

## Local Governance And The Impoverishment/Underdevelopment Of The Niger Delta Region (1999-2007)

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### Abstract

Local governance, as a third tier level of government at the local council, is meant to bring about government presence at the door step of people living in local areas. It is a driver and a coordinator of communal participatory development efforts at rural areas. This study examines the activities of the local councils of the Niger Delta region as it relates to welfare of the people and rural development. The Niger Delta region has been a hotbed of crises because of the demands of the indigenes for a fair share of the resources being generated from the region. This article is predicated on relative deprivation and frustration-aggression theory as the theoretical framework to investigate why development is elusive in the region, and why the indigenes of the Niger Delta region resorted to violence as a viable option in their demand for compensation for environmental degradation and loss of earth capital which they alleged have ruined their economic, socio-cultural, political and psychological lives. The study revealed that mismanagement of scarce resources, corruption and bad governance are responsible for impoverishment of the people and underdevelopment of the region. Good governance is recommended as the main panacea for poverty and underdevelopment in the region.

**Key Words:** Local Governance, Impoverishment, Underdevelopment, Corruption, and Good Governance

### INTRODUCTION

The Niger Delta question pre-dates Nigeria's independence. The struggle for the emancipation of the people from the clutches of internal exploitation started with the pre-independence demand by the Niger Delta people for the development of the region, and post-independence demand for institutional arrangement for equitable political participation and self-determination. The perennial issues anchored on revenue allocation, resource control, environmental degradation as a result of the activities of multi-national corporations, in the course of their exploring oil from the region. The activities of these oil companies in the area have attracted vehement resistance of the people. The multi-national corporations are plundering the Niger Delta region with impunity, which warranted the people to "fight" and institutionalized disruption of oil companies' activities through militant adventures to press home their demands for access to social amenities (such as good roads, electricity, pipe borne water, schools, functional hospitals, modern and affordable homes, etc.); economic incentives like opportunities for good jobs to cater for thousands of unemployed graduates,

artisans, technicians, and establishment of cottage industries, training centres for empowerment of the less privileged and encouragement of human capital development at the rural areas (Ibodje, 2008). The living standard and trend of poverty in the region have spurred the youths of the area (with the “blessings” of their traditional rulers, elderly statesmen, and prominent politicians) to challenge the authority of the Nigerian state to lay claim to the monopoly of coercive force. According to Hosiah Emmanuel (quoted in Ibodje, 2008:148):

...the Niger Delta question is simple: that the region, which accounts for 90% of Nigeria’s revenue, be developed; that the means of livelihood of its inhabitants have been greatly hampered by the exploration activities that feed the rest of the nation. The question is about a fair deal for some much endangered Nigerians in Nigeria.

Considering good governance as a panacea to rural development, the emergence of democracy in 1999 somewhat tinted the grievances of the people with high expectations of what democracy and good governance had in stock for the down-trodden. The people expected that in a democratically elected government, the rulers would adopt methods embodying democratic principles and precepts like due process, rule of law, human rights, constitutionalism, freedom of speech, political participation in public policy decisions and actions, etc. It comes to bear the fact that good governance brings about economic, social and political developments in countries that embrace its principles in the management of the affairs of the state. The tenets of good governance in terms of participation, transparency, accountability, responsibility and responsiveness to the demands, needs and aspirations of the people, require strong democratic institutions and democrats with the appropriate democratic value orientations and commitment, to make these institutions sustainable. Good governance is people-oriented and driver of communal development. Good governance is the exercise of power or authority – political, economic, administrative or otherwise – to manage a country’s resources and affairs. It comprised the mechanisms, processes, and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences. Good governance means competent management of a country’s resources and affairs in a manner that is open, transparent, accountable, equitable and responsive to people’s needs (Downer, 2001). The application of good governance in local areas of the Niger Delta region is at its rudimentary level (close to zero) as people in the area are groaning in abject poverty and underdevelopment.

When a people perceive that the principles of good governance are being ignored in a deliberate attempt to alienate a particular component of the society that agitates for fair play and strict adherence to the provisions stipulated by good governance, the group may be tempted to resort to violent conflicts to attract attention to their plight, that is the needs and aspirations to make life worth living. According to Johan Galtung (cited in Okanya, 1999:3), violence exists in societies where there are deliberate and sustained conditions in which people live below subsistence level. Helder Camara (quoted in Okanya, 1999:3) also argues that injustice, wherever it occurs, is a form of violence and it can and must be proclaimed that it constitutes everywhere the leading form of violence. It is against this background shall we assess the performance of local councils in the Niger Delta region and establish the

factors responsible for rural underdevelopment and impoverishment of the people in rural areas. The objective of this study, therefore, is to ascertain why the high poverty level and underdevelopment prevalent in the region in spite of the huge allocations the region received from the federation account within the period under study.

