Contemporary Development Issues in Nigeria

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Edited by

A.O. Olutayo, A.O. Omobowale and Olayinka Akanle

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This book is dedicated to Prof. A. O. Olutayo, the contemporary Father of Development Sociology in the Department of Sociology, Faculty of the Social Sciences, University, Nigeria, from whose well of knowledge, scholarship and mentorship all contributors in this book drank.

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We appreciate all the contributors who made this groundbreaking book possible, who, despite being very busy, made time to contribute to its success. We also acknowledge our students for their probing questions.

FOREWORD

It takes tremendous effort and courage to write a book. This is more so where the attempt is to proffer a solution to the question of development. Almost every scholar and politician is a development specialist. As such, there seems to be a cacophony of voices with regards to the prescriptions being proffered. The unpleasant mixture of these prescriptions requires that we begin to untangle the complexity of development. It is not just the prescriptions that have failed to be implemented that is the major concern here, but also the fact that Nigeria, nay Africa, continues to be poor, yet rich in terms of human and material resources. Though the permutations for Africa becoming a beacon of hope in the twenty-first century seem rife, the horizon remains bleak! This is why there is a need for further interrogation of why development remains elusive in the largest black continent.

Although the chapters address a number of different issues, the overarching concern is the issue of Nigeria's development question, which remains, for all practical purposes, unanswered. As long as Nigeria remains among the worst performing countries on the Human Development Index (HDI), this book remains a must read for all development scholars, students and practitioners. Though all the chapters emanated from the supervision of Professor Olutayo at doctoral level, they are not only empirical studies but also deal with various aspects of development and the independent opinions of the authors. This is why Olutayo also had to present his own point of view which may, to a large extent, differ from those of other authors. The interest is therefore to present various ideas without which societies cannot develop. There are always alternatives contrary to the former "belief" of TINA (There Is No Alternative) in the development paradigm foisted on the Third World societies towards the end of the twentieth century, and which, ironically, is plaguing the European Union.

This is the first edition and there is a conviction that it will soon be revised as more issues emerge. The book comprises fourteen chapters and an introduction written by the editors. These chapters are independent of each other and therefore no one is more important than the other. Consequently, the ordering of the chapters does not signify quality but an organizational necessity, with each containing practical development corridors for both Nigeria and other developing nations.

Prof. A. O. Olutayo.
2015.

INTRODUCTION

A. O. OLUTAYO, A. O. OMOBOWALE AND AKANLE OLAYINKA

Development is a critical issue confronting the world today as every country and every person sincerely desires development. Yet, the meaning and pathways to development are not always straight. The routes, processes, trajectories and dynamics of development are complex and confounding, necessitating detailed, broad-based, multi-facetted and continuous specialized study. This is more so as, according to Martin & Kandal (1989, 3), development "is a product of history, and in the modern world is increasingly conditioned by the structures of the capitalist economy." The history of a people is thus very important in comprehending and achieving development. This is why it is often maintained that development is the most crucial, complicated and contentious contemporaneous issue, even in the realms of academia, policy and practice. It is the complications and necessities of development that lead to the emergence, development and institutionalization of development studies as a unique area of study.

Development studies, in a contemporary sense, although a fledging discipline, is certainly forcefully establishing itself across the world given its relevance and capacities relative to unravelling the "mysteries" of development (Akanle 2012). Development studies engage many critical, practical and provocative questions, like: What is development? Why is development necessary and important? Why do poor countries remain poor while the rich get richer? Why are rich nations becoming poor and indebted in contemporary terms, while some poor countries are getting out of poverty? How can development be measured? What are the theoretical and analytical praxes of development? Thus, development studies examines and explains the dynamics of socio-economic, physical, environmental and political life in human societies through scientific and theoretical processes, models and frameworks to understand how people can reach and be at their objective best in terms of wellbeing and standards of living (Akanle & Adebayo 2013; Akanle 2012). In other words, development studies is concerned with understanding and explaining how societies can achieve optimal health, the best of useful knowledge, optimal resources utilization for the common good, appropriation of their participation rights and the achievement of optimum standards of living without external impositions. Within the postmodern construct, micro-national issues are better explored for galvanizing articulated development.

