

**PUBLIC PROCUREMENT POLICY AS A TOOL FOR
ALLEVIATING SOCIO-ECONOMIC DISPARITIES: LESSONS
FOR NIGERIA**

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ABSTRACT

The public procurement systems and practices in most countries, especially developing nations, majorly focus on solving infrastructures problems and acquiring services and goods or items necessary for developmental purposes and the day-day running of state affairs. Against this conventional notion, however, this paper demonstrates the applicability of public procurement to addressing other important societal concerns. Specifically, the paper explores the usefulness of public procurement as a veritable tool for alleviating socioeconomic disparities among groups and categories of people in the society. It concludes by arguing that, following the examples of other countries, Nigeria could maximize her public procurement power to accomplish similar goals through a review and amendment of the country's 1999 Constitutional and the Public Procurement Act of 2007, to bring to bear the socioeconomic realities of the country in her public procurement practice and system. The paper is basically a theoretical and qualitative research. Data for the study were derived mainly from secondary sources, and the descriptive method of qualitative analysis was employed to analyze the data.

Keywords: Development, Diversity, Public Procurement, Public Procurement Policy, Socio-Economic Disparity.

Introduction

In all countries, public procurement remains a key instrument for achieving inclusive development and its potentials are yet to be fully tapped (Kashap, 2004). Indeed, the field of public procurement is still relatively an under-studied area among economists, lawyers and social scientists despite the scale and complexity of government purchases (Arrowsmith and Hartley, 2000). However, in the recent times, especially in the wake of the global economic crises, issues related to public procurement are gradually gaining growing attention among scholars, policy makers, national governments and development partners and/or donor agencies. This is mainly due to the magnitude of capital outlays in the public procurement market and the immense innate potentials of the procurement system to positively affect the society by transforming these values into concrete development achievements. "Government procurement of goods and services typically accounts for 10-15% of GDP for developed countries and up to as much as 20% of GDP for developing countries" (Kashap, 2004:134). Public procurement thus holds more than can be discerned for the world's development, and these economic resources must be adequately managed. Consequently, the increasing attention has also partly stemmed from the need for effective and efficient mechanism for ensuring proper management and channeling of the

enormous financial resources available in the procurement sector towards actualizing established development ends.

Moreover, in the new millennium, national governments and development partners have come face-to face with numerous emerging challenges bothering on societal administration. These including pressures to cultivate good governance practices through participatory decision making as well as creating enabling environment for equal access to social, political and economic opportunities to all members and groups in the society. Characteristically, "Public Procurement is an indispensable economic activity for good governance" (Kashap, 2004:133). As an upshot, public procurement has also attracted appreciable concern as state actors are being compelled, both by human forces and realities attributable to prevailing societal exigencies, to adopt public procurement as a part of the broad measures for eliminating socioeconomic differences among groups and cleavages in the society. This is considered both as a matter of a conscious and deliberate policy measure and a strategy for enhancing national engineering and cohesion. An inclusive, responsible and widely accepted government is such that ensures equal participation of its members in the administrative process as well as present an unequal leverage to all constituent elements to benefit from the common wealth. Public procurement is the

most economically or business-like viable side of government. The huge financial resources designated to the procurement sector are publicly or collectively-owned. Hence, ensuring that all societal elements benefits from it, has become one major concern of state managers in both developed and developing countries.

This paper is motivated by the need to demonstrate the usefulness of the public procurement system as a tool for curing certain aspects of societal ill, specifically socioeconomic biases, and lessons Nigeria can draw from empirically generated theoretical evidences from some countries. To achieve this key objective, the paper is structured into six major parts with the introductory section as first part. The second part explains the meaning and main rationale for public procurement. The third part is the justification of public procurement as a socioeconomic policy instrument. The fourth part demonstrates how the public procurement system can serve as a veritable instrument for addressing socioeconomic un-equilibrium in the modern society by drawing examples from the experiences of some countries. The fifth part consists of the lessons Nigeria can draw from other countries' experiences and what it can do. The sixth part is constituted by the final conclusion of the paper.