## **THEORETICAL FRAMEWORK**

The theoretical framework chosen for the study and analysis of the socio-economic formation of Niger Delta region is the relative deprivation and the frustration-aggression theory. Relative deprivation theory holds the view that where expectation does not meet attainment in comparison with other sections of the society, the general tendency is for the aggrieved people to confront those they hold responsible for frustrating their ambitions. The relative deprivation thesis argues that the greater the discrepancy between what is sought and what is attainable, the greater the chances that anger and violence will result. Gurr (1970) argues that relative deprivation is a necessary condition for violence; and defines it as a perceived discrepancy between men's value expectations and their value capabilities. Implicitly, value expectations are the goods and conditions of life to which people believe they are rightfully entitled; while value capabilities are the goods and conditions they think they are capable of attaining and maintaining, given the social means available to them.

The New Encyclopedia (n.d.:565) states that deprivation, discontent and frustration are frequently assumed to be sufficient causes for initiating or joining a social movement. The relationship is not a simple one. There is abundant evidence in the study to show that the most deprived segments of a population are the most likely to participate in social movements. The concept of relative deprivation has been used in this study to explain the fact that persons who could be much worse off than they are but still feel deprived in comparison with even more fortunate groups, often play prominent role in social movement. Perceptions of economic discrimination, unfulfilled economic aspirations and worsening economic conditions readily provide bases for discontent. Political deprivations are many and varied. They range from denial of political elite position to closure of all participatory opportunities.

Powell (1992:20) observes that the groups and individuals who see themselves as permanently excluded from real power, despite apparent electoral resources, may become desperate, especially if the powers of government are used to disadvantage them. According to Faleti (2006:48), in situations where feelings of frustration become widespread among the population, and the feeling is that people are getting less than they deserve, the most advisable thing for political leaders to do is to find out what the expectations of such individuals and groups are and to seek ways of negotiating with them. He argues that most times, those in positions of authority believe that giving in to public demands or entering into negotiations is a sign of weakness.

The frustration-aggression hypothesis was first espoused by Dollard, *et. al.* (1939). It is their view that the primary source of the human capacity for violence appears to be frustration-aggression mechanism. Dollard argues that anger induced by frustration is a motivating force that disposes man to aggression; as frustration is an interference with goal-directed behaviour. Davies (1972) attributes outbreak of violence to the frustration that results from a short-term decline in achievement, following a long-term increase that generates expectation about continuing increase. It is Davis's argument that revolution occurs during periods of relative prosperity and improvement. Prosperity offers opportunity

for comparative analysis of progress of each component of the society. No social system exists without inequalities and not all inequalities are politically relevant as to encourage seditious act, as it is obvious that political resources are never distributed equally. But when such contrasts (uneven distribution of resources) become pronounced or activated on ethnic, religious, class or political foundations or on a varying combination of these variables, it develops clear polarization leading to “us” versus “them” situation. It is inequality perceived as inequity that gives rise to collective action, including collective violence. Inequality on the basis of power, status and wealth, and predicated on ethnic, religious, class or political configurations, became in turn basis for resentment (Okanya, 1999).

This analysis is quite relevant to the prevailing situation in the Niger Delta region because the political and economic powers of the country are being dominated by a few political elites. The sorry state in Niger Delta, like in many other minority groups in developing countries of the world, is the pervasiveness of relative poverty which implies that socio-economic inequalities are very great. The consequent effect is that the pro-poor change, being agitated for, threatens some interest more directly and significantly than others. The demands for equal political representation, acceptable standard for sharing of the nation’s wealth, largely generated through oil exploration, and participation in the governance of the country, is being resisted by those who perceive their interest as being threatened if the government yields to the various minority ethnic groups’ demand of a new formula for power and wealth sharing. It is therefore imperative to analyze the contentious issues and to highlight the key players who perceive change as harmful to their interest and so fight vehemently to resist or frustrate the attempt of those minority ethnic groups that see change as conducive to the promotion of their interests (Sandole, 1993).

The relative deprivation framework analysis when applied to the study, will expose the core issues in the armed conflict in Niger Delta region, and will assist the researcher to analyze and establish the major factors that are responsible for the violent conflict in the region. Therefore, it is imperative to study and evaluate the unequal access to state power and its apparatuses and inequality in the distribution of socio-economic resources, and conflict in the Niger Delta region, using the relative deprivation and the frustration-aggression theory as the appropriate theoretical framework.

