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Government Has No Business Being in Business: Evidence to the Contrary

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Abstract:

The study interrogates theoretical the maxim, 'Government has no business being in business' and was instigated by, not only the historic and current catalogue of failures of private sector-led models but also the moral burden of acceptance of the reality of corporate failure in the private sector led business typology as evidenced by the predictive models of failure documented in the extant stock of knowledge. Also, the menacing dominance of SOEs in the Chinese outward investments model, leading to the current trade war is a clear signal that the maxim needs revisiting. The study also observed that the new PPP model espoused and the failure of private businesses to self-regulate leading to the resurgence of various regulatory frameworks, further underscored by the massive bailout of failing private forms of property, is an indication of evidence to the contrary. Thus, the study concludes that the absolutism strand of the maxim as espoused earlier on that informed the massive privatization policy of SOEs in several national domains did not pan out ultimately. Therefore, state involvement is advocated via commercialisation like the Chinese model for emerging economies. Taming the monster of individual greed via instilling citizenship behaviour modification would enshrine the attribute count of prioritizing communal good, which is the ingredient required for exuding the private ownership business behavioural disposition in SOEs.

Keywords: Government, being in business, failure, bailout, state-owned enterprises, maxim

1. Introduction

The capitalist business paradigm forecloses government involvement in the ownership and management of business ventures. It is a foregone conclusion from the capitalist's model that government's participation in the ownership and running of a business is a recipe for failure. In furtherance of this doctrine, the World Bank and the International Monetary Fund (IMF) have canvassed vigorously across the African hemisphere for outright non-involvement of government in the business domain, beyond providing the legal cum regulatory framework and creating the enabling environment for promoting private ownership of the business world. Following which, the model and path to economic development sold to African nations is that, a private sector-driven economy is the ultimate path-way to socio-economic development and that government's direct involvement forecloses development. This submission by the International Monetary Agencies is supposedly well collocated based on the empirical evidence of the mass failure of State-Owned Enterprises (SOEs) in most parts of the budding African economic hemisphere.

The evidence provided in the existing literature about the commonality that characterised the early post-independence era in African countries was the setting up of massive SOEs across the African economic landscape. The prevalence of state promoted corporate entities was predicated as observed by (Obara & Ogoun, 2014), on the near absence of private ownership of investment funds to deploy for economic ventures. Arguably, the pattern of administration used in these economies by their respective colonial administrators did not foster the growth of indigenous private venture capital, which created a general scenario after independence, only the respective governments could harness the needed resources to commit on such large-scale investments. An extension of this colonial economic management strategy, was the design of the colonised economies as feeder economies, thus creating a business model that created space only for colonial venture capitalists to thrive. Developing local indigenous capacity was not on the table. Accordingly, upon attainment of independence, governments of the emerging nations all over the African continent became the prime investors in their respective economies. Some of the investments undertaken centrally were as a result of nationalisation policies initiated as a counteractive measure geared towards toning down colonial influence through the ownership of the strategic heights the national economies. Thus, the strategic heights of most newly independent African states were nationalised, following the independence struggle.

Quite sadly, the African continental SOEs domain manifested a common viral disease by way of massive failures of SOE(s). The available statistics from Nigeria to most other African countries is indicative of this massive failure trend. Discontinuation of SOEs constrained various studies and recourse to International Monetary Agencies like the World Bank and the IMF. The prescription and contrived anti-dot to the SOEs demise pandemic was that government should pull out entirely from business. A private sector-led model was prescribed as the panacea. With the mounting statistical evidence of the failure of SOEs, this prescription was applauded, and the era of reforms was ignited across the African globe, as

outright government pull out from business was considered as the magic wand required towards turning our wobbling economies around.

Furthermore, while the reasons for the failure of SOEs as documented in the extant literature (Shirley, 1999; Toninelli, 2000; Dewenter & Malatesta, 2001) are numerous and far-reaching, one poignant causative factor was the disruptive and primitive individual wealth accumulation behaviour that was manifested in almost all the respective national SOEs jurisdictions. This was a glaring departure from the nationalist behavioural disposition that gave impetus to the independence struggles. Thus, it became mind boggling to observe the quick shift from the dogged nationalist tendency (anchored on the pride of identity and common good) that drove the independence struggle to the personal greed and selfish attitude that accounted for and still accounts for the squandering away of our shared heritage. Also, begging for answer is the revelations of the final destinations of the massive looting of our shared heritage. It can be conjectured from available empirical evidence, that the path to the massive looting of our public treasuries (as evidenced by the final destination of the looted funds) was a deliberate contrivance of a colonial master forced to relinquish political power reluctantly. This deposition is premised on the violent nature of some the struggles for independence and the pattern of narrative to pull native support for the struggle vis-à-vis the questionable behavioural contradiction that led to the implanting of the endemic corruption which negates the traditional African virtue of communal living and shared heritage.

