representative individual (Atkinson and Stilitz, 1980:16)

The roles and responsibilities of the political economist are further hinged on both governments and academia. In particular, the political economist in government demonstrates significant roles and responsibilities within the domain and spectrum of the micro policy of the state. This also centres within the spheres of being transformed as an advocate and purveyor of technical and specialist advisors to the state. However, the need to assume and ensure efficiency in micro-policy and partisan advantages, within reasonable limits, cannot be overstressed. This is to increase and enhance the socio-economic welfare of the people through equitable policy, for example, on taxation and distribution of income and resources; albeit by choosing efficient solutions to overcome negative outcomes.

Within the purview of policy-making and the political economy of the state, the political economist is conscious and concerned with all forms of analyses and interactions of the political and economic processes in society. This also relates to the systematic concern in the art and science of the distribution of power and wealth as contested by different individuals, categories, strata and classes in society, notwithstanding all inherent forms of contradictions and struggles. This, however, links the political economist's consciousness of all the processes

that create, sustain and transform the established and emerging relationships between and among different configurations and specifications of all groups in society (Collinson, 2003:3).

As the adposition of the political economist that combines syntactic interpretation on how political forces influence the economy and economic outcomes, such roles and responsibilities are to ensure that the interactions are run and achieved simultaneously. Put differently, if economic forces in the state that generate the resources are indispensable to the need and sustainability of the political system, policy should crucially provide acceptable or justifiable economic activity in the sustainable state of economic being. The fortunes this might generate should crucially make the political constituency exert forces and interests in sustaining the economic activity for a large number of people to substantially benefit and thus keep the polity relatively stable and satisfying.

The apportionment of benefits from the economic sector activity of the state incidentally ignites a probable occurrence in a neglected theme of economic analysis and outcomes. The roles and responsibilities of the political economist in this context will largely relate to why there constitutes the existence of beneficiaries and victims in policy choice, policy decision and policy implementation in the state. In using economic tools to examine political phenomena, the political economist should characteristically analyze the political barometer of the state to gauge the economic situation and agents in real production and self-seeking ventures. This involves the effective use of forces of production to examine the degree or levels of production and the proportionate provision of goods and services. This also involves the attainment of a maximum level of satisfaction in the area of consumption and exchange of goods and services produced or provided. However, the analysis should also focus on the maximum utility of people's participation in state activity. This is directed towards influencing the political processes to justify and influence great economic outcomes that propel and sustain the political dispositions in the state.

It should further be borne in mind that what the political economist does should strategically centre on the dogged disposition with the systematic allocation of scarce resources within the context of elastic (demands) wants and needs. To discharge these onerous tasks of resource allocation against competing wants and needs, politics is essentially used as an umpire to preside over. Since politics studies power relations and their relationship in achieving the desired goals, economics focuses on the distribution of scarce resources to satisfy and enhance societal wants and well-being. Whereas political behaviour in the state is shaped by interests,

ideas and institutions, the tools used by the political economist in analysis to discharge roles and responsibilities may be categorised into three major levels. At the micro-level or country analysis, it streamlines how the highest level of political institutions should be organized and functioned. This is with enshrined rules, ideology, processes of leadership selection and budgetary allocation. Secondly, this involves sector-level analysis with forces to shape policy formulation at specific sectors in society. Thirdly, problem-driven analysis involves a practical approach to the identification of a specific problem that requires a solution based on the critical examination of all forces that have direct or indirect correspondence to it.

Since the roles and responsibilities of the political economist have varying degrees, the approaches adopted may consist of integrated and interdisciplinary cooperation and linkages among the multiple or distinct academic disciplines aimed at solving a problem or designing a policy. The political economist, therefore, draws upon such disciplines of sociology, history, economics, political science, etc. to define how the state or government institutions, an economic system and a political environment can work effectively and efficiently as well as how they all affect and influence each other. In this approach, the political economist is essentially concerned with the role of the state or government in resource exploitation, resource allocation and management in a given economic system. Other concerns are on how the economic system or model of political processes are or can be linked with various factors. Additional concerns focus on how the impact of international relations and international political economy impinge on the state systems of production and exchange.

Another area of the approach by the political economist, in the expected roles and responsibilities, is to ensure that the political ideology of the state is critically studied and analyzed both as a framework and a set of actions or beliefs respectively. In this regard, and within the dynamism of the expected roles, there is the need to establish and make explicit assumptions and decisions that can lead to societal or political choices or preferences. The emerging political economy approach in defining the state, based on the influencing factors of politics and economics, should be part of the motivating factors for the political economist to install a framework of discussion of the real-world political economy that is grounded and thus relevant in specific cultural, social and historical circumstances.

The international political economy approach, therefore, enables the political economist to analytically link economics and international relations stemming from an interdisciplinary approach by drawing from relevant academic disciplines. The role and responsibilities of the

political economist, in this context, should demonstrate how and to what extent can political forces and factors, such as the state, political actors and institutions, succinctly transform the conditions of the state systems by shaping them in conformity with international economic interactions. These, however, should demonstrate how interactions crucially impact the political and economic circumstances of the state activities.

