

NATIONAL RE-AWAKENING

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ADDRESS BY

HIS EXCELLENCY, PRESIDENT OLUSEGUN OBASANJO TO THE INAUGURAL SESSION OF THE NATIONAL ASSEMBLY 4TH JUNE, 1999

Your Excellency, the Vice-President of the Federal Republic of Nigeria,
Honourable President of the Senate,
Honourable Speaker of the House of Representatives,
Distinguished Senators,
Honourable Members of the House of Representatives,
My Lords Spiritual and Temporal,
Distinguished Guests, Ladies and Gentlemen,

Unity and Progress

Let us thank God for this great moment in the life of our country as we take this decisive step forward in our democratic renewal, I take the opportunity of this occasion to welcome you all to this milestone on our journey toward nationhood and sustainable democracy.

I also want to seize this opportunity to congratulate each and every one of you for your success at the polls. It is my sincere hope that the confidence reposed in you by our people, and their expectation of you in terms of selfless service shall constitute the motivating force in all your deliberations and activities over the next four years.

Unfortunately, our recent contemporary circumstances have put our nation at the crossroads, such that we all talk of "a new beginning". The inauguration last Saturday has been compared with the birth of the nation nearly four decades ago when we adopted a Coat of Arms with the words : UNITY AND FAITH.

If we had adhered to these precepts, we would not now be talking of "a new beginning". Hence the imperative that we make the "new beginning" of today the last one, and we can only do this by laying a durable foundation for continuous evolution of democratic governance in this country.

Unity means recognising our obligations to a common destiny and working together along the best route to that destiny. Faith implies hope and confidence in ourselves and in the future. And above all, trust in the Almighty.

We are from different social backgrounds, we belong to different ethnic groups, we hold different religious beliefs, and our political affiliations are not all the same. But

our common problems, which dictate the need for common solutions, in pursuit of the common good, demand that as Senators and Members of the House of Representatives, you must constantly remind yourselves of our new national motto : UNITY AND FAITH, PEACE AND PROGRESS.

Peace means understanding and agreeing on the need for common solutions. Progress means doing what we have to do for the common good.

It is in pursuit of these objectives that I wish here to outline to you the agenda of our Administration.

Reconciliation

We are a nation of many ethnic groups joined together by God and historical circumstances. In the early fifties, the founding fathers of our nation recognised the imperative of federalism with the Richards Constitution.

Since then, our people have come to understand and appreciate the extent of historical links within the geographical area housing our nation. We have accepted the bonds binding us within the federalist structure. And despite an unfortunate civil war, we have demonstrated our willingness to co-exist, co-habit and continue as one people.

In reaction to the political turmoil of the past few years, various groups and communities have been advocating their perceptions of "true federalism" :

- (i) Some talk of "restructuring of the federation" with separate defence and law enforcement commands ;
- (ii) Others demand the application of a revenue allocation formula based *only* on the principle of derivation ;
- (iii) There are those who want the country carved into six geo-political zones.

These demands are mostly borne out of deep frustration and despair over the persistent failure of central governments to meet the hopes and aspirations of the people.

An inventory of our grievances would reveal that without exception all sections have felt marginalised in the last fifteen years. In a situation where all groups complain of marginalisation, the question is begged : who is doing the marginalisation ?

This whole nation has been traumatised by misrule. It is perhaps understandable that in the absence of a trustworthy, transparent and just central authority, each one feels a victim and suspects the other of being the oppressor.

While not in any way condoning the misguided decisions or tactical miscalculations of the past, I will, at this time, appeal for calm and mature reflections. We have come a long way as one Nigeria. As much as we have rejoiced together in times of triumph, let

us reconcile our misunderstandings in times of disappointments. The imperative of stability and progress demands nothing less.

The issues arising are important enough to warrant thorough and careful assessments. I, thus propose to work with the National Assembly, State Governments and Assemblies, Local Governments, our Traditional Authorities, and all other forms of representative bodies and institutions within the Nigerian polity, to achieve practicable and workable solutions within the next four years.

Economic Recovery

Nigeria's most valuable assets is the population of dynamic and versatile men, women and youths who only need to have their energies harnessed and channelled to productive use. They yearn for honest, transparent and accountable leadership that they can trust and from which they can derive inspiration for hard work and fulfilling application of their talents and capabilities.

Let me pledge here that I shall spare no effort for the ultimate success of the Nigerian nation.

Our march towards economic recovery will require strict discipline, tight and responsible financial management. The resources available to discharge government business is meager and dwindling. The action to save the economy will demand sacrifice that will be extensive and painful.

Let me give you some insight into our financial situation. The projected budgetary deficit for the end of May 1999 was 163 billion naira, but our Administration has found that this figure had been exceeded by 93 billion naira, an increase of over 57 per cent, bringing the actual budget deficit to 256 billion naira. We simply cannot sustain this level of expenditure pattern. And yet we have to add the extra cost of democracy in terms of capital and recurrent cost of the National Assembly.