Meaning and Basic Rationale for Public Procurement

Scholars have offered various definitions in attempt at explaining the meaning and purpose of public procurement. As can be deduced from the different definitions, the concept of public procurement seems to be enjoying quite an appreciable degree of consensus among scholars in the field regarding the meaning of the term. Though scholars' definitions vary in terms of manners of presentation, they obviously convey the same idea as well as imply the same thing. According to Ifejika and Aliu (2015:125), for instance, public procurement refers to “the most active business part of government, the means by which essential goods and services are provided to the public while ensuring adequate and efficient public expenditure management”. Of course, “today governments all over the world have received a great deal of attention as providers of essential services, such as health, education, defense and infrastructure. To be able to meet the demand for these services, governments purchase goods and services from the marketplace” (Odhiambo and Kamau, 2003:10). Therefore, public procurement can be alternatively viewed as “the aspect of governmental activity that brings it into face-to-face contact with the private sector, either locally or internationally, for the exchange of goods, works or services for financial or monetary considerations” (Ifejika and Aliu (2015:125).

In his own words, Kashap (2004:134) conceives of public procurement as “the purchasing by governments and local authorities of the works, goods and services they need to operate - ranging from simple office items to sophisticated high-tech equipment”. For him, “procurement also includes purchasing, hiring, leasing or any other contractual means of engaging suppliers in the provisions of public services” (Kashap, 2004:134). The definition by the World Bank is also noteworthy in this regard. The World Bank (1995) sees public procurement broadly as involving the purchasing, hiring or obtaining by contractual means of goods, construction works and services by the public sector. In alternative terms, public procurement, according to the World Bank (1995), refers to the purchase of commodities and contracting of construction works and services by use of resources from state budgets, local authority budgets, state foundation funds, domestic loans or foreign loans guaranteed by the state, foreign aid as well as revenue received from the economic activity of state. In other words, public procurement simply means procurement or acquisition by a procuring entity using public funds (World Bank, 1995).

The public process generally consists of three major phases: (i) deciding which goods or services to be bought and when to buy them (procurement planning); (ii) the process of placing a contract to purchase those goods or services which involves, specifically, choosing who is to be the

supplier or contractor and the terms on which the goods and services are to be provided; and (iii) the process of administering the contract to ensure effective performance. These three critical stages or phases constitute what is referred to as public procurement (Arrowsmith, 2010). “The items involved in public procurement range from simple goods or services such as clips or cleaning services to large commercial projects, such as the development of infrastructure, including road, power stations and airports” (Odhiambo and Kamau, 2003:10). Fundamentally, “public procurement is different from private procurement, because in public procurement the economic results must be measured against more complex and long-term criteria” (Odhiambo and Kamau, 2003:10). Furthermore, public procurement is carried-out bearing other considerations in mind, besides the economy such as accountability, non-discrimination among potential suppliers and respect for international obligations. It is mainly for this reason that public procurement in all countries is subjected to enacted laws and regulations, in a bid to guide against possible harm to the public interests (Odhiambo and Kamau, 2003:10). Consequently, Wittig (1999) sees public procurement as a business process in a political system having special consideration for integrity, accountability, national interest and effectiveness.

Certain important facts are discernible from the above. Despite the observable differences among the foregoing definitions, they agree on major salient characteristics of public procurement, which also differentiates it from procurement in the private sector and these include that: public procurement is a business process within the governmental circle; it involves acquisition or purchasing, hiring and obtaining of goods, works and services using public funds for developmental purposes and day-to-day operations of government; it is an arena of interaction between government and private suppliers or business organizations for economic exchanges; it takes place in the public domain and is carried-out within the framework of a known statutory legislation; it is a representation of public interest, while ensuring economy, value for public money, accountability, transparency, egalitarianism, competition and fairness; it is the gateway of economic development; public procurement is the active business environment of government.