## **THE CONCEPT OF LOCAL GOVERNANCE**

Local governance is the third tier level of government at the local areas. As the central government cannot articulate accurately the needs and aspirations of the majority of the population living in the rural areas, the local government is acknowledged as the key mechanism that can propel government presence to the door steps of the rural people, so that the rural people will be afforded the opportunity to take part in taking decisions that will affect their lives. The three levels of governance in the political structure of the federation (federal, state and local governments) were primarily structured for the sub-national governments to complement the efforts of the federal government in mobilizing human and material resources and provision of social services for rural development. According to Orewa and Adewumi (1983:96), no central government can satisfactorily conduct administration wholly from the capital through the civil servants based at the headquarters. Therefore, there is need for a form of decentralization that will enable the government to reach out to the people at the local level. Although government agencies routinely meet certain needs of the people at the grass-root level, it is appropriate in local governance for the

people to participate in the determination of policies that affect them. A participatory local government system in which the people are involved in running their local affairs, tends to be more generally acceptable than a deconcentrated form of administration where central government officials, who may not have adequate knowledge of the local needs, are in control. One of the cardinal objectives of having local government is to provide a means of running services of all kinds which are tailored to the special needs of the particular council or district area, and which can be given special attention because a local government of the people by the people has the intimate knowledge of the needs of the people, and programmes to solve identified problems.

Orewa and Adewumi (1983:96) argue that in a country like Nigeria, where it is obvious that the vast majority of the population live in the rural areas where communication problems make it difficult, if not impossible, for the central government to reach many people, the significance of government at the local areas cannot be over-emphasized. Development at local level can better be achieved through a system of local government which enables the people of an area to cater for their needs within the broad policies and standards laid down by the central government; as the needs of a particular locality may differ in scope and nature from those of another. It is therefore emphatically essential to incorporate some elements of flexibility in local governance to suit the variations of local conditions. This will ensure wider political representations, participatory governance, provision of people-oriented and cheaper services, accentuation of local demands for services, and establishment of good base for collection of basic statistical information relevant for economic planning. Local government as agent of change and development is meaningless to the people if it has no powers and functions to meet the needs and aspirations of the populace within its constituency.

### **LOCAL GOVERNANCE IN THE NIGER DELTA REGION**

The Niger Delta region has been a hotbed of crises because of the demand for a fair share of the resources being generated from the region for rural development by the indigenes. To attract the attention of the wider society, the indigenes of the Niger Delta region resorted to violence and attendant destruction of lives and properties in their demand for compensation for environmental degradation and loss of earth capital which they alleged have ruined their economic, socio-cultural, political and psychological lives. These violent activities are taking place as a result of loss of faith in a failed, ineffective and insensitive government. The agitations of the region against environmental degradation and its expressions of dissatisfaction and contempt on the conduct of the multi-national corporations operating within the region in collaboration with Nigeria government, has a long history which predates our nationhood.

The region is taking a hard comparative look at what is prevailing in the area and what is happening in other segments of the political entity called Nigeria, in terms of human capital development, provision of socio-economic infrastructures and general development of the area. Available records indicate that the Niger Delta region has benefited tremendously in the recent past (1999 - 2007) from the federation account and derivation percentage from the oil producing states dispensation. For instance, Iyare (2008:29) posits that between June 1999 and May 2007 which spans the eight years rule of the Obasanjo's regime, the three tiers of government disbursed a total of N16.447 trillion without much to show for the "dividend of democracy". Out of this amount, the Federal Government received N7.4 trillion; the 36

states and Federal Capital Territory (Abuja) received N5.7 trillion; while the 774 local government councils in Nigeria received N3.3 trillion.

The detailed breakdown of the allocations to federal, states and local governments from June 1999 to May 2007 indicates that the states in the South-South (Niger Delta region) got the highest share of over N2.5 trillion, the North-West zone followed with N1.726 trillion; the South-West followed with N1.4 trillion; the North-East got N1.2 trillion; while North-Central received N1.119 trillion. The South-East zone got the least allocation with N918.287 billion. He points out that the allocations to the states revealed that Rivers State received the highest share of over N621.996 billion (a yearly average of N77.6 billion); followed by Delta State with N561.4 billion (the allocations to Rivers and Delta States put together is N1, 183.396 billion, this gives N265.109 billion above the total allocations for South-East states put together). The South-South states were given undisclosed special security allocations to curb the activities of the militant groups in the region. This special allocation bulged the revenues at the disposal of the states and local governments within the region's constituencies.