Be that as it may, current evidence in the market-driven economies of the world has called to question, the infallibility of the market-driven economic model. The fact that, there was a global financial meltdown with the catastrophic effect is well documented. Besides, it is also a truism that a private sector failure in business orchestrated the global financial collapse. These developments were preceded by the negligence of massive privately-owned corporate giants like ENRON, WORLDCOM etc. Still, in the same vein, the global private sector-driven economies saw the emergence of fraudulent financial reporting in scales that were never imagined, resulting in loss of investor confidence and the need for government's incursion via some control mechanisms. The Sarbanes Oxley Act of 2002 in the USA, the emergence of the Corporate Governance (CG) management model and the activities of the various regulatory institutions and structures around the various security exchanges attest to this fact. Privately owned and managed businesses are toying the same path with SOE(s). They manifested and are still manifesting similar symptoms with SOEs and most have suffered the same fate with SOE(s), thus calling into question the philosophy of government has no business being in business.

Meanwhile, the panacea deployed for addressing this private sector-led business malady was the massive injection of public funds which resulted in the creation of a new buzz word called 'Bailout', and the introduction of new regulations and strengthening of existing laws. This trend which has its origin in the capitalist headquarters of the world has spread to virtually all private sector-led economies (where corporate failures have been recorded). Unfortunately, it is now justified as an acceptable strategy, without calling into question, the inability of the free market enterprise driven economic model to ensure sustainability as was earlier declared. Furthermore, is the espousal of the new partnership business model, of Public-Private Partnership (PPP), not indicative of a shift from the absolutism doctrine of an entirely a private sector driven model, to a compromised position in the doctrine of government's non-involvement in business? It is anchored on this backdrop, that this study interrogates the continued relevance of the construct and maxim, *Government has no business, being in business*.

2. The Literature

2.1. Corporate Failure Domain

Failure of human endeavours has continued since medieval times, from individual and group level efforts to the current state-owned and corporate paradigms. An interrogation of the archives underscores the prevalence of this defect, such that no human effort has been able to eradicate or quarantine the failure virus completely. Right from the early forms of business endeavours, even at the subsistence level, the failure malady has continued to hunt the human race, it is as if we are teleologically programmed to fail. As noted by Ormerod (2005), failure is the most ultimate characteristic of both organic systems and human social and economic organisations, and of all the species that have existed 99.99 per cent have failed most dramatically- they go extinct. In America, the available report indicates that over 10 per cent business fail annually, with more than 10000 closings every week. The burial ground of human endeavours is dotted with beautiful hallmarks of failed enterprises. History keeps repeating itself, never seems to be making any effort at changing the narrative. Ormerod (2005) had earlier noted that most keen observers of the corporate world, apprehend the reality of continued business failure, whether via acquisitions, business process re-engineering or diversification. As deposition by Pretorius (2009) a venture fails when it voluntarily becomes unable to attract new equity or debt funding to reverse the decline, consequently, leading to a change in ownership, as well as management. Hence failure to (Pretorius, 2009) is the endpoint at discontinuance (bankruptcy) and when it is reached, operations cease and judicial proceedings take effect.

Nevertheless, there is also evidence of ventures that have continued for a reasonable time. No wonder, corporations pride themselves in their history of prolonged existence, especially the millennials. The attainment of such years of reality, becomes a significant competitive selling point and is often used for branding. Observation of the global advert landscape hallmarks the selling point of firms that have achieved the millennial benchmark. What this indicates from the pattern of celebrations that herald such milestones, is the overcoming of the perceived fear of failure, given that the literature on corporate failure is inundated with several instances of its occurrence. Corporate failure is an age-old phenomenon that has being in existence ever the birth of business activities, stakeholders are fully aware of the high failure incidences of business initiatives. Thus, he went further to note that even the existing literature recognises that defining corporate failure has not been easy on account of variation in perspectives. From the works of (Morris, 1997 & Taffler, 1982), corporate failure means a liquidation, either enforced or voluntary, occasioned by activities of creditors, or

failure or inability to attain corporate mission, or bankruptcy. For (Gaskili, Van & Manning, 1993), business failure is the point at which the business wants to sell or liquidate, to avoid further losses or to pay off creditors, or loss of general capacity to make a profitable go of the company. Meanwhile, from an entrepreneurial perspective Liao, Welsch & Moutray, (2009) opined that entrepreneurial failure is referred to, as the cessation of operations for financial reasons, which is manifested by the discontinuation of venturing efforts. The overriding message here, is the cessation of services for whatever reason or reasons. For further definitions of corporate failure see (Brikerdyke, Lattimore & Madge, 2000; Stokes & Blackburn, 2002; Cardozo & Borchert, 2004). Thus, the operational definition of corporate failure espoused for the purpose of this study, is the halting and discontinuance of business operations on account of human misadventure and inherent frailties.

