



## INNOVATIONS FOR SUCCESSFUL SOCIETIES

### REMAKING A NEGLECTED MEGACITY: A CIVIC TRANSFORMATION IN LAGOS STATE, 1999–2012

#### SYNOPSIS

Lagos State began the twenty-first century as a boomtown crippled by crime, traffic, blight, and corruption. A regional economic hub and burgeoning state of 13.4 million people, the megalopolis had a global reputation for government dysfunction. Two successively elected governors, Bola Tinubu and Babatunde Fashola, worked in tandem to set the state on a new course. Beginning in 1999, their administrations overhauled city governance, raised new revenues, improved security and sanitation, reduced traffic, expanded infrastructure and transit, and attracted global investment. By following through on their promises to constituents and forging a new civic contract between Lagos and its taxpayers, Tinubu and Fashola laid the foundations of a functional, livable, and sustainable metropolis.

*Gabriel Kuris drafted this case study based on interviews conducted by Graeme Blair in Lagos, Nigeria, in August 2009 and by Kuris in Lagos, in October 2011 and in Providence, Rhode Island, in November 2012. Case published July 2014.*

#### INTRODUCTION

In 1972, when Lagos was the capital city of a nation flush with oil money, the Nigerian government built the 22-story Bank of Industry building, one of Africa's tallest skyscrapers. Forty years later, Lagos had sprawled into a hectic and overburdened metropolis, and the federal government had moved nearly 550 kilometers away to the new capital city of Abuja. After five fires and a partial collapse, the deserted Bank of Industry tower loomed dangerously over a block of the city's bustling center, and the federal government, which owned the building, refused to act.

To many Lagosians, the tower was a symbol of the neglect of public safety by government officials more interested in graft than in serving

citizens. Lagosians were long used to assuming responsibility for their own security and disdaining government as a burden rather than a force for the public good. When Bola Tinubu was elected governor in 1999, he saw that reversing that expectation and restoring a social contract between citizens and the state were crucial to transforming Lagos from a place of blight and disorder into a modern city.

Tinubu and his successor, Babatunde Fashola, who was elected in 2007, made tearing down the tower a showcase of government performance. After passing a 2005 law allowing the state to take over blighted property, the state government negotiated the handover of the building in 2007. Over the course of two years, the government developed a plan for the tower's

orderly demolition, hired a contractor through a competitive bidding process, held community meetings with local residents, legally expropriated neighboring parcels, coordinated public services, rerouted traffic, and ran evacuation drills. Finally, in September 2008, Fashola and hundreds of onlookers watched the skyscraper collapse in a cloud of dust. Without injury or collateral damage, Lagos had carried out West Africa's first controlled demolition. Months later, Fashola announced an international design competition to redevelop the site into a landmark commercial complex.

The Bank of Industry building's transformation from hulking eyesore to high-end development embodied Lagos's rapid change after the end of military rule in 1999. Under Tinubu and Fashola, Lagos State turned a corner by laying the legal, administrative, fiscal, and physical groundwork of a modern megacity. Their dramatic reengineering of Lagos's machinery of government, from tax collection to police patrols, played a crucial role in that turnabout. Those changes had been carefully planned and executed to maximize their impact and demonstrate to local citizens and global investors that Lagos was a world-class metropolis. By 2012, Lagos was still beset with problems but had become a more livable city, energized with civic engagement, new construction, and momentum for further reforms.

## THE CHALLENGE

Although national and state government estimates varied, the United Nations estimated that in 2000, metropolitan Lagos had 13.4 million people, a population roughly equivalent to Beijing's and greater than that of any other city in sub-Saharan Africa.<sup>1</sup> Most of the city lay in Lagos State, which encompassed roughly 3,500 square kilometers on Nigeria's southwest coast and was the smallest of Nigeria's 36 states.

In many ways, Lagos was a unique city-state in the Nigerian federation. Already a cosmopolitan trading port when the British captured it in 1861, Lagos became the capital of colonial Nigeria in 1914. After Nigeria declared independence in 1960, the city's energy, finance, and service sectors boomed. By century's end, Lagos was generating roughly 60% of Nigeria's commercial and industrial activity and 12% of its gross domestic product.<sup>2</sup> It had Africa's second-biggest stock exchange, its largest film industry, and one of its busiest ports. It was also relatively prosperous, with Nigeria's highest per capita income more than twice the national average.<sup>3</sup>

Despite that wealth, problems plagued the city when Tinubu became governor after the end of military rule in 1999. There was "chaos," Tinubu said, "tremendous decay," and a "completely disorganized transportation system." He described "hills or mountains of refuse, solid waste, uncleared." Roads were clogged with traffic and impassable to pedestrians, and public utilities were unreliable.

Unchecked population growth had overwhelmed Lagos's bare-bones infrastructure. Hundreds of thousands of migrants arrived every year in search of better lives. With an annual population growth rate of 5.6% since 1975,<sup>4</sup> the United Nations predicted in 2000 that Lagos would be one of the world's most populous cities within a generation.<sup>5</sup>

Geographic and political constraints made that growth difficult to accommodate. Lagos's marshy islands and flood-prone creeks bottlenecked transit, hampered construction, and accelerated erosion. After a spurt of oil-funded construction in the 1970s, promoted by elected governors who addressed citizens' demands for housing, transit, and schools, the state languished under unaccountable and transient military governors from 1983 to 1999. The population roughly tripled during that

time, but infrastructure fell into disrepair. International publications derided Lagos as one of the world's least livable cities.<sup>6</sup>

Fashola explained that under military rule, “Nigeria was, in a sense, politically adrift. Undemocratic governments left many promises to make things better unfulfilled. The environment didn't lend itself to sustainable development. Military administrators did not know how long they were going to be in place, so it was difficult for them to develop any long-term plans.” Deputy Governor Sarah Sosan agreed: “We really suffered. The military administration paid no attention, and everything collapsed, especially education.” Corruption siphoned public funds. Felix Morka, executive director of Lagos-based nonprofit Social and Economic Rights Action Center (SERAC), said, “The governor would go into the state treasury and put the money into a bank account and walk away with it.”

Thus, when Tinubu took office in 1999, he faced two interrelated challenges. The first was to build the state government's capacity and efficiency through internal reforms, policy changes, and new sources of revenue. The second was to put those new resources and powers to use to address the citizens' needs in such areas as security, sanitation, and infrastructure. Improving Lagosians' quality of everyday life would satisfy voters and taxpayers and foster the economic investment and norms of civic behavior essential to a modern city.

The city's most conspicuous problem was the inadequacy of its physical plant. Lagos's booming population needed new roads, mass transit, sanitation facilities, schools, and clinics. The city's jobless masses—especially the migrant families who built haphazard settlements on the land's littoral margins and the gangs of idle young men called *area boys*, who roamed the alleys and hassled passersby—needed opportunities for work.

Traffic posed an immense barrier to urban development. A 2002 World Bank study estimated that Lagos State lost about 42 billion naira (US\$500 million in 2000) annually to the direct and indirect costs of traffic jams.<sup>7</sup> Ganiyu Johnson, a top-level official of public works and infrastructure under both governors, said: “According to the United Nations, you are expected to have about 17 vehicles per kilometer on a road. We were experiencing about 212 vehicles per kilometer.” The World Bank estimated that Lagos State had about 5,000 kilometers of roads,<sup>8</sup> one-sixth of the road coverage in the smaller and less populous city of Delhi, India.<sup>9</sup> Lagos's roads were typically unpaved, potholed, flood-prone, and traversed mainly by motorbikes.