Justification of Public Procurement as a Socio-Economic Policy Instrument

In the recent years, there has been an increasing attention to public procurement, both in terms of practice and scholarly, which has led to widespread recognition of its innate capacity and potentials to contribute robustly to resolving various aspects of society's developmental challenges. This conception

does not refer to the primary notion about the procurement system as merely a means of obtaining goods, works and services required by government. In both developed and developing countries, the idea and practice of public procurement now transcends this strict sense regarding the purpose of the procurement system. Public procurement is now being used to pursue a broad range of goals. Ultimately, aside being "business," that is, the acquisition or purchasing of goods and services on the best possible terms, government procurement also has broader social, economic and political implications (Labuschagne, 1985; Morris, 1998; Turpin, 1972). Public procurement serves as a means for promoting aims which are secondary to the primary aim of procurement. As a matter of examples, these include using procurement to promote social, industrial or environmental policies (Arrowsmith, Linarelli and Wallace, 2000; Cane, 2004; Turpin, 1989). Public procurement as a socioeconomic policy tool also serves as a strategy or means of "wealth redistribution", that is, using procurement to channel funds to distinct categories of economic actors such as the previously disadvantaged groups in South Africa (Bolton, 2006). "Preferential procurement policies can also offer advantages over more direct methods of assistance because" (Bolton, 2006:196), "it does not raise public spending directly... is less likely to be channeled into the purse of organized crime...(and is) more efficient than tax-financed State aid which barely reaches recipients" (Martin and Stehmann, 1991:238).

Although different measures have been implemented in the recent years to reduce the extent of government freedom to use procurement as a policy tool as a way of promoting free trade in public markets, this has changed little or nothing. The most notable are the World Trade Organization Government Procurement Agreement (WTO GPA) and the trade restrictions in place under European Community law. This does not, and has not reduced the use of public as a tool to achieving other policy objectives (Bolton, 2006). Procurement has often been, and is still being used by governments as a tool to implement secondary policies (Arrowsmith, 2005; Cane, 2004; Craig, 2003; McCrudden, 1999; Reich, 1999; Seddon, 2004; Sparke, 1996; Turpin, 1989). Arguably, therefore, the use of procurement is “a valid and valuable tool for the implementation of social policies; and one which should not be denied to government(s) without convincing justification” (Arrowsmith, 1995: 247-248). It is appropriate for the use of procurement as a policy tool to be regulated, but such use should not be assumed to be “presumptively illegitimate” (McCrudden, 1999:11). So long as the justification for using procurement as a policy tool has measurable targets; the processes used are verifiable, auditable, and transparent; and the use of procurement as a policy tool takes place within a competitive environment, procurement can largely contribute to the development of growing enterprises that are able to participate

equitably in the global economy (Shezi, 1998; Watermeyer, 2000).

The idea thus is not to be condemned but commended. Contracts by state organs should “not be viewed solely as commercial bargains. The very power to grant contracts should be able to be utilized to advance socially desirable objectives, precisely because (organs of state) cannot be and should not be politically neutral towards such matters” (Craig, 2003: 141). Based on prevailing societal realities, public procurement is no longer a clerical job to say that it focuses only on buying goods, services, construction and saving money. The procurement professional has had to deal not only with market, technologies evolution and financial aspect, but also has to take into account a variety of related issues such as human right, labor, environment protection, women empowerment, corruption etc. (Sadikin, 2008). Public procurement practitioners have been laden with more and more duties and responsibilities as the procurement system has seemingly usurped increasingly multiple functions due to its usefulness and applicability in various facets of the society's life. In other words, besides obtaining goods, services and construction with the best value of money, there are some important issues that government can address with the instrumentality of public procurement including health, unemployment, national debt, poverty,

corruption, low human development index and environment. With well-articulated and functional public procurement system, the foregoing problems can be properly ameliorated (Sadikin, 2008). Hence, most governments have broadened their target goals in relation to public procurement. The procurement system has been, and will continue to serve multifaceted purpose.

Public Procurement as a Tool for Alleviating Socio-Economic Disparities

There are specific examples of the use of public procurement in achieving secondary development objectives including using the procurement system to address socioeconomic issues as evident in many countries and regions. Watermeyer (2000), in a study conducted for the European Community in 1995 indicates that procurement has been used by governments to: stimulate economic activity; protect national industry against foreign competition; improve the competitiveness of certain industrial sectors; and remedy regional disparities.