From the existing literature, business failure is a regular occurrence and therefore, should not be isolated as an abnormality. Given this background, one wonders why the same treatment is not accorded SOEs and given the same palliatives and remediating measures. Rather, the failure of SOEs was mystified and demonised, and governments' involvement in business quarantined as an unwanted economic virus. Meanwhile, the failure history of governments' direct involvement in setting up businesses do not align the long historical path that private ventures have trailed. The birth of SOEs lacks a long historical pedigree as their private counterparts. Therefore, it is not out of place to see the inundation of the literature with several empirical and theoretical works on the causes of business or corporate failure. For causative factors of corporate failure see (Liao, 2004; Ooghe & Waeyaert, 2004; Greenwald & Kahn, 2005; Knott & Posen, 2005; Ma & Karri, 2005; Mellahi, 2005; Sheppard & Chowdhury, 2005; Sheth & Sisodia, 2005; Sull, 2005; Ooghe & De Prijcker, 2008; Gholami, 2008; Bosman, et al., 2009; Oparama & Hamilton, 2010; Wu, 2010). It is quite obvious from the extant knowledge domain of private sector led corporate failure causatives, that some common human misadventure and greed led dysfunctional behaviour were responsible, similar to that of SOEs beyond natural misfortune.

Furthermore, the general acceptance of corporate or business failure (whichever nomenclature is espoused) as a given and the reasons behind it, instigated the various theoretical and empirical works on models of predicting corporate failure. If this was not the case, why the fuss about accurate predictive models of corporate negligence? The search for a reliable predictive tool signposts not only the reality, the but acceptance of private business failure. Hence, beyond the pioneering works of Beaver on the Univariate model for predicting corporate failure in 1966 and the Multiple Discriminant Analysis (MDA) typology espousal of Altman 1968, several works have been done to assess the correctness of the theories, modified them and develop new ones. All these in the literature of corporate failure is proof beyond a reasonable doubt that private sector business venture failure is normality.

2.2. Failure of SOEs: The Premise for the Maxim

The domain of failure of SOEs is well researched in the literature. Rather, curiously and interestingly, the failure domain of private-sector driven ventures is threatened scathingly, with instead, a search for ways and means of mitigating the causative factors and mitigating the effects of failure. Most SOEs indeed emerged in the leading nations following the destructive wave the first and second world wars. While, for most other countries, it was orchestrated by early post-independence era development initiatives. At their birth a bright was a nationalistic ambition for common good, but unfortunately for most, they were hacked down by political and administrative bottlenecks, as well as fraudulent mismanagement, see (Shirley, 1999, Toninelli, 2000; Dewenter & Malatesta, 2001; Rajib, Kumara & Fan, 2016). The leeway advocated was the outright privatisation of these entities. The commercialisation paradigm (which would have transformed the focus and drive of these ventures and still retain ownership in the government) was not rigorously implemented in most national jurisdictions, as the privatisation model's upscaled acceptance. The famous treatise was governments' outright pull out from the business landscape. No doubt, there is factual evidence of the failure of most SOEs in a lot of the jurisdictions. However, does the scaling of these failure SOEs outweigh their private property types?

From existing studies by (Kay & Thompson 1986; Radygin, 2003, 2004; Omran, 2004; Megginson, 2010; Fan, Wong & Zhang, 2012, Ghosh & Sen, 2012; Musacchio & Lazzarini, 2012, Radygin & Entove, 2012, 2013) and several others, the privatisation treatise has been well interrogated from both sides of the divide. Whichever, perspective one leans to, the fact remains that failure of SOEs was the impetus that was used to promulgate the maxim.

Meanwhile, Radygin, Simachev and Entov, (2015) noted that contemporary economic theory, arising from various economic domains is indicative of no form of appropriate universal property ownership. A kind of business model that is considered superior to all others, and that can be operationalized in all countries and sectors of a national economy, irrespective of specific historical conditions does not exist. They opined that, even the pure (completely private) forms of property in the overwhelming majority of cases are in reality, composite. This view, aligns the current model of public-private partnership model espoused as a pullback from the earlier market-driven absolutism strand.