Although it is common to locate development studies within economics—because development is, erroneously, often seen in economic terms only—development studies goes beyond economics, as development is also beyond economic improvement, connecting the social structure of societies. Development studies is usually multidisciplinary as it appropriates frameworks, tools, methodology and theories from a number of related and unrelated disciplines to reliably explore the difficult subject of development across the world. It is a very comprehensive area of knowledge and a broad discipline, and development experts are also very broad-minded, exactingly critical and analytical in making contributions with practical usefulness to national and global development.

Unfortunately, however, the impact of development studies is yet to be felt in Nigeria in particular and Africa in general, as development issues are very diverse and yet to be sufficiently understood. Development studies is mostly left to the mercy of economists using mathematical models devoid of critical, contextual and ethnographic accounts of local dynamics and trajectories that determine and moderate development efforts. Hence, Nigeria remains dangerously rooted in underdevelopment with little or no appreciable contributions from development studies. Few development experts exist in Nigerian universities, while specialized diagnostic development texts that confront practical development issues are lacking. Texts and scholars with capacities for dispassionate engagement and interrogation of contemporary development issues in the country are regrettably few.

This book is thus intended to fill the identified vacuum in scholarship and practice and be a theoretical and pragmatic contribution to development studies and practical development efforts at policy domains across the world, and especially Nigeria. The book therefore acts as an interventionist and disciplinary compass, and is intended to be groundbreaking. It has chapters that capture the overarching picture of the nexus of development and underdevelopment in Nigeria by teasing out practical development issues in manners that illuminate the development realities. This is very important, as Nigeria today is among the least developed nations of the world with little or no sign of developing, and remains a development paradox with at least a 70% poverty level even in the midst of abundant human and material resources (Akanle 2013a; 2013b). The chapters in this book engage trajectories of definitive development issues in Nigeria in manners that demonstrate the profoundness of the development challenge. With the exception of Prof. Olutayo's contribution, they are all the PhD theses of the contributors. Hence, all theses were supervised by Prof. Olutayo over the course of a decade and address the profoundly definitive development problems facing the nation.

The chapters are arranged in no particular form of significance, but collectively give a situational snapshot of the development position of the country. They are intended to drive policies and studies on Nigeria and sub-Saharan Africa. The world recently experienced what came to be known as a "global financial crisis" or "global meltdown, " and Nigeria and Africa were not insulated from it. Even though many have argued that Nigeria and Africa did not experience the negative ripple effects of the meltdown as the financial situations of the country and continent were actually already comatose, African nations could not wriggle out of the consequences of problems they did not create. Hence, African nations still find it difficult to chart alternative development pathways for themselves even when it has become obvious that the current development framework given by Euro-American scholarship cannot guarantee universal development and is not foolproof, as the meltdown demonstrated. Prof. Olutayo's chapter sets the tone and theoretical background for the chapters in this book by using practical TINA (There is No Alternative) to engage Africa's development quagmire (Olutayo, Olutayo & Omobowale 2008). He engages the issue demonstratively through the analytical window of the global economic meltdown.