It has also been employed to achieve certain more direct social policy objectives such as to: foster the creation of jobs; promote fair labour conditions; promote the use of local labour as a means to prevent discrimination against minority groups; protect the environment; encourage equality of opportunity

between men and women; and promote the increased utilization of the disabled in employment (Bolton, 2006:195).

Observably, “the important role of public procurement is now become more and more recognized that many countries give special attention in developing the concept, regulations as well as institutional building” (Sadikin, 2008: 598). In South Africa, for example, public procurement has been recognized as a tool for correcting the country's past political history of discrimination and inequality. As such, several legislations have been enacted to ensure the achievement of this objective including the Constitution of the Republic of South Africa of 1996, and the Preferential Procurement Policy Framework Act of 2000. Others include the Public Finance Management Act of 1999, as amended by Act 29 of 1999, the Broad-Based Black Economic Empowerment Act of 2003, the Local Government: Municipal Finance Management Act of 2003, and the Local Government: Municipal Systems Act of 2000, as amended in 2003 (Bolton, 2006).

Procurement is being used to discourage discrimination at work places in South Africa. As an anti-discrimination measure, employers who indulge in discriminatory practices are denied government contract (Bolton, 2006). With regards to their labour or human resource, suppliers, service providers and contractors must comply with

various legislations such as the Labour Relations Act (66 of 1995), the Basic Conditions of Employment Act (75 of 1997), the Employment Equity Act (55 of 1998) and the Occupational Health and Safety Act (85 of 1996). Failure by any entity seeking government contracts to abide by these statutes automatically puts it at a disadvantageous condition in the tendering process. Its offer would be rejected or cancelled. Those who participate in public procurement must therefore adhere to labour rules and regulations (Bolton, 2006). Similarly, in Denmark, where ILO Convention has been ratified, many Municipalities have inscribed the provisions of the Conventions in their procurement strategy. For example, Frederiksberg Municipality has adopted a social clause in contracting-out (CEMR-EP and EPSU, 2011). In Frederiksberg Municipality, “suppliers/bidders must ensure employees (who are employed by the bidder as well as potential subcontractors) wages and employment conditions no less favorable than the wages and employment conditions applicable to that sector of the region where they work” (CEMR-EP and EPSU, 2011: online).

This is likewise in Luxembourg where, “compliance with applicable collective agreements is a mandatory condition in the award for tenders. Additionally, if the agreed wages are not paid or payment is delayed, the contracting authority may pay

salary supplements and deduct the amount spent from the final payment to the contractor” (CEMR-EP and EPSU, 2011: online). In the case of non-compliance, Frederiksberg Municipality specifies that:

If the supplier/bidder fails to meet these obligations, and this result in a valid claim from the employee, Frederiksberg Municipality may withhold payment to the bidder in order to meet this requirement. Bidders have the responsibility to ensure that employees employed by the bidder or any subcontractors for task execution, have valid work and residence permits. Frederiksberg Municipality reserves the right to exclude employees who do not possess the necessary work or residence permits and who are not registered in the database RUT. Failure to meet the social clause constitutes a material breach of this contract (CEMR-EP and EPSU, 2011: online).

Even when private individuals are contracting-out, Frederiksberg Municipality Plan mandates that:

The individual contracts should involve questions regarding social clauses, which require local suppliers to enter into dialogue on the recruitment of staff on special

terms (to meet the obligations imposed on the municipality as an employer). Furthermore the social clauses aim to encourage the contract holder to establish apprenticeships within the construction area, where appropriate (CEMR-EP and EPSU, 2011:online).