The question is, why couldn't all stakeholders deploy the same effort from both theoretical and empirical perspectives towards proffering solution to the failure of SOEs apart from the privatisation exit strategy? Interestingly, both China and Russia have continued to espouse and operationalise SOEs via commercialisation with different dimensions of excel. If this were not the case, from which private hands did China develop its current global economic menacing status that has scaled backwards the traditional West and the USA world economic influence?

2.3. The Bailout Domain's Preponderance and Magnitude: A Contradiction of the Maxim

Following the global financial meltdown, most business endeavours collapsed under its weight with a devastating consequence for both the global and most national economies. The burst was triggered by the failure of private sector-driven enterprises, with ripple effects, that resonated beyond around its immediate domain. The cascading impact of the meltdown that began from the US economy, soon found its ripple effect across most parts of the world. In a bit to halt its

damming effect, the massive injection of public funds was considered as the only viable strategic action. This frog jumped the concept of financial bailout to the fore, hitherto from its US-based domain as the leading protagonist of the market-driven development paradigm. Although, the Bank of England's rescue of Barings in 1890 set a unique precedent, marking the first *de facto* instance of a bailout. Many characteristics of contemporary bailouts, whether the LTCM bailout in 1998 or TARP in 2008, have their roots in the Bank of England's rescue of Barings in 1890 (Mian, Sufi, & Verner 2017)

It is pertinent from the onset to indicate that while this discourse is not about definitional dialectics and epistemological strands of the bailout concept, it was considered necessary to provide an operating definition of the bailout construct. The observation is that reports of government responses to economic turmoil often loosely use the terms bailout and stimulus, suggesting, perhaps, that the two are synonymous. They averred that although the definitional boundary can be fuzzy in some cases, government bailout-type actions differ from government stimulus efforts, along with several different dimensions. Along the temporal dimension, bailouts generally are immediate, emergency efforts to prevent imminent collapse, or backward-looking attempts to rescue private entities from economic damage that has already occurred. While, stimulus tends to be forward-looking, designed to stimulate economic growth or redevelopment. This is clear that the time dimension underscores the use of the word bailout. However, gleaned from this submission is the fact that either nomenclature entails committing public funds to salvage private business failures. Therefore, whether stimulus (which is future-directed and bailout which is immediate and past) does not negate the general public fund commitment paradigm to regain or generate future earnings for the owners of the business. What comes to government is through indirect means, which may never pan out.

In contributing to the definitional landscape of bailout, Mian, Sufi, and Verner (2017) opined that the term bailout 'is not a well-defined economic concept, even though most economists seem to recognise a bailout when they see one'. Thus, drawing from the Wikipedia definition of the concept, Mian, Sufi, and Verner (2017) opined that a bailout involves 'a value transfer arising from a government subvention or an inherent guaranty that is triggered by financial agony, or a value transfer arising from new legislation passed in response to financial distress.' In anchoring this definition, the authors observed that a value transfer from the government is not a bailout if a fair or market worth insurance premium was assessed and collected *ex-ante*, or if there is a dependable structure for recovering the full value of the assistance from the industry *ex-post* (with some caveats). From the deposition of Mian, Sufi, and Verner (2017), it is evident that bailout involves a salvage mission undertaking by the government to rescue a failed or failing private venture. However, her deposition of what does not constitute a bailout does not make economic sense, when viewed from the capitalists' economic prism, and this is because, the basis for the differentiation does not recognise the of time essence of money, neither the opportunity cost of the foregone alternative, to which the bailout funds would have been committed. Furthermore, the interest-bearing concept of lent funds or credit, is not factored in the recovery process and amount, which implies that either way, taxpayers bear the brunt of failed private business venture whenever a bailout is implemented.

An interrogation of the depositions by both scholars underscores one commonality-which is committing public funds to salvage or stimulate private business, whose earnings apart from taxation, accrues to the proprietors of the venture. Therefore, irrespective of the terminology deployed, bailout, in my opinion, is the deployment of taxpayers' funds, via foreclosing the provision of social services, to sustain profiteering of private venture capitalists' initiatives, that have failed to justify the market-driven economic development model they espoused.

As observed in the existing literature, bailout or stimulus (regardless of the terminology) has always attracted public outcry. As documented by Mian, Sufi, and Verner (2017), 'few government policy directions are as contentious and widely ridiculed as federal bailouts of financial institutions. To the average national, the idea of using taxpayers' cash to pay for the undue betting of a fortunate few, smacks a deep sense of injustice, mainly when those lucky few are private financial organisations, and this is the sentiment that drove thousands to the roads in protest the 'Wall Street bailout' when news about the idea of the United States Treasury to purchase up to \$700b worth of mortgage-backed securities from banks first emerged in September 2008. A group of 230 outstanding economists, including several Nobel laureates, penned a letter to the United States Congress to question the fairness of the planned bailout. Around the world, news of government intervention to support failing banks was also inescapably met with intense, widespread backlash.'