Dr. Aluko's chapter engages the gendernomics of nation building and national development in Nigeria. She explores the gender components of the Nigerian development problems, demonstrating the critical nature of gender in the national development equation. If gender is not sufficiently factored into the development process, development may continue to be a mirage in the nation. The political process is equally important. This has a strong historical existence in Nigeria, especially against the now very important socio-political history of sub-Saharan Africa as codified in the statement "seek ye first political independence (power, control) and other things shall be added onto you." Africans cherish politics, not only because it enables authoritative allocation of scarce resources and values, but also because it is a veritable avenue for embezzlement, corruption and a sure leeway out of poverty, with an intergenerational aspect. Also, politics in Nigeria and many African countries builds influence and patronage, as demonstrated in the celebrated book by Richard Joseph, *Democracy and Prebendal Politics: The Rise and Fall of the Second Republic* (2014). Dr. Omobowale's chapter demonstrates, through rich ethnographic data, how "institutionalized" clientelism held sway and affected development in southwestern Nigeria. This chapter also has relevance for the whole of sub-Saharan Africa where political power mixed with extreme poverty is used to build huge followings and support bases for politicians in the communities (Omobowale & Olutayo 2007; Omobowale 2008; Omobowale & Olutayo 2010).

In chapter four, Busari Dauda engages with the knotty issues in information technology and education in Nigeria. As the world goes virtual and conventional pedagogical approaches are deconstructed, how prepared is Nigeria and what are the issues? The chapter is very practical yet contentious given the sometimes opposing views that lecturers and students have on the subject. This chapter is, however, able to find the balance on the issues and makes useful contributions to the sociology of education and the interface with development. If sustainable development is possible, education must be in tune with global dictates and development in education especially relative to the academy. Also, if there is to be development the civil service must be in tune with contemporary developments in service delivery. This is more so as the civil service is the administrative organ of government, especially in democratizing regimes. If the civil service is unsupportive of government programmes and state policies, there can never be sustainable development. This is why Dr. Abisoye's work is key. He engages public service delivery in Nigeria, demonstrating the trajectories and practical implications for national development.

Agriculture used to be the mainstay of Nigeria's economy and development before the discovery of oil in 1958. In fact, the sector employed at least 70% of the population. In the era of global food insecurity and a national agricultural and food deficit, a sociological consideration of agriculture is needed, especially when the nation is already noted to be insecure in this respect. It has also already been noted that oil can never bring sustainable development to Nigeria as the proceeds only breed more corruption and environmental degradation. This is why attention is being given to agriculture. Dr. Enahikele's chapter addresses these issues through the window of aquaculture as an innovative method, demonstrating that oil has been a curse rather than a blessing, a tragedy rather than a development solution, as experiences in Nigeria over the past fifty years have shown.

The ways people construct themselves affect how they relate to their nation and contribute to national development. Identity constructions are thus very important, especially in a globalized world and societies where identity becomes an object of negotiation for scarce resources. Comfort Erima Ugbem's chapter confronts this salient yet profoundly important issue among "minority groups." The chapter is both very demonstrative and pragmatic, as well as professionally and dispassionately written, even though it addresses a very sensitive issue. International migration is another major issue in Nigeria. In fact, Nigerians are among the most migratory in the world. When migrations north from Africa and developing nations are considered, Nigeria ranks among the highest (Akanle 2013a).

Whether in terms of regular or irregular/illegal migrations, Nigeria has a profound impact. Of interest, however, is the comprehension of the trajectories, nuances and drivers of these migrations and how they affect development of the country. These are what Olayinka Akanle engages with in his chapter. Busuyi Adeniran engages with the issues of movement of people and lifestyles across the Economic Community of West African Nations (ECOWAS) corridor to influence its policies. This is particularly important as ECOWAS is moving from one of nations to one of people, yet the daunting development and security of lives and properties confront the commission. This chapter is very relevant to policy and practice, particularly in the era of unprecedented smuggling, terrorism and transborder banditry, along with the development challenges they pose to nations in the ECOWAS corridor.

Augustine Okhobo Dokpesi, in his chapter, engages with the paradigm of resource curse in developing nations. It is against this background that he empirically interrogates the interface of oil as a resource and the development paradox of Nigeria. The ultimate research question of the chapter is to what extent has oil positively driven the development of Nigeria?

Street begging (alms giving) is a visible problem in Nigerian societies. Every society/city in the country has an army of beggars, signalling the level of poverty and helplessness of the people in the face of an excruciating development deficit and survival threats. Dr. Adewuyi looks at this problem from a scholarly angle and gives a useful account of the problem as a demonstrative development deficit.