In South Africa, procurement is also being used to remedy the inequality problem in its society. South Africa integrates affirmative action, and thus affirmative procurement, into the right to equality, whereby the constitution allows for preferential treatment in the award of government contracts, so as to protect or advance persons or categories of persons disadvantaged by unfair discrimination (Bolton, 2006). As Bolton (2006) argues:

The actual social and economic disparities between groups and individuals in South Africa cannot be ignored. Due to South Africa's history of discrimination, unfair practices and marginalization of people, various groups in society were denied the privilege of being economically active within the government procurement system. Affording preferences to previously disadvantaged groups in the award of government contracts therefore does not infringe on the right to equality (Bolton, 2006:198).

This substantive conception of equality differs from the formal conception of equality- that all persons in South Africa are equal bearers of rights. It is to eliminate the inequalities of the past by simply extending the same rights and entitlements to all in accordance with the same "neutral" norms or standards (Bolton, 2006). Equality here is therefore used technically as a measure for bringing the formerly disadvantaged groups in the country into their supposed socioeconomic position. It aims at re-engineering the society.

In Greece, it has been noted that:

The benefit of including specific social criteria and the social dialogue has in some pilot projects resulted to the enhancement of woman employment and entrepreneurship, the integration of vulnerable social groups and the enhancement of actions regarding local long-term unemployment (CEMR-EP and EPSU, 2011:online).

In Greece, procurement is also adopted as a tool for tackling gender inequality and ensuring the inclusion of vulnerable groups in the execution of government contracts. Service provisions in most municipalities in Greece are assigned with exceptional procedures as a way of enhancing the operation of women's cooperatives and NGOs in order to enhance the employment

and specific actions concerning the social integration of vulnerable social groups in public business. In achieving this, specific legislative framework has been formulated to enhance the employment of vulnerable groups and their participation in the implementation of public works. As a matter of example, there is a specific percentage for financing actions against social inclusion or the control in addressing the non-violation of labour relations (CEMR-EP and EPSU, 2011). In Switzerland, there is a requirement for equal pay between men and women as a condition for obtaining public contracts in the country (United Nations, 2008). Luxembourg protects workers with disability through public procurement. In Luxembourg:

In order to foster employment of and protect disadvantaged workers, contracting authorities may reserve the right to tender for certain contracts to sheltered workplaces where the majority of employees are disabled workers who cannot, due to the nature or severity of their disability, work under normal conditions. The contract notice must make reference to this provision (CEMR-EP and EPSU, 2011: online).

Just as procurement rules in India stipulate that certain goods must be purchased from small and micro-enterprises, even if prices are up to 15% higher than those offered by

the competition (United Nations, 2008), “Luxembourg City also promotes fair trade products by requiring service operators/contractors in school restaurants to purchase at least 10% of their fruit and vegetables and meat from fair trade sources” (CEMR-EP and EPSU, 2011: online). In Brazil's state of Ceara, there is a “demand driven” form of preferential procurement practice where the state buys from small scale enterprises while at the same time providing technical assistance to them is used to promote growth of small enterprises and also as a technique of diminishing transaction costs (Tender, 1997, cited in Turyahikayo, 2008). The United States system of affirmative action in public Procurement is not limited to small businesses alone. It also targets certain minorities, such as ex-prisoners, firms directed by women, veterans, etc. This means that the provisions for the use of procurement power in the USA are wide-ranging, affecting other sectors other than the SBs (Foresti, Arantes and Rossetto, 2006). This shows that America uses public procurement more intrinsically as a reconstructive and rehabilitative measure.

The guidelines for the procurement and contracting of goods, services, construction works and public works in the USA are established in the Federal Acquisition Regulation (FAR) and adopt the following principle: to make available in due time the good or service with the

best price for the buyer, maintaining the confidence of the public and achieving the objectives of public policies (Foresti, Arantes and Rossetto, 2006:340).

Regional bodies have also demonstrated practical effort at evolving binding agreement towards the development of collective frameworks for socially responsible public procurement (SRPP). The European Commission Guide on socially responsible public procurement (SRPP) for local and regional government, for example, is a tool to better explain how social considerations could be applied to public procurement. It offer useful encouragement to local and regional authorities on ways to developing SRPP and determine their purchasing priorities (CEMR-EP and EPSU, 2011). The EC Guide when read in conjunction with the Lisbon Treaty, which recognizes local and regional self-government and states, states that:

In defining policies and activities the Union shall take into account requirements linked to the promotion of high level of employment, the adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health (CEMR-EP and EPSU, 2011:online).