Ezeani (2009:16) notes that although the financial position of local governments in Nigeria has improved considerably in recent times due to enhanced allocation from the Federation Account, regrettably, the assurance of getting regular and substantial allocations from the Federation Account has made them to lose the incentive to explore new ways and methods of boosting their revenue from domestic or independent sources. Thus statutory allocation from the Federation Account now constitutes more than 80% of the total revenues of most local governments in Nigeria. To buttress the above argument, the table below illustrates the details of statutory allocation to local governments in Nigeria from 1999 to May, 2007:

Table 1

Statutory Allocation to Local Governments in Nigeria (1999-2007)

S/No.	Year	Amount Allocated (₦)
1	1999	41, 936, 047, 771.85
2.	2000	167, 160, 070,675.78
3	2001	197, 546, 513, 263.92
4	2002	321, 324, 219, 934.25
5	2003	396, 799, 689, 065.92
6	2004	151, 717, 202, 778.67
7	2005	617, 927, 219, 631.19
8	2006	744, 240, 741, 112.21
9	2007	310, 883, 152, 307,30
	<b>Total</b>	<b>3, 313, 534, 856, 511.79</b>

Source: Leadership Sunday, September 21, 2008 (cited in Ezeani, 2009:17)

The question being raised is where this huge amount of money was invested, who benefited from it as the local areas appear to have been alienated from the state governments in the region. The unprecedented allocations were meant for the development of each state and the local councils within its constituency. The Niger Delta people should be made to know the true position of things in the region, to the effect that the few corrupt political elites in the region are partially responsible for the woes of the Niger Delta region. All these huge allocations illustrated above, meant for development of the area, are unfortunately stacked in foreign bank accounts by corrupt public officers to boost the domestic economy of those

foreign countries, while starving their home country of development. If the stolen money had been reinvested into the domestic economy, it would have helped to boost the economy in terms of establishing industries, creating many job opportunities to accommodate the large number of unemployed youths in the region. The people are aware that the money meant for their benefits was hijacked by corrupt and unpatriotic politicians, who suddenly became billionaires amidst majority of the population being poor. The few corrupt political elites in the region are partly responsible for non-provision of the socio-economic amenities and underdevelopment in the region. The frustrated youths in the region, confronted with life without hope in a land of bounty, resorted to destructive violence (if nothing else) to raise “point-of-order” in a seemingly lawless society.

Apart from the statutory allocations from the federation account to 36 states, the FTC (Abuja) and 774 local government councils of the federation, the Niger Delta geo-political zone, comprising Rivers, Bayelsa, Akwa Ibom, Cross River, Delta and Edo States, has been on special consideration as oil producing states since 1960. This has been provided in varying proportion due to several representations made to the government of Nigeria. Ibodje (2008:151) argues that the communities in the Niger Delta had drawn attention to the problems of the area. Apart from the need for massive infrastructural development of the area, there was the deep fear of political and economic marginalization of the indigenes and communities of the region as minority elements in the political equation of the country. They demanded that these problems (highlighted herein) be addressed through some political restructuring to assure them of a space for self determination. He argues further that the post-independence political structure which left the political and economic powers in the hands of the three major ethnic tribes (the Hausa/Fulani, the Igbo, and the Yoruba), both at the regional and national levels, to the exclusion and detriment of the minorities, compounded the problems of the region.

The political exclusion of the minorities, especially those in the Niger Delta, later produced conditions for political frustration and violence against the post-colonial state. Besides, the approach of deciding for, and not with the minorities of the Niger Delta as adopted by the colonial state largely became the model subsequently adopted by the indigenous political elites of the majority ethnic groups, who inherited power at independence to deal with the increasing problems of the Niger Delta region. From 1960 to 2009, the Federal Government’s proportion of the share of the oil revenue continued to grow increasingly fatter at the expense of the oil producing states. This is a deliberate injustice perpetuated by the Federal Government to undermine the development of the region, as shown below:

Table 2

PERCENTAGE OF OIL REVENUE TO OIL PRODUCING STATES IN NIGERIA (1960 - 2009)

Years	Oil Producing States’ Share (%)	Federal Government’s Share (%)
1960 – 67	50	50
1967 – 69	50	50
1969 – 71	45	55
1971 – 75	45 minus offshore	55 plus offshore
1979 – 81	-	100

1982 – 92	1.5	98.5
1992 – 99	3	97
1999 – 2009	13	87

Source: S.W.E. Ibodje (2008:154). “Oil and the Niger Delta” in S. Oyovbaire (ed.)