Furthermore, Allen, Charles, RAluca and Sergey (2018) observed that there is a much more common bailout than the typical bank bailout that is unnoticed. They opined that excessive private debt systematically turns into public debt, irrespective of whether the credit flourishing resulted in a crisis or a more orderly deleveraging process. Thus, they conclude that both market and policymakers should move away from perceiving private and public debt in silos and pay kin attention to the total debt stock in an economy, as the dividing line between both blurs. What this indicates, is a transfer of the burden of the ultimate sustainability of private ventures on public shoulders. So, one ponders, if the open shoulder can hedge individual venture failure, why not allow the public also to continue to undertake such ventures in the interest of the common good as the moderated earnings would necessarily contribute to enhancing public revenue.

From the observation of Allen, Charles, RAluca and Sergey (2018), there is a bitter divide between supporters of the bailout and those who do not. Whatever the economic reasons advanced to justify the bailout policy; provision of public services suffers the blunt as the alternative sacrificed to bail out the failed private ventures. As reported by Kneer (2013), government intervention to assist individual businesses and industries during the 2008-2009 economic crises was extraordinary in variety and scope, despite official protestations of no more bailout in the US as espoused by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 in the United States of America. Kneer (2013) believes that future government interventions are inevitable, should economic circumstances become sufficiently dire and that even if the US Congress eliminates overt bailout-type responses, indirect forms of the public bailout are likely to continue, which presupposes that government bailout must continue because corporate failure is as inevitable as life and death, in

tandem with the deposition of Ormerod (2005). What the preceding presupposes is the certainty that private business models following the market-driven capitalist paradigm would continue to fail, thus requiring some form of covert interventions. Therefore, the snag is why should a government that bails out private business failures be foreclosed from failing and reigniting government-owned businesses?

The work of (Arcand, Berkes, & Panizza 2015) disclosed that, as captured by the financial calamity of 2007-2009, the failure of large, multifaceted commercial establishments (e.g., Lehman Brothers) can worsen a financial crunch, threaten the financial system, and cause significant real financial losses. To alleviate such hitches, regulators design systems for handling the economic distress and impending potential failure of large banking organisations. In particular, when the capital quotients of such formations reach critically low levels, regulators decide among regimes of 1) bailouts, government inoculations of money; 2) bail-ins, private sector injections of cash; or 3) no regulatory interference, allowing the institutions to fail. Coupled with these regimes, (Arcand, Berkes, & Panizza 2015) regulators employ other prudential guiding tools as first lines of defence, to reduce the chances that the institutions become financially distressed and trigger the resolution regimes. Such devices include traditional capital standards, that impose capital minimums based on historical patterns and stress tests that find capital minimums on forward-looking adverse scenarios. These tools, often come with restrictions on financial institutions that fail to meet the standards, such as limits on dividends and share buybacks. By implication, this places the burden of insurance or insulation of private businesses against failure on the shoulders of the government. So, I ask again, why should the insurer not be given the same opportunity to start, fail and restart?

Furthermore, in an earlier study, Matthew, Jingong and Viet (2016)) observed that many systematically prestigious establishments received government aid during the Global Financial Crisis (GFC) to support their balance sheets and prevent insolvency. These measures eased systematic risk in the short term. However, the cost was that a great deal of private sector credit had been shifted onto the public sector in a season when public debt was multiplying. This mixture ultimately led to the sovereign debt crisis in Europe and a resurgence of systematic risk driven by the adverse reaction between self-governing and financial industry credit risk. Thus, the interplay of public and private risk is now one of the foremost trials facing policymakers and officials in the world's advanced economies (Matthew et al. 2016). The implications of the government bailout of private businesses weigh, not just heavily but negatively on governments ability to meet its obligations to the citizenry. No wonder, Matthew et al. (2016) conclude in their work that 'of the many unpleasant truths that were laid bare by the GFC, the realisation that private debts may ultimately become public was by no means a surprise.'

Also, bailouts are not applied across all troubled firms. The evidence of bailout interventions is indicative of some elements of selectivity and unfairness. The very clear fact is that most bailed-out firms have some form of underneath or behind the scene connections between their principal owners and those in the upper echelon of government that shape and direct policy. Thus, political links of business owners have been found to shape and influence government policy implementation, including bailouts. The works of (Wu, Wu, & Rui, 2012; You & Du, 2012) concludes that affinity between the primary shareholders of a firm and those in the upper echelon of government has significant bearing on the performance of the business.