Still within the context of popular disempowerment construct, Dr. Nurudeen Alliyu engages with the challenge of property rights and development with a structural approach. The issues and contours engaged with have serious development implications, and the author is able to show the variability, nuances and dynamics in manners that make developmental sense.

Godwin Odok's chapter is an interrogation of the ligaments of rural development and climate change. He examines the implications of rural processes for the understanding of climate change from a development perspective.

Yusuff Olabisi's chapter shares a unique commonality with that of Odok as both wrote from within the prism of rural sociology, but Yusuff's adds a gender dimension within the informal economy interrogating challenges of women rural entrepreneurs.

It is important to note that we are not pretending that this book addresses *all* the development issues in Nigeria and Africa, and we are not in any way suggesting that the chapters have watertight solutions to all the problems of Nigeria. Nigeria's development debacle is far greater than any single book can totally explore. What we have provided, however, is a very practical, useful and scholarly book that addresses some critical development issues in Nigeria with implications for sub-Saharan Africa. And, as already noted in age-old proverbs and wise sayings, "the best way to eat up an elephant is to eat it in bits." In this way, this book has taken a giant stride towards a sustainable understanding of Nigeria's development problems.

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CHAPTER ONE

CAUSE WITHOUT CAUSE: AN ANALYSIS OF THE ECONOMIC MELTDOWN AND THE IMPLICATIONS FOR AFRICA

A.O. OLUTAYO

Introduction

The financial crisis which the developed nations are facing does not seem to have an end in sight. This is in spite of various attempts, including fiscal stimuli, monetary policy expansion and institutional bailouts, as well as austerity measures of spending cuts and tax increases. Strikes and demonstrations on the streets of these nations have become daily occurrences and their governments are seemingly incapable of crafting relevant policies to bring an end to their people's sufferings. The strikes and protests by the erstwhile docile Western populations have been described as the most extreme since the world upheaval of 1968.

> From Seattle, where protesters shut down the talks of the World Trade Organization in December, to Washington DC, when authorities recently had to go to super-extraordinary lengths to prevent a shutdown of the World Bank and International Monetary Fund annual meetings, unrest is in the air. (http://acade-mic.brrokylyn.cuny.edu/education)

Perhaps of great relevance is the inability of these nations to go back to the **cause** of the meltdown. It has become very clear that the free market economy cannot freely give answers to the problems at hand. Yet, if they care to remember, the present dilemma cannot be dissociated from their attempts at deregulation which started in the United States in the 1970s. The fervour with which the rational person is encouraged in the neoliberal economy seems to have blinded governments to the limits of the human as a thinking being, interested not only in the welfare of others but also of their nations! With deregulation, less oversight is given to the state as the "watchdog." As such, policy makers could not easily recognise the increasing roles of the free market, especially the financial institutions, such that they were not subject to regulations; rather, they were "bailed-out" of the problems instead of allowing them to fade away (Geithner-Speech Reducing Systemic Risk in a Dynamic Financial System, Newyorkfed.org 2008).

Stated succinctly, the financial crisis and the eventual world recession may be traced to the inadequate, poorly designed, impractical and inconsistent financial regulations across institutions and market systems, leading to accumulated debt in the world's centres of advanced economies of Europe and the United States of America (Rowe 2012; Kodres & Narain 2012). Even with massive policy interventions, recovery is very slow, discouraging and subject to—in the words of the International Monetary Fund (IMF) Managing Director, Christine Lagarde—"serious downside risks" (2012). Even where the 2013 forecast gives an average of 2% growth to the United States, the assumptions are that regulations will be put in place (World Economic Outlook 2013).