Lagos also faced the challenge of rampant crime that overwhelmed a police force with shoddy equipment, little training, and low morale. Heavily armed gangs committed daylight bank robberies. Pirates raided vessels in Lagos harbor. Gangs extorted businesses, robbed citizens, and smuggled contraband. A 2004 survey of more than 2,100 Lagosians conducted by a local nonprofit research center found that 25% of respondents said they had been victims of theft in the previous five years, 9% had been victims of armed robbery, and 1% reported the murder of a household member.<sup>10</sup> Citizens often distrusted the police and the courts and viewed the local justice sector as corrupt and impotent.<sup>11</sup>

Improving security and fostering physical and economic growth demanded careful planning and implementation and, most crucially, new sources of revenue. Budgeting to meet Lagosians' needs would require a complete overhaul of the state's mishandled finances. Tinubu recalled that when he took office, “Financial statements had not been done in seven years. The state was running essentially on overdraft, not able to meet its obligations

over bloated payroll systems of unidentifiable workers.” Investors were unwilling to buy state bonds or establish new businesses, and citizens were reluctant to pay taxes they believed went straight into the pockets of politicians and their patronage networks.

Unlike his predecessors, Tinubu had to work within a democratic context. Nigeria’s constitution gave key powers to the federal government, which a rival political party controlled. The central government had exclusive control over police forces nationwide and discretion over the allocation of federal revenue, which state budgets depended on. Any attempt to create new security forces or levy new taxes faced legal and political hurdles.

Furthermore, Tinubu faced the pressures of democratic accountability. The voters who had elected him were impatient for change and yet reluctant to trust the government that had neglected their needs under decades of dictatorship. As Governor Fashola put it, the fundamental challenge the government faced was to “break the cycle of broken promises and begin to fulfill the social contract, so that people see the social contract and democracy as actually having a value that they can hold on to. Otherwise, we run into a very dangerous cycle where people could not differentiate between the benefits of a democracy and the benefits, if any, of a dictatorship.” Tinubu and Fashola had to ask Lagosians for their help in bringing order to the city. In exchange for that support, the government had to show results. Otherwise, the voters would show their anger—at the polls or in the streets.

## FRAMING A RESPONSE

Tinubu and Fashola formed a unique partnership that smoothed the transition between their administrations and sustained long-term momentum for reform. They aimed to professionalize state government by bringing in private-sector expertise and modern

management practices. Their administrations valued strategic planning to pursue a diverse, ambitious agenda with both short-term and long-term goals. To transform Lagos from the ground up, their administrations partnered with investors and business leaders.

Born in Lagos in 1952, Tinubu studied accounting at Chicago State University and worked at major US firms in Lagos before winning election to Nigeria’s senate in 1992. After clashing with the military government, he exiled himself to London in 1994. He returned in 1998 and was elected governor for two terms, from 1999 to 2007.

Fashola served as Tinubu’s chief of staff. Born in Lagos in 1963, Fashola was a commercial lawyer at the elite rank of senior advocate of Nigeria. “I’d been in the political struggle for a long period of time before I more or less dragged him into it,” Tinubu said of Fashola.

Tinubu and Fashola were dissimilar in temperament. “They think differently,” said Fola Arthur-Worrey, who led the Lagos State Security Trust Fund (LSSTF). As a seasoned campaigner, Tinubu relished politicking and used more confrontational rhetoric. Fashola was more understated and avoided the spotlight, preferring the nitty-gritty of policymaking and building consensus. Both men were Yoruba, the state’s main ethnic group, although Fashola was Muslim and Tinubu was Christian.

In their vision for Lagos, Tinubu and Fashola generally saw eye to eye and forged a close working relationship. When Tinubu reached his term limit after eight years in office, he endorsed Fashola to replace him—instead of another politician. “The greatest achievement of a leader is to develop other managers and a good successor who go beyond the level of ordinary thinking, to combine the thinking and the dreaming,” Tinubu said. “I told people, this is the person who will actualize the dream. Everybody is a captain, but Fashola is an

exceptional pilot.” Fashola won election in 2007 and re-election in 2011. Tinubu returned to the senate and, as national leader of his party, worked to build a liberal party that would challenge the ruling party he had clashed with frequently as governor.

The two governors collaborated closely to sustain momentum toward long-term goals. At a three-day cabinet-level retreat at the start of his second term, Tinubu unveiled a 10-point agenda, formalized in 2005 as the Lagos State Economic Empowerment and Development Strategy. The strategy set short-, medium-, and long-term priorities in environmental degradation, transportation, power and water supply, employment, construction, education, health, food security, housing, and revenue enhancement.

Many of those ambitious goals took years to take off, stymied by insufficient revenue, institutional inertia, clashes with the federal government, and problems of scale. Thus, Fashola made a crucial decision to retain the agenda he had helped Tinubu shape. “The ideas are not new,” Fashola said. “They’ve become more or less complex depending on changing circumstances, but the problems are not different.”

Both Tinubu and Fashola believed a strong partnership between the private and public sectors, which Tinubu called a “two-engine approach,” would jump-start job creation. Tinubu worked to woo investors who could boost Lagos by buying bonds, investing in local projects, or setting up shop to diversify the city’s economy. A business-friendly approach meant centering development in the corridor between Lagos’s job centers: Lagos Island, Victoria Island, and Ikeja in the northern part of the city, near the international airport. “Our decision-making process is governed by the time-tested rule in a democracy: do what gives the greatest benefit to the greatest number within the location of the project,” Fashola said.

Tinubu and Fashola often recruited senior officials with private-sector backgrounds like themselves. Tinubu said he “assembled the best brains that I know of,” working to attract educated Nigerians from the private sector and from the broader Nigerian diaspora. “Brain drain was turned to brain gain by bringing some of our well-trained individuals back home from overseas,” he said. Rather than political experience, he wanted leaders who had expertise in professional management techniques.

When Fashola became governor, he retained most of the ministers and senior officials he had worked with as Tinubu’s chief of staff, which he said helped “settle down the government very quickly.” He also appointed many private-sector professionals to open positions, including top barristers, bankers, and consultants. “It was Tinubu who invited me and so many other people from the private sector. He came from the private sector himself,” Fashola said. “He used to say that if we do not get involved, people who did not have our skills would make laws for us and make decisions on our behalf.”

Tinubu and Fashola also looked to the private sector in forging a results-driven management style. “We got on the road very quickly,” Fashola said, “because we went into several retreats to weld the political leadership with the institutional leadership, the Permanent Secretaries, and the career civil servants, breaking down mistrust.” The retreats helped develop a shared vocabulary. Such team building prevented stratification between new hires and cabinet veterans and made it possible to work more efficiently.

After the transition, such coordination continued through weekly meetings of the State Executive Council, which consisted of 42 senior staffers ranging from special advisers to civil service leaders. The meetings were long and lively. Johnson called them “very, very

important,” explaining “that’s where policy was discussed and approved.” He said meetings took a minimum of eight hours: “A minister will come with a memo. He will read and circulate the memo; then people will criticize it. Sometimes it takes an average of two to three hours to discuss one memorandum.”