From the foregoing literature and as earlier deposed bailout of private business ventures is the commitment of tax payers' funds to private venture failures where government has no direct stake.

2.4. Is Government Bailout to Private Businesses Without Costs?

Interestingly, various studies harped on the danger of unchecked private-sector greed and borrowing on the public domain. The extant literature is agog with a barrage of scholarly works on the negative impact of uncontrolled private sector-led business activities with cascading adverse effects on the public domain, as deposed in the works of (Hoggarth, Reis, & Saporta 2002; Koo 2008; Mian, Rao, & Sufi, 2009; Mian & Sufi, 2010; Reinhart & Rogoff 2009a; Gourinchas & Obstfeld 2012; Kneer, 2013; Beck, Degryse, & Kneer 2014; Bouis, 2015; Cecchetti & Kharroubi, 2015; Arcand, Berkes, & Panizza 2015; Mian, Sufi, & Verner 2017). The overriding conclusion from these works is that, the public sector ultimate suffers following any bailout.

The preceding conclusion arguably is well-founded on the empirical fact that no nation-state is sufficiently buoyant to take up or address all its obligations to the citizenry. Thus, any diversion of funds from public expenditure to save any failed or looming failure of a private business venture portends severe consequences for the provision of public goods. In essence, bailout is not cheap and free of consequences. The global value of bailout is in trillions of dollars (Calomiris & Urooj, 2015). They opined that government policies to undertake bailout of banks, and other financial institutions premised on TBTF treatise raises critical issues such as; the moral hazard that encourages large banks to take excessive risk, also giving them a competitive advantage against smaller firms, and the behavioural issue of growing inefficiently into a complex and large protected entity by government guarantee.

While aggregate data is not available, the theoretical and empirical literature recognizes that bailout is costly, both from a direct money terms and sacrifice for alternatives where these funds would have been deployed.

2.5. The Too Big to Fail (TBTF) Construct

The construct of TBTF was espoused by proponents of the public bailout of private sector-led economic misadventure. Those who propose this argument, as justification for committing public funds to salvage business misadventure, argue that the cost of failure of the enterprise would have such adverse ripple effects on the economy that such businesses should not be allowed to fail. What this means is that the private sector-led business promoters should build their firms to a point where they would hold the economy of the nation in its jugular. They are too big to fail. Their

failure would cascade down and resonate around the marketplace, so they become insured against failure via public funding. Studies by (Cherly, 2010; Appiah, 2011; Calomiris & Urooj, 2015; Frame, Scott, Joseph & James, 2015) have documented how through this exploitative argument various humongous sums of tax payers' funds (which could have been deployed towards addressing public services) were rather committed to bailing out private sector investment misadventure and opulence greed. The amounts involved runs into billions of dollars in the US. The TBTF theoretical contrivance was used to justify the US government's massive bailout programme. Couldn't the same be applied to publicly owned businesses? Why should the failure of publicly owned business be denied the same palliative?

The TBTF construct simply means that the anticipated costs of failure of a firm, especially financial formations when they grow to a certain level, would be too catastrophic for any economy to rebound, therefore government should not allow such firms to fail. Meanwhile, the proponents of this argument have failed to consider human resilience in the face of massively devastating natural disasters like, tsunamis, earthquakes, hurricanes, including terrorists' attacks etc as witnessed around some nations. These were instances where the TBTFs, as well as several industrial areas were entirely waived. Even, in these very instances, like the tsunami that wrecked Japan, Indonesia, the recent Dominican Republic experience, the Katrina saga etc, the spirit of the human resilience has been demonstrated. A further aspect is that these natural disasters came with both massive human tool and economic one, compared to only the money tool of firm failure, for both promoters, staffers and tax revenue.

Despite the strong advocacy by the proponents of the TBTF treatise and the market-driven model for economic growth, current evidence occasioned by failures in private business corporations has reignited the need for regulation and supervision. The misadventures of corporate giants and the multiplier effects of the crash have underscored that a purely market-driven model cannot self-regulate. The resurgence of control, firm governance frameworks and allied models, are an invitation to treat. If the roots of TBTF lie in perverse regulatory structure and conduct, then reforms are needed to alter incentives, and possibly entire managerial culture (Bernard, 2012). We must revisit the government has no business being in business contrivance.

3. Conclusion, Implications and Recommendations

This theoretical research effort interrogated the philosophy behind the privatization policy drive of SOEs that was wide spread along the African hemisphere. This was predicative on certain current and undeniable silent proofs of evidence to support an appraisal of the doctrine of government's none involvement in business operations. The study incurred into the existing literature and gleaned salient facts that informed the conclusion presented herein, with its implications for policy change.