While economic recession is not a new incidence in the Capitalist World Economy—there have been three others since the end of World War II in 1975, 1982 and 1991—the concern now is that the economic recoveries from earlier episodes were faster than the current one, which is "still much worse than the typical recovery of the last six decades" (Rampell 2012), including the recessions after World War I. The result of the present recession has therefore been negatively impactful on ordinary citizens. Of significance is the level of unemployment affecting all age groups (Dietrich 2012). In the United States, high levels of unemployment have negatively affected the incidence of hunger and poverty, with about 15% of the population, 11.8% of families, 13.7% of people between aged 18–64, 22% of children under 18, and 9% of people aged 65 and older categorised as poor in 2011 (DeNavas-Walt, Proctor & Lee 2011). The overall poverty rate, according to the Research Supplemental Poverty Measure 2010 (2011), is 16%, as compared with the official poverty rate of 15.1% and the 2011 9% estimate of the CIA World Factbook, as well as the World Bank's 9.6% estimate (World Bank 2013). Indeed, these figures are not unexpected, with the US government having more government debt per capita than Greece, Portugal, Italy, Ireland and Spain (IMF Data 2013), and its attempt to reduce the debt with the "fiscal cliff" dilemma arising from the controversy surrounding how to reduce debt through tax hikes and massive spending cuts.

What comes to mind from all these mind-boggling statistics is how these nations have come to find themselves in these scenarios, given that emerging and less developed nations seem to be experiencing contrary scenarios? The position of this chapter is that, as argued elsewhere, a neoliberal economy with the assumption of the rational human would continue to experience these hiccups (Olutayo, Olutayo & Omobowale 2008). How did we arrive at this conclusion? In answering this question, we may have to go back to the cause of the present recession in the United States, even though this seems obvious. Nonetheless, this is of significance because the rationale behind the "economic human" thesis continues to hold sway. As it was applied as the "drug" for "curing" the developing nations' "ailment" through the Structural Adjustment Programme (SAP) in the 1980s, with little or nothing to show for it, the intention of the developed world for giving more space to the private sector and increasingly "rolling back" the state by relaxing the rules of engagement between the state and the private sector will only delay the further crisis that would emerge if and when this is solved.

The Cause—Rolling back the State

Until "reregulation" (Kodres & Narain 2012) was introduced in 2009, the United States embarked on reckless privatisation beginning in the 1970s and early 1980s, in spite of ambiguous claims for its efficiency (Kosar 2006). Indeed, in the world over, the language and programmes of privatisation have been likened to a revolution or a boom (Young 1987; Dunleavy 1986). With roots in free market economic theory and public choice theory, exponents of privatisation argue against the concentration of power in the hands of the government with a view to protecting individuals, it is argued, from political power. They therefore posit that the free market is the most efficient means of producing goods and services. By implication, from the public choice perspective public bureaucrats are criticised as self-seeking rather than being public-spirited (Tullock, Seldon & Brady 2002). The argument is that the government should be rolled back as it is presumed to be doing what it should not (Bockman 2013). On the contrary, Lopez-de-Silanes, Shleifer & Vishny (1995) have found that the political trade-offs that politicians face in the United States between the in-house provision of public services, which gives them political benefits, and higher government spending, which gives them political costs, determine the decision to privatize government services to a significant extent. Nonetheless, ideological and efficiency factors are built into their decisions on privatization.

In the United States, the Ronald Reagan administration overtook all other nations that began the privatisation process from the late 1980s by targeting programmes and assets for privatisation early in the decade. Since this period, much intellectual groundwork has legitimised privatisation, with a tremendous amount of literature broadening the concept, leading to further privatisation. Thus, both theory and idea have found a place in the political landscape for shaping policy agenda (Henig 1989–1990). Of course, as Henig further asserted, the American public had accepted the basic elements of the welfare state before Reagan. Nonetheless, the need to "refurbish" *laissez faire* philosophy and the redefinition of pre-existing local government practices, through an exercise of intellectual imperialism, gave impetus to the privatisation movement. Thus, the idea found fertile ground in which to grow. This, of course, was not the same in most developing nations, and we will return to later.