The role of the political economist in analytical methods, in improving the effectiveness and efficiency of policy, programs and projects, cannot be overstressed. This squarely centres on bridging the conventional concerns of politics and economics which focus on how power and resources are distributed and contested in different contexts with their corresponding impacts. In essence, the responsibilities are to exhibit the various dimensions of implications for development outcomes. This is by getting beneath the formal state structures to reveal the underlying interests and contradictions in the system that frustrate or hinder meaningful change. In other words, the political economist is expected to shed light by bringing out insights that are crucial to advance issues, problems and challenging agenda in economic growth, governance and all aspects of service delivery.

Even though there is no magic wand in the role of political economists in the resolution of intractable development problems, the application of more effective and politically feasible development strategies is provided with research-based and appropriate development-backed analysis for all forces involved. This is situated in development interventions hinged on the prevailing socio-economic and political circumstances in the state. It follows specifically that effective policy implementation is rooted in and around underlying issues. It also allows an understanding of the vested interest and influence within the institutional context surrounded and determined by the varying contestations of power. In essence, three major areas appear obvious about the roles and responsibilities of political economists. In the first place, it is the role of providing a clear problem identification with a reflection on the specific and general problems to be tackled either on an operational or developmental basis or both.

This involves the adapted theory of change by underpinning the effectiveness or otherwise of the adopted policy. This also involves the persistent search for poor development outcomes or repeated failures or otherwise in any development sector reforms. Secondly, this involves analysis of relevant features in the society such as natural resources endowment, demography, geography, geopolitics, culture, social structure, historical legacies, climate change, technological processes, etc. These are conditioned by relevant institutions that shape power

relations and the ultimate economic and political outcomes, especially in terms of balance of power and equitable resources. Thirdly, it is only in the prescriptive responsibilities on what to be done by providing the pathway of change. This is a set of actions to be pursued based on appropriate interventions and modalities. All these should be well-timed, well-tailored and well-sequenced appropriately to the relevant course of action designed to be perused.

Concluding Remarks

What is the nature of state and economy do we have in operation? The state is, no doubt, incapable of harmonizing the heterogeneity of interest in society. This is primarily due to the weak self-equilibrating system that continuously fails to reconcile various factions that comprise the entire state system. Thus, the divergence of interests may only be relatively or temporarily reconciled through policy adjustments, in a give-and-take fashion, designed to bring about some socioeconomic and political equilibrium in all forms of contestations, albeit with entrenched political guarantees. Thus, based on reconciled private interests; against public welfare, the state prevails and persists in optimizing the self-adjusting economy to serve specific private interests.

However, the prevalent conflicts, in the imagined harmony, in the state form and charter, have tended and manifested in all facets of societal activities. Hence, with conflicts manifesting at different levels and in many dimensions, severe reflections can be gleaned from the economic system. Conflicts, more often than not, may manifest amongst individuals or states on a variety of causes to address different forms of opportunities. However, in the context of international conflicts, the dimensions of such conflicts are essentially based on insulated interests. Nevertheless, there are instances where interest aggrandizements intrinsically ignite conflicts. These may occur, where there are squeezed circumstances, to extract resources through monopolizing or exploiting the advantage of acquired position by employing terror devices.

In Nigeria, clear indications have indicated that economic policies of the state have enthroned, for example, a fundamental conflict of interest between agriculture and industry, on the one hand, and between agriculture and mineral or solid resources, on the other. This clash of interest among the various economic sectors has subordinated agriculture and the majority of the people to submissive dependency. This has led to the state of chronic poverty, hunger and destitution thereby enlarging the socio-economic gap in the state with further and fierce class struggle. The impacts of these have brought the current wave of insecurity in the state; manifesting in terrorism (banditry, kidnapping etc.), insurgences as well as other criminal activities.

Furthermore, with the negative-sum-game in state policies, inegalitarianism has reduced the levels of output, rate of growth and positive economic outcomes.

How does the political environment essentially influence and shape the behaviour and action of the political economist to transit from academic and business settings to policy positions and at the same time political praxis? To what extent are the political economist's pre-existing orientations, beliefs and principles congruent and adaptable with the policy stance and action sequel to the policy roles transition? These issues have become highly relevant when the political economist is confronted or face-to-face with policy-making dilemmas and implementation challenges. This is so because, at higher institutional levels of power, there is a substantial economic and political power, authority and influence that are wielded contrary to the subtle but rigorous academic orientation, principles and beliefs. Hence, based on practical, rather than academic and intellectual expositions, the operations of the political economist, within the political institutions, intrinsically impels the automatic alteration of academic views. This also propels them to juxtapose them for a realistic view of politics and political processes towards discharging complex and challenging roles and responsibilities.

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