Despite his deliberative style, Fashola kept his senior staff focused on results. As both chief of staff and governor, Fashola worked with senior staff to set tangible and traceable goals and periodically evaluate progress. He gave each commissioner a working document—a personalized work plan laden with operational detail that matched the 10-point agenda. Officials benchmarked their progress through personalized trackers—documents that gauged progress toward quarterly goals. Jide Sanwoolu, commissioner of establishment, training, and pensions, said the tracker set forth achievements “in terms of measurable, quantifiable, time-driven deliverables.” Inspired by a popular management technique first articulated by American consultant George Doran, the Fashola Administration emphasized setting objectives that were SMART: specific, *measurable*, *achievable*, *realistic*, and *time bound*. Fashola and his ministers frequently consulted with foreign experts and corporate speakers on good management practices.

Tinubu balanced long-term goals against “quick wins”—which he described as “low-hanging fruit”—to demonstrate incremental progress to Lagosians. For example, clearing hills of rotting trash from public spaces and planting trees and flowers in their place immediately improved the cityscape and put to work thousands of jobless youths. Even cosmetic changes helped build civic pride and reform momentum. Tinubu said a city that looked more orderly could encourage citizens to act more orderly.

Fashola also built public support by cultivating a reputation for accessibility and

community engagement. He and his top officials publicly posted their mobile telephone numbers and e-mail addresses. “Sometimes people called just to confirm it was me,” Deputy Governor Sosan said. “They were astonished that I’d answer.” Despite the volume of constituent messages, Fashola tried to respond to citizens’ complaints and suggestions and forward them to relevant staffers for follow-up. Lagos’s cultural and athletic celebrities, too, embraced Fashola, which helped him build popular support for reform.

After every hundred days, Fashola staged a televised, open meeting to report progress to citizens. He integrated frequent community meetings into the project development process. He reached out to civil society representatives. Morka of the public advocacy organization SERAC said in 2011, “Compared to the past, there are more opportunities for civil engagement with the state,” although he cautioned that civil society consultation “is not nearly as robust as it should be—even at this stage in our political evolution.”

In his communications with the public, Fashola deliberately tempered expectations. He described a messaging strategy to “under-promise, over-deliver.” He avoided making promises about particular spending priorities and capital outlays. He enforced a strict message discipline among his administration to make no unachievable promises. Through such candid communications, Fashola sought to transform the attitude of citizens “who have lived on a diet of broken promises,” so that they could see a state government that made only promises it intended to fulfill. In part, and in response to criticism over the slow pace of development, Fashola’s emphasis on managing citizens’ expectations came from lessons he learned under Tinubu’s administration.

Fashola also benefited from having a more politically neutral reputation than Tinubu, which enabled him to improve relations with

the federal government. A presidential changeover in 2007 and the subsequent decision by the ruling party to start seriously contesting elections in Lagos also decreased antagonism between the state and central governments.

Both Tinubu and Fashola enjoyed the full support of the state legislature and unrivaled control over Lagos politics. “We resolved among ourselves—the executive arm, the legislative arm, and the judicial arm—that while it is fair to play politics in Lagos, we will not play politics with Lagos,” Fashola said.

Nevertheless, Fashola sometimes relied on Tinubu to act as a local political power broker. Early in Fashola’s first term, that partnership took on a novel informal arrangement the press labeled a “dual governorship.” Fashola focused on conceiving and executing policy while Tinubu, as senator and party leader, acted as Fashola’s political tactician and enforcer. “We built a model,” Tinubu said, in which “he should focus purely on the job, driving transformation, building achievements. I took care of the political nuances and conflicts that helped ease his time because time is the most valuable asset.” Tinubu’s assistance reinforced Fashola’s power, freeing Fashola to focus on the policy-making arena—above the political fray. “I don’t interfere in [Fashola’s] day-to-day running unless I am called upon,” Tinubu said. “For example, if there is a crisis or a strike, I can step in easily because they know my face more than his.” Potential conflicts that Tinubu helped diffuse included a taxi drivers strike, a conflict with the teachers union, and public uproar over new taxes.

The so-called dual governorship was briefly tested by a public falling-out in 2009 over tensions between the two men’s political ambitions,<sup>12</sup> but Tinubu ultimately endorsed Fashola’s reelection.<sup>13</sup> Besides that interregnum, the partnership between the two leaders proved crucial to turning Lagos around.

## GETTING DOWN TO WORK

When Tinubu first took office in 1999, his first priorities were to reform the civil service and set the state on a firm fiscal footing through taxation reform and new private investment. After Tinubu’s reelection in 2003, his administration pursued its new, 10-point agenda—which harnessed the state’s renewed economic vitality and the revenue it provided—to overhaul environmental management, infrastructure, and the justice sector. Many of those reforms came to fruition under the Fashola Administration, beginning in 2007. Both governments also made incremental progress on other priorities beyond the scope of this study, such as health, education, waterworks, and power generation.

### *Reforming the civil service*

The civil service that Tinubu inherited, which had more than 100,000 staffers at the state and local levels, faced low morale, skills shortages, and irregular recruitment and hiring practices. Rather than fire workers en masse, which could further dampen morale and compound unemployment, Tinubu’s team worked to inculcate a culture of professionalism among existing staff.

Tinubu built trust by personally meeting with civil servants to hear their concerns and determine feasible incentives that would boost morale. He established a confidential communication line for workers to submit complaints and anonymous tips. He improved working conditions in government offices by cleaning work spaces and installing new equipment. “You can’t imagine what it was like,” Tinubu said of the working environment, “the congested office space, the lack of hygiene in the toilets, the refuse all over the place.”

To free up funds for office renovations and pay raises, Tinubu introduced a computerized system with biometric security to weed out

ghost workers from bloated agency payrolls. Using the money saved from efficiency measures to improve employment conditions helped win over skeptics. “We made it clear to them: ‘Look, all of you could share this money’ instead of it going to only a few people, the fraudulent workers,” Tinubu said. “By the time we finished with the state and local government workforces, we were saving close to 600 million naira out of a payroll of 1.2 million naira [US\$ 9,500]. Half the payroll had been lost to fraud and mismanagement.”

Not all workers adjusted well to the new professional environment. Union rules made it hard to terminate workers without specific cause. The Tinubu Administration complied with such restrictions by reassigning workers to match their skill levels and initiatives. Workers who showed sufficient aptitude were trained in modern management, accounting, computers, and equipment maintenance. Other workers received less-skill-intensive jobs, opened up by improvements in public spaces. Muiz Banire, who served as Tinubu’s commissioner of transportation and Fashola’s commissioner of the environment, said: “I don’t believe anybody is useless. I’ll just create a responsibility for them.” Banire cited examples of unskilled labor such as changing lightbulbs in traffic signals or maintaining public greenery.

Other incentives Tinubu offered to employees included government-backed loans and investment plans to give them more flexibility in personal finances. “I introduced a home ownership plan with a long-term payroll deduction,” Tinubu said. To workers accustomed to uncertain paychecks, Tinubu offered interest-free loans to back investments in government bonds. “When they saw the return from the bonds with the principal still guaranteed, they were delighted,” Tinubu said. The 2004 Pension Reform Act established a modern pension system for civil servants based

on mandatory retirement contributions—a first for Nigeria.