Suffice to say that, according to one of Reagan's advisers on privatisation, and R. W. Poole (2004), the founder of the Reason Foundation and an intellectual imperialist, Reagan's position on privatisation was mostly a remedy for what he thought was wrong with socialist countries rather than his being a global privatisation revolutionist. As such, it was for Reagan an ideological battle to be won at all costs. The former UK Prime Minister Margaret Thatcher was usually seen as the chief launcher of privatisation as a result of British indebtedness in the coal, steel, oil, and electricity industries. By the 1990s, the former USSR began privatisation with the assistance of the World Bank, the United States Agency for International Development (USAID), the German *Treuhand*, and other governmental and nongovernmental organizations.

Perhaps Poole's position needs to be further re-emphasized given Reagan's educational legacy as the governor of California. Clearly evident was his intolerance of public schools from his utterances loaded with revulsion for alleged communist thinking. Specifically, he set the tone of his educational reform by, according to Clabaugh (2004):

(a) calling for an end to free tuition for state college and university students
(b) annually demanding 20% across-the-board cuts in higher education funding
(c) repeatedly slashing construction funds for state campuses
(d) engineering the firing of Clark Kerr, the popular President of the University of California
(e) declaring that the state "should not subsidize intellectual curiosity"
(f) consistently called student protesters derogatory names, and
(g) consistently and effectively opposing additional funding of basic education, leading to classroom overcrowding, worn-out textbooks, crumbling buildings and demoralized teachers.

These were his credentials as governor which he transferred to his presidency. From here, Reagan presided over the collapse—or what was known as the “rolling back”—of the Soviet Union, which he publicly called the “evil-empire, ” to him a basically immoral and foolish society. To achieve this, he increased military spending to prevent Soviet expansion in South Vietnam (while the United States was wallowing in its post-Vietnam defeat), Cambodia, Laos, South Yemen, Angola, Mozambique, Ethiopia, Nicaragua, Grenada and Afghanistan. He initiated a $1.5 trillion dollar military build-up, “the largest in American peacetime history” (D’Souza 2003), to draw the Soviets into an arms race which, he knew, they could not win. Along with his free-market ideology of expanding privatization, Reagan increased the federal deficit from $100 billion in 1981 to $3 trillion by 1989 when he left office (Simkin 2004; D’Souza 2003). Rather than expending the profits made from the selling of arms to the Islamic fundamentalist government in Iran (popularly known as Iran-gate) to cushion the American economy, his priority was to sponsor the anti-Marxist guerrillas fighting in Nicaragua.

Simply put, the “rolling back of the state” under Ronald Reagan had more of an ideological than economic purpose—first and foremost, this was the need to push global American dominance to the fore. The privatization exercise became, in a way, the instrument presenting an alternative to state dominance. Through this state dominance, the USSR was becoming more relevant as *the* recognised world power, especially with its military. This was discomfiting to the United States and its allies, and thus all arsenals were gathered to “roll back the state, ” first in the USSR and later those nations within which the state was becoming dominant.

In fact, Reagan was only playing out the already dominant ideological position of America in the world. This resulted in the Cold War period (1945–1980), and the US government policy of containment of the USSR and its rollback toward the Third World (Bodenheimer & Gould 1989), a fall-out from the defeat of Germany by the allies (the United States, USSR, Great Britain and France) in the Second World War. It should be recalled that one of the main reasons for fighting Germany was its insistence that the classical political economy of Adam Smith did not consider the culture of different societies before developing the concept of the “rational man.” The German historical school of economics, the dominant political ideology, vehemently resisted this, positing that what is rational is defined by each society, adding that the materialistic concept of the human is too general, over-assuming and over-committed to the *laissez faire* doctrine (Olutayo 2001–2002; Marshall 1972).