Hence, the inference from the avalanche of evidence as indicated in the inquest above is that the phrase 'Government has no business, being in business' is relative and therefore not valid in absolute terms, as canvassed by the free market protagonists? This is because when the volume of failed private-sector-led business endeavours across the globe and discriminated at specific national levels are juxtaposed against the number of failed SOEs, the scale will tilt in favour of SOEs, as the weight of failed private sector-led ventures would be overwhelming. Thus, the evidence from theoretical inference (due to data scarcity) suggests that there are more and would continue to be more failed private sector-led entities than state-owned ones. Also, one wonders why despite the long history of failed private sector-led enterprises, the shorter history of failed SOEs has been used to foreclose governments' direct involvement in the business methodically. Why haven't the proponents of this maxim 'Government has no business being in business' arrived at the same conclusion that, given the number and prevalence rate of failure of private sector-led enterprises, and they're guaranteed future failures, (with the associated implications), that private individuals have no business being in business? The law of equity demands fair play and the application of the same rules.

A further contradiction emerging from the philosophy of TBTF is the fact that the government becomes the ultimate insurance of most prominent firms, which ordinarily should convey the capacity to buffer. Accordingly, drawing from the influence exacted by insurance firms on their clients, shouldn't the government be allowed to tap from its depth of resources to engage in business endeavours? If proper management tools are deployed and employees appropriately remunerated in SOEs, can't they succeed as the case of the Ethiopian Airline (which is hundred per cent State-owned, but yet the most successful airline in the African hemisphere), as well as the inspiration from the character and attributes of the ownership model of Chinese outward investments around emerging economies?

Furthermore, is the espousal of the new business model of Public-Private Partnership (PPP), not indicative of a shift from the absolutism of the preference of a purely private sector driven economic model, to a compromised position in the policy of government's non-involvement in business? Thus, the PPP model is also evidence to the contrary. It is indicative of a shift from the absolutism paradigm of 'Government has no business being in business' as was earlier contrived and pursued vigorously, which led to the massive privatisation thrust that was handed down to all developing economies as the magic wind, that would automatically pull their economies out of the slum. The commercialisation of SOEs was jettisoned for privatisation. Sadly, most of those who acquired the SOEs (in Nigeria specifically) turned around and needed bailout to sustain them.

Also, it is a generally accepted principle and practice that credit providers do have a very serious stake in how the borrowing entity is managed going forward (sometimes even to the extent of part ownership). Also, the declaration of bankruptcy is associated with the inability of the firm to meet its debt obligations, thus conferring on creditors the legal right to first consideration. Given this truism in the market-driven economic paradigm, shouldn't our governments also have the same power upon implementing bailout as the private credit provider? Must public monies be freely sacrificed for private profiteering? Even if the justification for expending federal funds is anchored on the supposed ripple effect of

TBTF economic rationale, as the case in the US and the considered reason behind the policy thrust, the profits are not appropriated to all and therefore the opportunity costs to society of bailout needs to be accounted for.

A furthermore implication as gleaned from the literature and conclusion is the reality that, the bailout policy is not extended to all types and sizes of businesses. Only a privileged few, whose owners are taking excessive risk and undertaking deliberate decisions that undermine corporate integrity in the operations of such entities. A further twist to this phenomenon is that these set of significant businesses are owned by the so-called influential lobbyists and funders of political aspirations, thus leveraging on their status in shaping national politics towards harvesting economic gains. This is a hidden but glaring characteristic of the bailout policy, as it is not deployed across all troubled private venture activities in a national economy. Often, it is the privilege of a few firms. Even within the same industry, not all firms can access the bailout package. A close look at the beneficiaries indicates that such firms have some form of remote political and social connection to the public policy operators at the time of the incidence. If this were not the case, why were some corporate giants like Enron, WorldCom etc. allowed to fail, while others were assisted, given that even in the US the bailout paradigm predated these corporate failures? In Nigeria, also the bailout package was selectively applied, leaving room for a lot of unanswered questions and speculations. By implication, does the bailout policy of government smack of clandestine-ity?

A further demonstration of this contradiction is in the ongoing trade wars and trade agreements. If the maxim 'Government has no business being in business' should be taken in absolute terms as it was contrived, why are the trade wars between national governments as the case with the USA and its trading partners and not between the individual companies in their respective countries. Also, why must national governments be at the centre of trade talks and visiting heads of governments often travel with a business delegation in their efforts to seek out and attract foreign direct investment? What this indicates, is the evidence that, the essence of government goes beyond the mere provision of an enabling surrounding for businesses to thrive, but it is the key player and determinant of business sustainability and success within a nation.