By the time Fashola took office in 2007, the civil service was considerably more professionalized. With a reputation for innovation, it attracted more-qualified leaders with private-sector experience. Ben Akabueze, Fashola’s budget commissioner, said, “We came to the conclusion that if we really wanted to get the public sector working, we needed people who have had private-sector experience to try to bring in some of those skills, those disciplines, those technologies that are deployed to get work done in the private sector.” Rotimi Oyekan, an investment banker who joined the Fashola Administration as commissioner of finance, said that bringing in private-sector expertise helped raise staff capacity and led to the use of more sophisticated financing mechanisms.

Oyekan conceded that public-sector staffers were sometimes distrustful of new hires and process reforms but that suspicions faded quickly. Fashola agreed. “If there is any hesitation, it is simply because human beings are creatures of habit,” he said. “Change is ordinarily the most difficult thing to implement—even change for good.”

Like Tinubu, Fashola said that making civil servants more secure in their lifestyles would reduce corruption and boost morale. “You have to remove the conditions that predispose Nigerians generally and civil servants in particular to desperation,” Fashola said. He said that if the government provided its functionaries with reasonable job security and vehicles for long-term savings, then they would deliver more reliable performance. “If you make people comfortable, if you give them hope, you can ask them to go that extra mile,” he said. “As our revenues increase, the way forward is to make civil servants more comfortable so that they work with more passion.”



### *Transforming Taxation*

Because Nigeria's constitution made it difficult for state governments to levy additional taxes, Tinubu sought to raise revenue by reforming tax administration. But antiquated laws put the state tax office, the Board of Internal Revenue, under federal control. Tinubu established Nigeria's first autonomous state-level agency to administer state taxes, despite ire and a court challenge by the federal government, which the agency survived. His team worked with Nigerian and British experts to draft establishing legislation and set up the new office.

In late 2005, Tinubu launched the Lagos Internal Revenue Service (LIRS). During the next year, he appointed a new chairman and leased an office. In early 2007, as Fashola took office, the LIRS became fully operational. Most of the LIRS leadership came from the private sector rather than the former tax agency. Ade Ipaye, a special adviser on taxation issues in both of the gubernatorial administrations, said the state government gave the LIRS the budget and administrative flexibility to run itself like a private firm. "We created a revenue agency that saw itself the way a private company would in terms of what it wants to achieve, in terms of access to resources to achieve it," he said.

A high-visibility sting operation led by Ipaye's team, which revealed the involvement of top tax officials in the illegal sale of genuine tax certificates, facilitated the termination of officials from the previous tax office. "The government saw the opportunity to remove all of those who were found to be involved," said Ipaye. "A lot of directors were retired." To avoid legal battles, those officials left office with full benefits.

Other staffers from the old tax agency could choose whether to join the LIRS or transfer offices. Most remained, trading their civil service contracts for at-will employment. On one hand, in doing so, they gained higher

salaries and performance-based bonuses, which Ipaye said gave workers "a stake in the growth of the business, so to speak." On the other hand, LIRS staffers were bound by a strict code of ethics and a disciplinary structure that penalized staff for the mere appearance of unethical activity. Ipaye explained, "Even if we cannot prove that you are doing something wrong, if there are consistent complaints about the way you do your work or consistent allegations of corruption, it will justify your removal without us having to go through the long [civil service] processes." Tax agents also rotated roles frequently to make it harder for them to form networks of graft.

The state government also worked to simplify taxation to reduce hassle and cut loopholes. The ministries of finance and of science and technology worked with outside consultants to develop software to fully automate taxation, an initiative later adopted by the federal taxation office. Tax automation enabled most taxpayers to pay taxes electronically through local banks, which reduced the corruption risks of cash payments.

The LIRS also encouraged citizens to pay taxes by cultivating a culture of customer service among staff. The agency set up a complaints office and widely publicized its phone number. LIRS employees wore name tags to make them individually accountable for poor service. "That has changed attitudes," Ipaye said. "We trained our staff as resource persons. They will help you for free, guide you through the processes."

With automated taxation and a streamlined bureaucracy, the LIRS reaped enormous efficiency gains. However, improved administration was insufficient to address the state's revenue needs. "I would say that perhaps 30 to 40% of that came out of plugging leakages, and the rest came out of expanding the tax net," Ipaye said.

To bring street vendors and other informal businesses into the tax system, the

administration introduced a one-page tax form for such businesses, including the option to pay a fixed annual fee of 2,500 naira (US\$15) rather than calculate one's specific tax obligation. For uneducated traders working on a day-to-day cash basis, the fixed fee—less than 1% of Lagos's average per capita income—made filing possible. Although small, those merchants' fixed payments enabled the state to "have them on record," said Ipaye, which facilitated audits. Accordingly, the state required buyers to show tax clearance certificates (proofs of payment) when making large transactions. The state also cleaned up land titling and brought it for the first time to the largest informal markets in the city. Additionally, it began to license taxis and other private transportation vehicles.

Starting in 2009, Fashola further widened the tax base through a public education campaign aimed at fostering a voluntary culture of tax compliance. Called "I pay my tax," the campaign ran in televised and print media as well as on billboards and posters. Advertisements used celebrity volunteers and religious leaders to promote norms of tax payment as a sign of civic pride and respectability. A follow-up campaign in 2010 featured everyday workers explaining the need to contribute to the city. "People see what their money is being used for," said Sosan. "They are happy to see their money at work." The government also integrated taxation into public school curricula and promoted taxation through essay contests for educational scholarships.

Not all Lagosians were happy about the increasing pressure to pay taxes. Jahman Anikulapo, Sunday editor of the Lagos-based *Guardian* newspaper, argued that by increasing the level of enforcement of a wide range of taxes and fees, the government was pressuring the citizens who could least afford the squeeze. SERAC's Morka argued that ordinary citizens, especially marginalized populations, did not believe the boom in tax revenue was tangibly

bettering their lives. "If you're not giving anything back to the people, then they're just a cash cow," he said. "You must feed the cow if you want the milk to flow. You must nourish it and treat it decently. Otherwise, maybe one day the cow will say, 'No milk for you!' and give you a kick instead."

#### *Making it easier to do business*

To promote deeper administrative reforms, Fashola established the Business Ways and Means Committee in November 2008 to improve service delivery and reduce the cost of doing business by reviewing and reforming state processes. The committee undertook top-to-bottom reviews of government processes that citizens complained were especially inefficient or unresponsive to their needs—such as vehicle registration and the recording of land titles—and tried to redesign them to reduce inefficiencies. Seated within the Ministry of Economic Planning and Budget, the committee consisted of top-level officials in the fields of law, human resources, technology, and revenue.

Akabueze, who chaired the committee, said that scrutinized offices first had to "document their current processes and improvement points." The committee then examined those processes, developed process flowcharts, and pinpointed inefficiencies. Finally, the committee presented recommendations to the State Executive Council. "Once there is a buy-in at that stage, then you can drill it down through the system and make necessary changes," Akabueze said. The reform of seemingly simple processes often required coordinated action across several state and local offices, requiring top-level political support.

In mid-2012, Fashola replaced the committee with the new Office of Transformation to broaden the scope of the Business Ways and Means Committee by disseminating its process reform approach to all

government offices. The new office helped all state offices create service charters and mechanisms of goal setting and accountability. “The ministries now each have their own service charter, drawn up by them, about what they hold themselves accountable to do within a time frame,” Fashola said. The government first chose 11 offices and ministries for pilot projects, selecting them for their high impact on citizens’ lives, such as offices that issued planning permits for private property.