The disagreement between the Soviet Union and the United States with the remaining allies (Great Britain and France), having shared the war booty from the destruction of Germany, was over the best way of governing, with the US and its allies identifying with the "freedom of man" and the USSR emphasizing the "irrational man." Without going to war, as with Germany, Soviet Russia was capitulated through the final push of Reagan's policies and the "active" connivance of Mikhael Gorbachev, the then Soviet President. As today, China seems to be on the path of confrontation with the US and its former allies, now including Germany and other European nations as well as other developing nations, as the state versus private dominant ideologies continue to contest for superiority.

To be sure, the financial deregulation constituted the major albatross resulting in the financial meltdown with which this chapter is concerned. Nonetheless, our position is that all this had a great impact on what happened later, which was that the need to "roll back the state, " an extension from the need to "contain" the USSR, was sustained after Reagan and the following administrations further deepened the process.

The current crisis, as has been variously alluded to, resulted from the weak financial regulations in the United States and Europe, which gave impetus for deregulated "shadow banks" operating outside the banking regulatory system (Kodres & Narain 2012). In their words:

> Much of the activity at the heart of the global crisis occurred between the shadow system and the more formal banking system. U.S. broker-dealers, bank-sponsored special investment vehicles and conduits, money market mutual funds, hedge funds, and an assortment of financial institutions interacted to spawn a growing systemic mismatch between longer-term assets and the short-term liabilities that funded them.

The deregulation processes which made it possible for these institutions to achieve this were themselves a direct conspiracy between the regulating agencies, politicians and the business outfits (Levin-Coburn Report 2011; Sherman 2009; Moseley 2009; Amy n.d.). Amy presents the names of people appointed during Bush's tenure to help slash budgets, weaken rules and relax the enforcement of regulations. As Amy observes, during the Bush administration the staff of the Minerals Management Services (MMS) of the Director of the Interior, overseeing oil operations, was compromised, partying with executives and accepting gifts, and allowing British Petroleum (BP) to get a waiver from conducting an environmental impact analysis. To further the collusion, BP was encouraged to not use the relevant advanced blowout technology, claiming that it was too expensive.

As Amy further shows, the overseeing Director of the MMS was later compensated with a plum job as head of the National Oceans Industries Association. Amy's assertions were confirmed in the words of the Levin-Coburn Report that the crisis resulted from:

> high risk, complex financial reports; undisclosed conflicts of interest; the failure of regulators, the credit rating agencies, and the market itself to rein in the excesses of Wall Street.

Perhaps the worst repercussion from all this was the BP oil spill of April 20, 2010. Apart from the after-effects of the spill, it was never certain how the dispersants would affect the environment and people (Jackson 2010; Venosa 2010). The "spill" has been described as the biggest in recent US history, claiming eleven lives and releasing oil into the Gulf of Mexico, destroying not only the environment but also disturbing the livelihoods of millions of people.

Such was and would always be the expectation where rules are deregulated—a thesis based on the rational human. This is more so in a capitalist system where businesses do everything to ensure the sustenance of not just the company but also its profits, which are prioritized over prudence (Moseley 2009). Indeed, with the relaxation of rules, "sharp practices" became the norm, as adumbrated above, leading to the crisis, first in the housing sector, and later extending to other sectors. This was more so where any business could claim bankruptcy and still be compensated for running itself aground, even though the pre-existing rationale was that privately run businesses are very efficient, will always encourage growth, maintain safe working conditions, protect workers, compensate government "failures" and excess bureaucracy, and be competitive, leading to better production and the supply of good and services. While some of these claims have been justified, the recent realities tend to negate the facts!

Human beings in any capitalist society with little or no regulation would go beyond the limits to exploit whatever situation they find themselves in for the sustenance and furthering of benefits. The current banking crisis alone ranks among the costliest crises in terms of fiscal outlay and output losses (Laeven & Valencia 2012). If this can happen in the banking sector, the livewire of any capitalist system, the implication for the whole system is too obvious, as is being currently witnessed. Indeed, by the third quarter of 2012 international investment continues to