Also, what the character and volume of public funds deployed in bailing out private companies indicate is that the government becomes the insurer of any private firms that federal funds have been deployed to the bailout. By implication, the rights of stake-holder-ship for the government, should extend beyond mere recovery of bailout funds to some form of interest-bearing or profit-sharing, as beyond what accrues from corporate income tax. With the capacity to ensure private business ventures, a corresponding reward should an increase in public revenue via returns, beyond those whose income is guaranteed by the continued existence of the firm.

A shred of further evidence to the contrary is the fear by the West of the growing influence of Chinese trade engagements with the developing world. This concern has been demonstrated copiously by the US and its allies. Undoubtedly, China's influence is becoming overwhelming in Africa, while that of the US and its allies is dwindling, thus stimulating the current strained relationship. However, one cardinal hallmark of outward Chinese investment is the preponderance of SOEs. While private firms are involved, but the magnitude of trade deals are with Chinese national companies. SOEs dominate the massive industrial outward investment from China. From the available evidence, the success of these national brands today accounts for China's dominance in the global trade hemisphere. Therefore, the success story of the Chinese economic development model at the national level and later at the worldwide level is rooted in the public ownership of significant business outlets. Therefore, from the preceding, doesn't an analysis of the nature of ownership of the substantial Chinese investment in Africa negate this maxim? If this maxim is faultless, how come the pattern of ownership of the massive Chinese investments in Africa is state-dominated, and these companies appear to be very successful?

Predicated on the conclusion and implications, if we evolve sound public management strategies, quarantine corruption and other primordial considerations, SOEs can be operated via the commercialisation of such enterprises, which would involve changing the narrative from the provision of public goods at no return, to a tamed income-generating type for the public good. Besides, the fundamental lack of citizenship behaviour is at the heart of our challenge. Paradoxically the same individuals who run public companies aground, through their cronies are turning around to buy same and manage them properly. So, what is the issue? Does the change in nature of ownership of a firm from the public to privately owned, automatically alter the behavioural pattern of its employees and subsequent owners? How come the same nationals who hitherto ran the SOEs aground, immediately mutate into active managers? This dysfunctional behaviour negates the theory of public interest and is indicative of the sacrificing of the common good on the altar of satisfying individual animalist survival instinct and greed. It is my humble opinion that what we require is a moral rebirth that would lead to a character change and citizenship behaviour (de-emphasizing primitive acquisition). We must consider public and national greed (interest) as the case with china over and above individual and regional desire. The preponderance of collective or widespread desire would immediately introduce a sense of commonality in stake and responsibility in the management of public corporations.

Society must mutate from its current individual predatory and greed-driven primitive acquisition model, (only to turn around and establish foundations for charity), into seeking the common good. The Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs) initiatives are an indictment of individual greed at the expense of society. These are all a wake call to society to rethink its form of promoting massive personal wealth at the expense of others. Further credence to the need to tone down and seek common good, is the enormous and significantly negate effect on the environment of uncontrolled human greed, which accounts for the frightening level of global warming. What has been suggested, though massively opposed by the major industrialised nations, is the need to tone down our insatiable quest to produce all kinds of goods and services for profiteering at the expense of the environment. If our moral values are restored, we can manage public corporations effectively for the common good, drawing from the inspiration of the African traditional heritage system that prides itself in communal leaving, which is akin to the team spirit behavioural disposition

advocated by privately owned corporate entities to elicit commitment under a feigned disguise of conventional stakeholder theory. I suppose that the whole idea of prevailing stakeholder theory being currently espoused is a ruse aimed at giving employees a false sense of common stake, intending to tame the monster of individual greed that is inherent in humans unless tamed. Also, that this stakeholder theory is geared towards surreptitiously ensuring security for the promoters of the business, who must require such behavioural disposition on the part of all key employees to guarantee their continuous wealth acquisition via their established private entities. Where this is not controlled as espoused by the agency theory, shareholders would find themselves at the losing end. The evidence of the manifestation of this behavioural malady is clearly demonstrated in the existing literature of managerial conducts that have led to various corporate collapses, ranging from acts of corporate espionage, to outright connivance to take over previously non-owner managed businesses by former management employees.

Therefore, the maxim Government has no business being in business is a hidden contrivance by private economic profiteering conspirators to exploit our common heritage towards fostering their animalistic greed and survival instincts. Governments and citizens must be willing to live and let others live. Commercialised public entities should be encouraged, and individual employees must deploy the same sense of responsibility in administering public bodies for the good of all as they do in the private sector-led work settings. Also, employees in SOEs should be properly remunerated as a way of eliciting commitment to the survival and growth of SOEs.

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