#### *Welcoming private investment*

The stabilization of Lagos’s finances enabled it to successfully float bonds on global markets, thereby raising substantial capital. In 2002, Lagos raised an aggregate of 15 billion naira (US\$116 million at the time) through bonds issued, demonstrating market demand. Seeing the need for an autonomous agency to manage such debt obligations, Tinubu created in 2005 the Debt Management Office, whose director reported directly to him. The Debt Management Law of 2009 codified the office’s structure, duties, and powers. In 2009 and 2010, the Debt Management Office successfully issued public bonds exceeding 100 billion naira (US\$672,000,000), as two offerings in a series intended to ultimately raise 275 billion naira (US\$1.8 billion at the time).<sup>14</sup> In 2010, Lagos State generated 203 billion naira (US\$1.4 billion) of internal revenues.<sup>15</sup> According to Rotimi Oyekan, Fashola’s finance commissioner: “The debt issuance program is like a financial complement to our ambition. It is the first time a subnational entity in Nigeria is issuing debt instruments to the financial market on a regular basis.” He described the debt program as “immensely successful,” with the 2009 and 2010 offerings oversubscribed by almost 18%.

Increasing financial sophistication enabled Lagos to form public-private partnerships (PPPs), a modern project finance instrument that facilitated risk sharing between the

government and private companies. Government support often included capital outlays, special tax incentives, and regulatory exemptions. PPPs were a special priority for Oyekan, who had advised PPPs across Africa. In November 2007, Oyekan led an international workshop on PPPs in Lagos, after which Fashola appointed him to chair a PPP subcommittee of the State Executive Council. In December 2008, the government launched the Office of Public-Private Partnerships as a one-stop shop that would assist PPPs including toll roads, water treatment plants, power plants, security initiatives, and the operator of the bus rapid transit system.

Lagos’s increasing reliance on PPPs provoked resistance, especially from those whose houses were demolished to make way for privately operated toll roads. “There’s always political resistance,” acknowledged Oyekan. “But there is a huge infrastructure gap in Lagos. Government cannot conceivably provide all the resources we need.” Oyekan said the government provided compensation and sometimes relocation for evictees. “The fact is the environment requires this kind of infrastructure, and it’s just what we have to do,” he said.

#### *Expanding transit options*

The Lagos State government poured new revenue and investment into city infrastructure, including roads and mass transit. Sosan said that to determine priorities for road building: “We first did a baseline study. We look for the roads that will be most beneficial to the economy and the people.” Johnson said the government divided the city into zones to distribute improvements across the state. “In each zone, we tried to recognize those strategic roads that will bring relief to the people and that will also empty into the main-arterial roads,” he said.

Road projects sought to benefit pedestrians as well as drivers. “People are free to walk on our

roads now,” Johnson said, citing new walkways, street signs, and streetlights. Pedestrian improvements also helped curb crime and beautify the city.

To expand public transit options for millions of daily users, the Fashola Administration planned an ambitious intermodal network of ferries, buses, and light rail lines. Johnson said Lagos looked to Bogotá for inspiration. “A delegation went to Bogotá, because Bogotá went through the same traffic problems as Lagos,” he said. “When they introduced BRT [bus rapid transit] and light rail, they discovered that the city changed. They explained how they went about it, and that was what we did.”

To manage transport, at the end of 2003 the Tinubu Administration launched a semiautonomous government agency called the Lagos Metropolitan Area Transport Authority. With funding and technical assistance from the World Bank, the authority developed a master plan to manage growth by 2020 by creating a world-class multimodal transport system.<sup>16</sup> The plan comprised seven rail lines, 10 BRT routes, 10 water transport routes, new highways and a ring road. The master plan anticipated new port improvements and highways to manage Lagos’s role as a regional hub for transit and commerce. Its ambitious goals depended on a mix of public and private investment.

The Tinubu Administration also overhauled Lagos’s bus system. The state experimented with various legal structures for system oversight, including a state corporation, subsidized private operators, and partnership with a foreign firm. In 2007, the state settled on a private limited liability company and created LAGBUS. To diffuse responsibility, a contract with a separate company covered the maintenance of rolling stock.

In early 2008, a new BRT system, funded by a public-private partnership, complemented LAGBUS by serving a fixed route on central

arteries with dedicated lanes and permanent stations. The first phase, which took commuters between the city’s primary business districts, proved popular. Johnson said that periodic traffic studies had “revealed that the travel time on that route has improved, because some people now prefer to use the BRT instead of putting their cars on the road. They save on fuel. They save on maintenance of their cars. They are healthier. They can sit down and relax. . . . Now everybody wants BRT in their neighborhood.” Based on the success of the demonstration route, the government began constructing two extensions.

As a more long-term plan, the Lagos state government under Fashola began realizing plans to invest in a ferry network, following the models of Hong Kong and Bangkok. In 2008, the government created the Lagos State Waterways Authority to open up new commuter pathways through the waterways that bottlenecked the road network. Although preexisting ferry services were considered inconvenient and unsafe, the Fashola Administration carried out plans conceived under Tinubu to construct a modern ferry system. By the end of 2009, three prototypes of modern terminals had opened. The state hired private operators to bring in modern ferries that met updated safety standards, initiating basic service in 2010. “These ultramodern, air-conditioned ferries will act as catalysts to encourage people to use the waterways,” said Johnson. By 2013, the system had 71 ferries serving five terminals and three routes out of a total planned system of seven routes and was reporting a monthly ridership of 1.3 million.<sup>17</sup>

#### *Modernizing sanitation*

The sanitation policies of Tinubu and Fashola focused on both promoting change in public behavior, through encouragement and enforcement, and improving service provision to demonstrate progress. Tinubu described himself

as “vigorously” involved in cleaning up Lagos’s trash problem, perhaps the most visceral remnant of neglect under military rule.

The Tinubu Administration began by introducing what Banire called “the culture of bagging.” The Environmental Sanitation Law passed in 2000 required residents to bag trash, banned unlicensed trash collection, and made it an offense to litter or dispose of trash outside proper receptacles. Lagos established a special court to try sanitation offenders.

To encourage proper trash disposal, the state offered citizens affordable, accessible alternatives. The government distributed bins to citizens and provided public bins for regular waste collection. “You cannot ask them not to throw their garbage on the street if you don’t provide alternative and efficient evacuation means,” he said.

To encourage compliance, government information campaigns explained to citizens how dumping trash in drains increased flooding and the prevalence of disease. Banire described how the government communicated its message of proper waste management through varied media: “The most potent of all the modes that we’ve been using is the interpersonal one: talking to communities, organizing town meetings, and taking our vehicles around with public address systems to talk about what is going on, what our policies are,” he said. The environment ministry created a series of docudramas to spread awareness and distributed them on free DVDs. The ministry also collaborated with popular musicians to spread its messages. Banire said popular local musicians such as Kwam1 recorded songs about waste management.

By 2009, Banire was reporting that more than 85% of Lagos’s refuse was making its way to the government dump site, which forced the government to rapidly ramp up capacity for pickup. The state contracted on a monthly basis with private operators to handle overflow, but

few of those contractors had appropriate vehicles. The government encouraged operators to finance equipment acquisition with loans and welcomed competition from new operators. “We encouraged a lot of people to come into the business,” Banire said. “People were rushing in. Everybody started rushing to quickly re-fleet.”

