

Environmental Issues in Nigeria's Commercialisation and Privatisation Policy

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ABSTRACT The necessity of privatisation as a policy for promoting efficient utilisation of national resources and economic growth is now widely recognized. Also in recent years, the concerns about environmental consequences of the growth and development have increased. The real policy challenge is how to integrate environmental concerns in commercialisation and privatisation policy. Nigeria embraced commercialisation and privatization as a development strategy in the mid-1980s, this period has also witnessed heightened concerns about the environment. The paper demonstrates that there is cause for concern about environmental consequences of public enterprises reform because of the divergence between private and public costs and benefit with regard to the environment. The paper also shows that environmental issues did not form a part of public enterprises reform programme in Nigeria until very recently. Post-reform performance evaluation has therefore not been able to incorporate environmental consequences. In all we argue that it is necessary to have framework that is useful in comparing welfare changes and its distribution among major groups in the society applicable for both pre and post-privatisation performance evaluation, since the ultimate goal of privatisation is improved social welfare level.