With regard to our Foreign Reserves, the balance as at the end of May 1999 stood at 3.75 billion US dollars, compared with the sum of 7.1 billion US dollars at the beginning of January this year. At this rate of depletion the country will be in the red to the tune of 246 million US dollars by the end of the year.

The situation is dire and calls for immediate action. And we have started that action. The recently announced freeze on payments of extra-budgetary commitment is expected to save the nation 50 billion naira and 1.1 billion US dollars in foreign exchange.

Here are other necessary measures we will have to take :

(i) Bloated public institutions have to be rationalised. We have started consultations with the IMF, the World Bank and other major donor organisations to assist us with

retraining of people who will be affected by the rationalisation. We intend to provide conducive economic environment for the retrained people to find gainful employment.

(ii) The problem of ghost workers will have to be urgently and seriously tackled.

(iii) All those who have served their time will be honourably retired and adequately compensated to permit them speedy and comfortable resettlement.

(iv) Redundant staff will be retrained to facilitate repositioning to vital sectors where shortages exist.

Government expenditure will from now on be according to the financial rules and regulations. In order to ensure that every kobo that this Government earns will be used to serve the best interest of the common man in Nigeria, the Presidency in conjunction with the office of the Accountant-General and Auditor-General of the Federation, will ensure that every item of expenditure is carefully monitored and fully accounted for, and it will all be done in accordance with the Financial Instructions.

You in the National Assembly will shortly be presented with the salaries and allowances attached to each public office for approval as part of the details of the budget. Incomes will be reviewed periodically to ensure that officials are always remunerated sufficiently for their performance and not distracted or tempted into fraudulent acts or divided interests.

The Federal Tenders Board and the Ministerial Tenders Board will be re-activated and given wider powers to determine and ensure that contracts are only awarded to those competent enough to execute them. All Government contracts from now on will be processed through these two bodies. This procedure, with the implicit transparency and competitiveness, will eliminate the so-called 'Nigerian Factor' that adds as much as 50 per cent to costs of contracts.

Our objective is to put in place cost saving measures and stringent financial management as the starting point to economic recovery. At the end of the exercise we hope to demonstrate the extent to which mismanagement has cost us dearly all these many years.

For the above measures to be effective and achieve the intended aims, all officials and members of government institutions must heed the warning that mechanisms will be put in place for permanent and constant surveillance to ensure probity and accountability.

You may have heard this before but I will say it again : This Administration will not under any circumstances, condone corruption or protect corrupt officials of Government. The Government will be watchful for fraud and misappropriation of public funds. It will expose and severely punish all those who do not heed this admonition.

Distinguished Senators and Honourable Members, I implore you to join me in the fight against corruption and crime. To that end, I shall, within the next fortnight be presenting to this Honourable House a bill for a law to prevent and punish corruption.

The current budget will be reviewed to reflect re-ordering priorities in accordance with the agenda of our Administration and the realities of the national economy. Details will be presented to the National Assembly as soon as possible. I expect you to treat the consideration of the budget with maximum despatch.

Development Issues

We all know the extent of the destruction and decay of almost all aspects of our national institutions and infrastructures. Rather than waste time repeating the familiar litany of our woes, I will move on to outline our Administration's strategy for rehabilitation, resuscitation and revitalization.

Transport

Transport is the lifeline of the economy and social interaction. An inefficient transport system implies stagnation in all sectors.

Our priorities in this sector will be :

- (i) Design and implement a new policy on road maintenance.
- (ii) Design and implement a new rural roads development programme with emphasis on the use of direct labour to engage a large number of our able bodied young men.
- (iii) Rehabilitate, modernise and expand our railways so that this national asset can once more become relevant to our economic development.
- (iv) Improve air travel by upgrading and revamping good network of airports, air-strips across the country and installing up-to-date navigational aids.
- (v) Our practically defunct national airline will be critically examined to see the best means of resuscitating it.
- (vi) Private airlines will be encouraged.
- (vii) Optimally utilise the network of rivers for water transport inland.
- (viii) Encourage the development of effective and true mass transit system in certain urban areas.

Food and Agriculture

Our goal is food security which is classically defined as access by all people at all times to enough food for an active healthy life. It is in this regard that this Administration's priorities will be as follows :

(i) Farmers will be given maximum necessary support to cultivate and produce more per hectare per season, by such measures as timely supply of agricultural inputs.

(ii) Rehabilitation and reactivation of irrigation facilities and encouragement of small size irrigation facilities by farmers.

(iii) We will support and encourage livestock production with a view to making the country self-sufficient in meat products within the life of this Assembly.

Solid Minerals

Solid Minerals are to be found in different parts of Nigeria and they constitute a natural endowment with which we are also blessed. Our Administration will re-examine thoroughly our policies in respect of solid minerals development, with a view to identifying the forces militating against investments in this sector. We will remove such impediments.