In 2009, to further streamline the waste management system and ease the traffic problems that idled trucks, Lagos State opened West Africa’s first transfer loading station. The station allowed trucks to deposit daily garbage intake to be sorted and transferred to distant dumpsites overnight when traffic was light. A second transfer station opened in late 2011.

#### *Managing an urban environment*

The Tinubu and Fashola Administrations emphasized “cleaning and greening” to turn garbage-strewn highway overpasses and avenue median strips into pocket parks. In 2009, the government passed legislation to set up an independent agency, Lagos State Parks, to manage the effort.

Banire explained that cleaning public spaces and planting them with trees and flowers had benefits beyond aesthetics. The parks provided employment for more than 4,000 laborers, recruited mainly from the crime-prone population of unemployed young men. Banire said that state procurement boosted small enterprises: “We now have over 500 florists today—a lot of horticulturists. We have so many people in the supply chain: supplying interlocking paving stone and iron ore, and wetting flowers every day in the river.”

The program also improved public safety. Improvements cleared spaces that had attracted petty criminals and shored up defenses against flooding and soil erosion. New trees broke up the winds of frequent storms. However, state environmental polices provoked two major criticisms. First, many Lagosians dismissed the changes as cosmetic. “Our government, in Lagos

state and elsewhere, is too concerned about things you can photograph,” said Morka. Anikulapo also decried the government’s focus on beautification: “The government has cleaned up the face, but the body’s still rotten.”

Critics also accused the Lagos government’s environmental enforcers of heavy-handed tactics, especially the Kick Against Indiscipline (KAI) brigade established by Tinubu in 2003 to enforce the Environmental Sanitation Law. Vendors accused the KAI brigade of shakedowns and harassment when the brigade periodically raided and shut down informal markets across the city.<sup>18</sup> Lagos journalist Shaibu Husseini described the KAI brigade as “extortionary and too top-down,” imposing “huge fines” for common violations. In response to criticism, the government terminated dozens of KAI brigade members for corruption in October 2011, but critics claimed the government continued to tolerate the force’s abuses.<sup>19</sup>

### *Mending the justice system*

To better enforce justice, protect citizens, and attract investors, the Lagos state government focused on court reform and renovation. “When I saw the condition of our courts, I was close to tears,” Tinubu said of his early days in office. He described rat-infested offices, haphazard filing systems, and “unmotivated” judges burdened by “tedious writing” and low salaries.

“If you wanted judges not to be corrupt,” Tinubu said, “you have to build a sincere package of incentives. They have to see a career on the bench as a rewarding future.” In tandem with civil service reforms, the state government provided judges with state vehicles, subsidized home ownership plans, and new equipment and facilities to ease their work. He said the incentives “worked like magic” to curtail ethical violations and staff turnover.

Under Tinubu, the justice ministry began to overhaul the state’s colonial-era substantive

and procedural criminal laws. New procedures in 2007 allowed the inclusion of punitive community service in criminal sentencing, the introduction of plea bargaining, and the compilation of a legal index. New criminal codes in 2009 modernized definitions of criminal acts, including definitions of new crimes such as electronic fraud and the enshrinement of new rights for both victims and defendants. Commissioner of Justice Olasupo Shashore said, “All the developments in the last five decades all over the world that should have been addressed a long time ago are contained in that document.” Other states in Nigeria followed Lagos’s lead. Akeem Bello, senior special assistant to the attorney general, described the legal changes as “revolutionary . . . with a lot of initiatives and innovations to facilitate speedy and efficient delivery of criminal justice.”

Fashola’s administration targeted lower courts that handled everyday matters rather than high courts, where legal reforms in Nigeria typically began. “The courts are so interconnected that if you fix the second level of courts without going to the first level of courts, you would really never affect the justice system at all,” Shashore explained. Lagos’s 118 courts of magistracy, which handled roughly 90% of all legal cases in the state, had stagnated over decades of neglect. Magistrates were buried under case backlogs and burdened with administrative duties such as drafting longhand records of case proceedings. “We had found that there was infrastructure decay, there was a human capital deficiency, and there were outdated laws and procedures being used, which made the entire magistrate courts system rather ineffective,” said Shashore.

In response, Shashore said, the Ministry of Justice “embarked on a blueprint-making exercise” shortly after Fashola’s inauguration by establishing a multi-sector justice sector reform committee that including police, private practitioners, legal experts, and magistrates.

Based on the committee’s findings, the State Executive Council established a technical implementation committee chaired by Shashore to implement the reforms, passed into law in 2009. To glean public input and build support for justice sector reforms, the Lagos government also convened a stakeholder’s summit on the administration of justice.

The reforms streamlined judicial codes, tenancy laws, and civil procedures to limit case adjournments and shorten case timelines. Some reforms gave magistrates new duties, such as the expansion of court hours to include Saturday service and the raising of the magistracy’s monetary jurisdiction. According to Bello, those changes “enabled [the magistrates] to take on a lot more matters, thereby decongesting the higher courts.” In return, the Lagos government upgraded magistracy facilities and equipment. To free magistrates from clerical duties, the Ministry of Justice recruited and trained scores of stenographers and equipped them with stenotype machines to take verbatim court transcripts. According to Shashore, that simple reform “was fundamental, and we found that it affected morale . . . [and] the output of the presiding officer [magistrate] and the perception of the service being delivered.”

The new procedures held magistrates accountable for their performance. Rather than gross output, performance assessors focused on red flags such as consistently low rates of case resolution, judicial misconduct identified during appeal, and findings of mistaken jurisdiction. The Judicial Service Commission set up an internal committee to investigate potential cases of abuse. For the first time, career advancement decisions took judicial performance into account.

### *Improving citizen safety*

“People pay taxes, and with taxes they should expect that security is a given,” Fashola said. Although the Tinubu and Fashola Administrations complained that the federal

government failed to adequately address urban crime, they tried to work within their powers to address security needs.

In June 1999, shortly after taking office, Tinubu worked with the state branch of the national police to create the Rapid Response Squad to curb bank robberies and other major crimes that threatened public order and inflicted heavy casualties. Modeled after SWAT (special weapons and tactics) teams operating in many countries, the squad received extra training and equipment partly funded by the state. Although it helped reduce the brazen daylight robberies that had terrorized residents in the 1990s, the squad had limited impact on crime overall and was hampered by equipment shortages.

The state government also stepped up enforcement against the petty crimes and traffic offenses it was legally empowered to address. “We believed that there cannot be true progression in any society except when people begin to obey basic rules and regulations that are meant to ensure that there is law and order,” said Bello. That included a focus on petty crimes and traffic offenses. Though such crimes and offenses had long been tolerated as relatively harmless, Tinubu and Fashola saw minor infractions as cracks in the system that undermined respect for the law. “That sense of chaos is the environment that incubates serious and violent crimes,” said Shashore. By prosecuting offenses against public order, Shashore said, the state sent “a strong message that every citizen deserves an orderly society. It is what we all signed up for in the constitution, and it’s the duty of the state to enforce it.”