“The Treaty also acknowledges that Services of General Economic Interest (SGEI) are an intrinsic part of Europe’s social market economy, while the European Charter of Fundamental Rights recognizes the right of citizens to access SGEI” (CEMR-EP and EPSU, 2011:online). This is similar to the practice in Malaysia where, in order to encourage greater participation of the bumiputeras (indigenous Malays), tenders from bumiputera companies receive preferential treatment in government contracts (United Nations, 2008).

In Northern Ireland, public procurement is also being adopted in combating ethnic minority inequalities in employment (Erridge and Hennigan, 2006). The Race Relations Amendment Act (2002) “imposes a duty on public sector agencies to ensure that their services are available to all communities” (Ram and Smallbone, 2003). A policy initiative introduced by a consortium of West Midland Councils to ensure their contractors provide and implement equal opportunities in employment policy is a typical example in this regard (Erridge and Hennigan, 2006). In their overall evaluation of the scheme, Orton and Ratcliffe (2004) established that the scheme led to developing of firms, and more importantly, implementing their equal opportunity policies. In Canada, there are specific contracts for which aboriginal populations are the primary recipients. This practice has been in existence since 1996. In

view of the practice procurement is restricted to qualified aboriginal suppliers (United Nations, 2008). Also, a law enacted in the Botswana republic in 2001 provides for reservation and referencing schemes in public procurement in order to promote citizen contractors or companies wholly owned and controlled by natives (McCrudden, 2004, cited in Turyahikayo 2008). This is not a matter of discrimination, but for the promotion of certain secondary developmental ends, after all, for genuine purpose like this, the APEC Government Procurement Experts Group (1999) believes that:

The laws, regulations, judicial decisions, administrative rulings, policies (including any discriminatory or preferential treatment such as prohibitions against or set aside for certain categories of suppliers), procedures and practices (including the choice of procurement method) related to GP should be transparent (APEC Government Procurement Experts Group, 1999: 2).

It is recognized that socially responsible public procurement (SRPP) can help to: support the development of higher standards of social public policy objectives in Europe; contribute to a fair social market economy, and raise awareness on the possibilities to drive social standards upwards (CEMR-EP and EPSU, 2011). In

United Kingdom, for instance, public procurement is linked to enhancing a wider range of socioeconomic development goals and implementing regulatory aspects related to issues like tackling unemployment, promotion of fair working conditions and payment of fair wages by private sector employers (Turyahikayo, 2008).

Furthermore, by its very nature, the public procurement has all the attributes needed to make an impact on the quality of goods and services as well as on industrial and technological competitiveness. Unarguably, the State is a major consumer of goods and services, and it is at a vantage position to establish a system to promote increased productivity, quality control and transfer of technology. Based on experiences from the USA, the OECD countries and nations like South Africa, as well as examples of the use of procurement power in the private sector, it has been revealed that when an institution's large-scale procurement power is targeted, it has the capacity to stimulate suppliers to improve the quality of their goods and services, including to form networks and clusters, with increasing gains in the form of productivity and transfer of technology, guaranteeing the domestic market and preparing these enterprises for international competition (Foresti, Arantes and Rossetto, 2006). Even in the European Commission, it is observed that:

Against the background of the ongoing economic crisis and austerity measures, local and regional authorities may be pressured to go for lowest price; this may compromise the quality and sustainability of services and goods and put pressure on wages, working conditions and collective agreements. SRPP can be a tool for local and regional government actors and trade unions to maintain and enhance the quality of services, contribute to preventing social dumping and to ensure that wages and working conditions are in accordance with standards laid down in legislation and/or in collective agreements (CEMR-EP and EPSU, 2011).