Petroleum

Petroleum is presently our most important source of foreign exchange. Sadly, and very tragically, despite the position it occupies in our economy, this sector has suffered not only neglect as other national assets have, but has been subjected to the most unpatriotic abuses.

Our priorities in this sector will be :

(i) To urgently review our policies, giving top priority to the rehabilitation of our refineries.

(ii) Design a programme for the regular and efficient maintenance of our refineries, flow stations, pipelines and depots.

(iii) Ensure the observance and enforcement of all laws that govern the procurement, storage and distribution of all petroleum products.

(iv) Ensure that the issuance of licences for exploration and exploitation of petroleum resources is only by competitive bidding thereby maximising the revenue accruing to the government.

(v) Enhance all serious private ventures and efforts towards encouraging investments to expand exploration activities and development of new fields.

(vi) The government will be more active in the implementation of Joint Venture Agreements so as to better protect our national interests.

Petro-Chemicals and Natural Gas

Petro-Chemicals and Natural Gas are sub-sectors in this area which require the utmost attention. We have a duty to do all that is necessary to maximize our endowment advantages of these potential revenue earners. We will pursue such policies that by the

end of four years, the annual revenue from this sub-sector should be close to the annual revenue from the petroleum sub-sector.

Education

There is no home in this country which is not concerned about the state of our education. The structure is in a disgraceful condition. Teachers are demoralized and disenchanted. And the system is now producing thousands of functionally illiterate young people for a life of joblessness and despondency.

Our Administration will embark on a thorough exercise of reviving, revamping, improving and updating our education system. We shall pay special attention to science and technology. We will seek the co-operation of the international community and non-governmental agencies in designing and executing our programmes. Measures will be taken to encourage education in areas of the country where educational awareness and facilities are low. Then, we will re-launch Universal Primary Education and make it compulsory.

Privatization and Foreign Investments

Our Administration looks forward to an economy of vibrant partnership between government and business. It shall be one of co-operation and complementarity, not one of competition and confrontation. Government shall not seek to do that which experience has proved it is least competent to handle. Business will be encouraged to be conscious of social responsibilities. Private profit must look to promote public purpose and public good.

In this vein our Administration will pursue the policy of privatising all parastatals when it is judged that their performance will be enhanced and their subsequent status will be of overall benefit to the nation. The privatisation process will not be rushed and will only follow a full and detailed management and valuation audit of the targeted establishments. After we have determined the value of the assets, the method of sale will be open, transparent and accessible to all Nigerians who may have the capital to invest.

This privatisation process must be such that it gains and retains the confidence of both Nigerians and the international community.

We are also hoping that the international concern for democratic governance does not stop with the installation of our Administration. All Nigerians are expecting democracy to yield dividends that they can perceive in their lives. It is in this regard that we are hoping to count on further support from our international friends.

Our national circumstances are far from easy, so our message to our international well-wishers has to be blunt : The euphoria today could quickly evaporate if it is not followed by massive inflow of foreign investments and a more realistic re-appraisal of the crushing debt burden.

Our Administration promises to provide a stable and secure enabling environment for all those seeking to do legitimate business within Nigeria.

We are also keen to discuss meaningfully all aspects of our foreign debts with a view to achieve a level of relief that matches our harsh realities.

Rich Nigerians at home and abroad must be seen to have faith in the country by investing in long term industrial projects and thereby confirming confidence in their own country.

The National Assembly has a duty to be part of this effort in every way it can, as one element for promoting public-private sectors partnership. The signals emanating from this Honourable Assembly will go a long way, towards the realisation of our hopes and aspiration for our country.

Conclusion

Distinguished Senators and Honourable Members of the House, together we have to further the cause of democracy. It is thus vital that you immediately set in motion the process to repeal or amend all laws which are inconsistent with democratic ideals, practices and principles.

The expectation of Nigerians is high, that the enthronement of democracy will usher in an era of prosperity. Prosperity will come after we have demonstrated our ability to confront the challenge of national re-awakening.

We Nigerians must decide and do what is necessary to make a success of our nation state. Members of the National Assembly have the duty and responsibility to spearhead the movement toward national reconstruction.

Distinguished Senators and Honourable Members of the House, God has given us one more golden opportunity to put our house in order.

The people of Nigeria have reposed their confidence in you to represent their collective interests. You must not be found wanting.

The world is watching us with keen and unusual attention. An unparalleled sense of hope that Nigeria shall rise again is pervading all parts of the world. Let us not disappoint those who wish us well or waste the abundant goodwill. If we fail this time, we shall have nobody but ourselves to blame.

May God guide, direct and strengthen us along the right path for ourselves, our children and our future.

Long live the Federal Republic of Nigeria !

I thank you. God bless.