Tinubu first tried to alleviate traffic through strict enforcement of the rules of the road. In his first term, he created the Lagos State Traffic Management Authority (LASTMA), a force of disciplined, uniformed officers who aggressively issued fines and citations for traffic violations. The authority

provided employment for thousands of physically fit but low-skilled workers, including the young men prone to petty crime. Officers were trained not to argue or accept bribes. Drivers often complained the new officers enforced rules overzealously. In 2011, federal courts ruled LASTMA's issuance of fines without judicial process unconstitutional, prompting the state to reform the authority in 2012.<sup>20</sup>

During Tinubu's second term, Banire—as commissioner of transportation—raised the stakes on traffic enforcement by establishing a special Anti-One-Way Squad. Arguing that “you won't find a normal person driving on the wrong side of the road,” Banire directed that drivers caught driving against traffic had to take a daylong outpatient psychiatric exam in addition to paying a steep fine. In 2009, more than 2,600 drivers were sent for evaluation.<sup>21</sup> Critics charged that the directive wasted medical resources and violated civil liberties, but Banire argued it sent a strong message and reduced violations.<sup>22</sup>

In 2008, to raise awareness of such rules before enforcing them more rigorously, the government initiated an advocacy campaign. “There were newspaper ads and radio jingles trying to educate people about the basic things you are expected to do as a law-abiding citizen and the things that you are expected not to do and warning that after a period of time, prosecution will follow,” Bello said.

## OVERCOMING OBSTACLES

Despite increased security measures under Tinubu, by 2007 Lagos State was facing a crime epidemic that required a radical policy shift. In response, the state created an innovative trust fund to support the national police, funded by private donors.

In addition, community resistance sometimes posed a challenge to the state's frenzy of demolition and construction. Some citizens saw themselves as marginalized or dispossessed

as the government rushed to overhaul city infrastructure.

### *Breaking a crime wave*

Shortly before Fashola's election in 2007, a renewed crime wave hit the city.<sup>23</sup> “There was a feeling of rising violent crime and general insecurity in Lagos,” recalled Arthur-Worrey, the founding director of the Lagos State Security Trust Fund. “The police were in dire straits. They probably had 30 barely functioning vehicles, plus about 15 for the Rapid Response Force.” Tinubu donated 92 cars to the national police in the waning days of his administration, but the police force still needed much more equipment to police a growing state of well over 10 million people.

According to Arthur-Worrey, when Fashola took office in May 2007, “The first thing the governor did was to set up a very broad-based committee under the previous inspector general to investigate the problem and work out solutions.” The committee acknowledged the need to address the underlying causes of law breaking but found an urgent need to “build a wall” against crime. “At the bottom line, the problem was resources,” Arthur-Worrey said.

The law barred the state from hiring police officers or imposing a new security tax. “We couldn't impose a tax or levy for security,” said Fashola, “but we thought that the monies people were spending to buy bulletproof cars and build bulletproof homes, pooled together, would be able to protect more people than just the few who could afford to protect themselves.”

The state government took inspiration from a 2005 national effort to attract private-sector donations to security agencies, which had failed to catch on due to private-sector distrust. The Fashola Administration believed it could create a fund that worked by tapping its private-sector connections and reputation for competence. Arthur-Worrey said that more cordial federal-state relations after the 2007 national elections



eased collaboration over security issues.

In the First Town Hall Meeting on Security, in August 2007, Fashola appealed to the private sector, which had suffered greatly from crime. “They committed,” Arthur-Worrey said. “They put their money where their mouth is, driven by enlightened self-interest.” The first law passed by the state legislature in its new session established the security trust fund. As described by Bello, senior special assistant to the attorney general, “The basic goal of setting up the trust fund was to advance funds to the police to support them in terms of equipment and logistics and to ensure they can perform their functions with the necessary wherewithal.”

The fund received monetary or in-kind donations to equip, train, and support federal security agencies. To encourage donors, the fund was made highly transparent. A global accounting firm audited the fund annually. The fund also underwent an annual physical audit to ensure proper equipment maintenance. Every expenditure required approval by the fund’s board of directors, composed mostly of private-sector representatives. “Once we did our first audit, the donors were more comfortable,” Arthur-Worrey said. “And they saw the physical changes—that the town was much safer.”

Before the board was even established, contributions totaling 130 cars and more than 2 billion naira (US\$12 million) had rolled in. Arthur-Worrey recalled that “a mass of proposals came in” from the state National Police Force (NPF) office and other security agencies. The board evaluated each proposal and scaled it down as necessary. “We deliberately said we are not taking over all the functions of the police,” Arthur-Worrey said, focusing on security-related expenditures such as vehicles, armor, and weaponry.

With the fund’s help, the Rapid Response Force purchased armored personnel carriers (APCs) to fight bank robberies. “Since we bought the APCs there has not been a single,

successful bank robbery,” Arthur-Worrey said in 2011. The NPF established a motorcycle squad that could weave through Lagos’s dense traffic. It created a coastal patrol to fight piracy.

“Fashola has poured money into security, really empowered the police,” noted newspaper editor Anikulapo. “Now you see battle-ready police in Lagos.”

“Because we provision the police, they respond to our needs—not political needs but law enforcement needs,” said Arthur-Worrey. Collaborating more closely with the NPF, Arthur-Worrey said: “We began to understand where their problems were. It wasn’t just equipment; it was lack of capacity.” The LSSTF began to pay for training of officers stationed in Lagos.

However, state-funded training of national police officers created a potential problem, because the NPF could rotate out trained officers at any time. The fund’s legal workaround was to provide so-called auxiliary police to serve as drivers for local NPF officers. The auxiliary police were not allowed to carry arms and were outside the NPF organization. However, they were trained at the police college in offensive and defensive driving and given protective gear. As locals, they were much more familiar with the streets of Lagos than were the NPF officers who usually came from other states. By the end of 2011, the fund had trained 300 such auxiliary police.

Besides furnishing field equipment, the fund also helped fund a security command center in 2010. The 24-hour center managed Lagos’s two pioneering emergency hotlines, created in 2009. “Before this, you had to call a police officer’s private number to get help,” said Arthur-Worrey.

The LSSTF quickly emerged as a model for Nigeria. Six states consulted with the fund for advice on establishing similar structures. As concerns over ethno-religious strife rose in 2011, a constitutional amendment permitting state

police forces looked unlikely.

*Addressing community concerns about development*

The democratic transition that had swept Tinubu and Fashola into power had also empowered citizens to organize and voice their dissent. Communities that felt left behind—or permanently displaced—by Lagos’s transformation voiced their opposition through the ballot box, the media, street protests, and court challenges. In tension with their avowed embrace of participatory democracy, Tinubu and Fashola sometimes overcame opposition by relying on broad constitutional powers inconsistent with generally accepted democratic norms.

To minimize the pain to surrounding communities during construction, the government called stakeholders’ meetings to explain how projects would improve their lives and to describe steps taken to minimize impact and ensure timely construction. In road construction especially, Fashola emphasized under-promising and over-delivering. He described how “a major bridge into Lagos from the mainland, the third mainland bridge, needed to be fixed, and everybody thought that the whole state would shut down, but we managed it. We provided alternative routes. We told people the program would take only eight weeks. We delivered in seven weeks.”