It is therefore all the more important to note that elsewhere and in EC, it has long been acknowledged that there are huge benefits that arise when contracting authorities use SRPP as a lever to promote social concerns such as employment, skills training, equality and social inclusion, thereby influencing the market in a positive direction. The immense benefits of socially responsible public procurement propelled the EPSU and CEMR-EP to endorse the following principles and definition of SRPP in the EC guide: to promote employment opportunities (for example, youth employment, gender balance, long-term unemployed, migrants, people with disabilities); to promote decent work; to promote compliance with “social and labour rights”, including

collective agreements to support social inclusion and equality; to support universal access, and to take into account ethical (fair) trade (CEMR-EP and EPSU, 2011). Obviously, it is, in short, impossible to completely exhaust the role of public procurement as an instrument for advancing socioeconomic policy objectives in both developed and developing nations in this single piece. Given the gains associated with it, developing countries such as Nigeria can take advantage of its public procurement power to address the deep-seated socioeconomic ambivalences in the society. The following section highlights the lessons Nigerian can draw from the experiences of other countries, and how it can maximize the potentials of her public procurement system to pursue important secondary goals and objectives.

Lessons for Nigeria

In view of the findings of this study, Nigeria can draw some lessons from the experiences of other countries including the following:

- . The usefulness of the public procurement system transcends the conventional purpose of acquisition of goods, works and services by government; procurement can be used in achieving other important secondary development objectives.
- . If properly articulated and adequately

- wielded, public procurement has the capacity and potentials to serve as a good instrument of wealth redistribution in any society including Nigeria.
- .· Public procurement can be used to tackle poverty and unemployment problem, and for the promotion of the working conditions of citizens, especially in the private sector.
 - .· It can serve as measure against discriminatory and hostile policies at work places in the private sector.
 - .· The South African example demonstrates the potency of public procurement to serve as a veritable tool for sociopolitical reconstruction and rehabilitation; it can be used to address the issues of discrimination and inequality among various groups in a society.
 - .· Procurement can be used to ameliorate ethnic and gender inequality problems, and the positioning of vulnerable and disadvantaged groups for equal opportunity with others.
 - .· Public procurement can simulate healthy competition, galvanize technological innovation and growth as well as enhance the delivery of quality goods, works and services by holders of public contracts.
 - .· Procurement can serve as a catalyst for the growth of small and medium scale enterprises (SMEs), and the development of indigenous industry, thereby leveling ground for the achievement of sustainable economic development.
- Nigeria can apply the power of her public procurement system towards achieving the similar objectives through a review and amendment of its constitution and public procurement law.

Conclusion

This paper has analyzed the usefulness of the public procurement system in addressing social and economic imbalances in the society. As the study has proven, aside procuring, purchasing or acquiring and hiring of goods, works and services required by government, public procurement can be adopted and applied to other aspects of a country's national life. Experiences of many countries as discussed in the paper make a case for this, and explain why most nations are increasing paying adequate attention to issues related to public procurement in the recent times. The manifestation of the observable growing attention to public procurement is the reform initiative and programmes being undertaken by many nations, especially developing countries to reposition their public procurement system in order to maximize its inherent potentials for the purpose of accomplishing desired

development goals. As evident from the study, a well-structured and adequately managed public procurement system can be used in achieving numerous important secondary objectives other than the conventional purpose.

The procurement system can be wielded as an instrument of wealth redistribution, as applied to addressing poverty and unemployment problems, can be adopted as a tool for political re-engineering or reconstruction, that is, as an anti-discriminatory measure and in resolving inequality- ethnically, racial, gender wise among other aspects; is an instrument for promoting fair work policies and conditions in the private sector, can facilitate the growth and development of small and medium scale businesses and indigenous industry, promotes healthy competition and enhances the quality of works, goods and service obtained with tax-payers monies, thereby facilitating socioeconomic development. Following the examples of other countries, developing nations such as Nigeria can leverage on her public procurement power to pursue other critical aims and objectives aside acquisition of goods, works and services. This can be achieved through a review and amendment of the country's 1999 Constitution and the Public Procurement Act of 2007, to reflect the socioeconomic realities or concerns of the country in her public procurement system and practice, in order to facilitate the attainment of inclusive development in the country.

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