Johnson said: “Of course, people will resist, but by and large we try to let them know the need for the expansion. . . . Once projects are completed, they are happier because they have an enduring infrastructure that will take them another 20 to 25 years before they think of another expansion.” Sosan emphasized that the new roads were made of higher-quality asphalt and would not need to be repaired as frequently as older roads. Tinubu said, “If you build a good, durable road where you have a pedestrian walkway, where you have streetlights, gradually

people will respond and want it in their communities.”

For people displaced by construction, Johnson said, “We go a step further to also compensate those people whose structures we demolish totally or partially, provided they have legal documents to justify ownership.” Such proof of legal ownership was necessary, Johnson said, because “government cannot and will not encourage anybody to build illegally.”

However, Nigeria’s unusual property laws made legal proof of property ownership hard to demonstrate. Morka of SERAC, an advocate on behalf of Lagosians dispossessed by eviction, explained that Nigeria’s Land Use Act, enshrined in the constitution under military rule in 1978, vested in the governor the ownership of all land then unowned. To keep their land, existing landowners had to secure a certificate of occupancy from the government. Morka said the title regime “became subject to intense, unbelievable corruption and hopeless bureaucracy.” Property buyers typically paid more than 35% of the value of the land for the certificate—on top of normal property taxes. Because of that steep cost, Nigerians usually preferred to transfer land informally—without the certificate. Morka said that was true “even in the elite districts of Lagos. We studied [the Ikeja [Government Reserved Area (GRA)], which is as elite as you can get; and well over 60% of the houses there were not covered by certificates of occupancy.”

Thus, many Lagosians were effectively squatters in the eyes of the law and subject to eviction without notice or compensation. Thus, the Lagos State government could clear businesses and homes in areas they wished to expropriate—with relative impunity and without owing compensation to many of the longtime property holders.

Morka pointed to the Lagos State Task Force on Environmental Sanitation and Special

Offences—a holdover from military rule accountable only to the governor—as a notorious force of expropriation. Morka explained: “This is an organization that simply goes about destroying people’s lives in the name of enforcing environmental standards. They carry on in total disregard of due process of law, enjoying massive impunity. They go around the city demolishing anything they choose to demolish, without notice, without compensation, in the name of building ‘Lagos Megacity.’” Morka described an incident in December 2010 in a community called Makoko, where he “nearly escaped being shot dead by the police at the scene of an eviction by the environmental task force. The people there were living on private land. The task force was simply hired, paid by the claimants of the land, to carry out this illegal act.” The incident caused several casualties, two of them fatal.<sup>24</sup>

Even though such incidents of violence were not typical of Lagosian development projects, the state government’s extreme powers under the Land Use Act helped explain how it was able to develop so much infrastructure so fast without necessarily securing community consent. Because the land titling system was a lucrative revenue source for the states, two-thirds of which were needed to approve any constitutional amendment, prospects for changing the system were dim. Nonetheless, under international and domestic pressure, Lagos State began in 2009 to explore legal solutions to reform the efficiency and equity of its land title regime.

Fashola saw no inconsistency between his government’s ambitious development agenda and democratic values. “Democracy protects rights, but rights are not absolute,” he said. “They are circumscribed by duties. Yes, you have the right to build a house. But that does not mean you can build your house at will, anywhere you choose. You must build according to planning regulations. You have to respect

rights of easement, air, setbacks. You can’t build across a canal and drainage and imperil everyone else’s property.”

Furthermore, Fashola saw illegal settlements, typically built in the state’s flood-prone marshes, as hazardous to public safety. “When there’s a flood, lives are lost,” he said. “When we intervene, people say we have acted severely. But we have an obligation to protect rights, not to protect illegalities. . . . Where we have had to take people’s property under law—for example, to build a school—we have paid compensation, as the law obliges us to do.”

## ASSESSING RESULTS

When Tinubu took office, he said, “state revenue was 600 million naira (US\$6 million at the time) a month.” By the time he left office in 2007, internally generated revenue ranged from 8 billion naira to 10 billion naira (US\$64 million to US\$81 million) per month.<sup>25</sup> “That is the story of the financial recovery of the state,” he said. In 2012, state internally generated revenue in Lagos State exceeded 18 billion naira (US\$112 million at the time) per month.<sup>26</sup>

At the close of 2012, the Lagos cityscape was undergoing rapid change. Apart from city beautification and new buses, the state boasted construction projects including a 10-lane superhighway, a light rail line, West Africa’s first cable-stayed bridge, a new deepwater port, and a sleek waterfront development called Eko Atlantic City, slated to provide housing for 250,000 people and offices for another 150,000. Many of those new developments were funded through public-private partnerships that demonstrated the increasing sophistication of Nigeria’s public and private sectors. Although still primarily a petroleum-powered city, Lagos had developed an increasingly diverse economy based in culture and services, with an expanding middle class.

Newspaper editor Anikulapo said: “The city has changed in physical appearance; it’s

more organized. It's affected the mentality, too; people are more conscientious, less aggressive, more decorous." Still, Anikulapo said, "You can't feel the impact of reforms where the majority of the people live. The government is only concentrating on the central business districts."

Morka had a similar assessment: "On balance, I'm not sure if the state has changed more than it hasn't. The fundamentals are the same. . . . Most people's lives haven't changed. The way the government engages with them hasn't changed much either; it's still dictated largely by the state blindly, without a lot of consideration for the impact of decisions they make."

The security environment of the city had improved dramatically by the start of Fashola's second term—albeit from a dismal base. "Fashola has poured money into security, really empowered the police," said Anikulapo. "Now you see battle-ready police in Lagos." In 2010, state police commissioner Marvel Akpoyibo reported a "significant reduction in crime from 2007 to date . . . Bank robberies were high in 2007 but came down drastically to zero in 2010. Robberies also went down."<sup>27</sup> In 2010, police statistics showed that Lagos had reduced the crime rate in the state by 80% since the establishment of the Lagos State Security Task Force in 2007, making Lagos one of the safest states in the country.<sup>28</sup> Furthermore, the number of police officers killed in the line of duty dropped roughly 90% from 2007 to 2010.<sup>29</sup>

## REFLECTIONS

Governors Bola Tinubu and Babatunde Fashola both expressed pride in the megacity

Lagos had become. In endorsing Fashola for reelection in 2011, Tinubu dismissed rumors that he resented being overshadowed by his successor. "They said I was jealous of his achievements and all sort of things. If you have a son who has surpassed your records, you celebrate him. I am the pathfinder; he is the navigator. I am the one that identified the talent."<sup>30</sup>

Fashola was well aware of how much work remained undone in Lagos. And he was quick to say he could not achieve progress alone. "Government is a two-way street," Fashola said. "We don't have a magic wand. Therefore, if people want roads, if they want water, if they want refuse to be cleared, if they want hospitals to function, there is still a duty beyond voting." He urged citizens to pay taxes, abide by laws, and respect their neighbors and their city.

Fola Arthur-Worrey, who led the Lagos State Security Trust Fund, emphasized that the gains achieved under Tinubu and Fashola demonstrated Lagos's latent potential for progress despite its reputation for dysfunction and disorder. "Something built on trust has endured built in this environment, the same environment that people have said is corrupt. For us it is a statement of what is possible if people resolve that they want to change things they do not accept. . . . Through collaboration and teamwork, many similar obstacles can be easily overcome."

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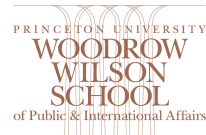
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