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In spite of the injustice illustrated above, the Niger Delta region received more financial allocation from the federation account through the statutory allocation (more than any other geo-political zone in the country). The 13% derivation for oil producing states is additional advantage over other non-oil producing states. This is enough incentive to boost the performance of state and local government councils in the region. The Niger Delta Development Commission and the newly created Ministry of Niger Delta Development are efforts of the federal government to accelerate development in the region. Yet, the region remains grossly underdeveloped amidst pockets of billionaires who are corruptly richer than the region put together. The author of this work argues that, on the strength of the facts and figures illustrated in this study, injustice on the part of the federal government in terms of policy inconsistency on (revenue formula) percentages of oil revenue to oil producing states; bad governance; corrupt practices; and malfeasance are factors partly responsible for the plight of the rural people of Niger Delta region.

**BAD GOVERNANCE AND CORRUPTION AS BANE OF DEVELOPMENT**

Mismanagement of scarce resources, anti-people programmes, and corrupt practices are indices of bad governance. The indicators of bad governance also include retarded development, frustration, armed conflict, unemployment, poverty, and increase in violent crimes, such as armed robbery, kidnapping, abduction, and vandalization. These are manifestations of aggression due to frustration. On corrupt practices, Iyare (2008:28) is of the view that apart from massive capital flight arising from the sharp practices of corrupt public office holders, multinational corporations and their local collaborators in the region, corruption indeed plays a major role to foster or sustain the process of underdevelopment in the Niger Delta area. Good governance eluded the rural areas of the Niger Delta region due to corrupt practices.

Besides, all the tiers of government are guilty of profligacy and financial indiscipline arising from low-compliance to budget implementation in favour of personal aggrandizement, instead of embarking on people-oriented projects for the wellbeing of the masses. For example, the confiscation in London of the corruptly acquired assets of former Governor of Bayelsa State, Deprieye Alamieseigha and former Governor of Delta State, James Ibori’s involvement in billions of dollar scam are the indicators of bad governance. In the same vein, Lucky Igbinedion, former Governor of Edo State and Peter Odili, former Governor of Rivers State were also enmeshed in mismanagement of state resources and recorded poor performance. It was alleged that during Dr. Peter Odili’s administration, Rivers State was one of the wealthiest states in the country (in theory), followed by Delta State and Lagos State due to oil and other business infrastructures. Peter Odili’s administration impoverished the state worst than the status he inherited it in terms of rural development, employment, and infrastructures in spite of its abundant wealth. In January 2007, the Economic and Financial Crimes Commission (EFCC) issued an interim report

which disclosed that over ₦100 billion of Rivers State funds had been diverted by Dr. Peter Odili to private account abroad. The report also contained serious allegations bordering on N189 million bank debt, fraud, conspiracy, conversion of public funds, foreign exchange malpractice, money laundering, stealing and abuse of oath of office against Dr. Peter Odili. Within the same period, the Human Rights Watch issued a report alleging pervasive patterns of corruption and mismanagement at the state and local levels under Dr. Peter Odili's administration ([http://en.wikipedia.org/wiki/Peter\\_Odili](http://en.wikipedia.org/wiki/Peter_Odili)).

In February 2007, Dr. Peter Odili instituted a suit in a Port Harcourt High Court challenging the powers of EFCC to investigate his administration in Rivers State. In a forum provided by the Rivers State Truth and Reconciliation Commission, the ex-governor denied the allegations preferred against him. In March 2008, he obtained a federal high court injunction which restrained the Economic and Financial Crimes Commission from probing the Rivers State finances during his tenure. In September 2009, a Federal High Court sitting in Abuja granted all the declaratory and injunctive reliefs sought by the plaintiff (Dr. Peter Odili). These include a declaration that the EFCC investigations are invalid, unlawful, unconstitutional, null and void. The Court thereafter granted the plaintiff a perpetual injunction restraining EFCC and other defendants (Nigerian Security Agencies) from arresting, detaining, prosecuting or embarrassing Dr Peter Odili over N189 million bank debt; and/or publishing report of the investigations nor any further action in relation to the economic and financial crimes allegedly committed by Dr. Peter Odili.

The money meant for the development of the region was siphoned by corrupt public officers to foreign countries to boost their economy, while suffocating our economy at home. The social implication is that the money that ought to be used to build and equip many schools to provide functional education, equip hospitals to provide functional health delivery services, provide decent and affordable homes, accessible roads, pipe borne water scheme, and to provide adequate transportation network and ensure good life for the people of the region, particularly the rural population, has been systematically, brazenly stolen by the few corrupt political elites. George Soros (quoted in Iyare, 2008:34) notes that resources belong to the people, but are run by leaders who failed to put the people's welfare ahead of their own, thereby giving rise to resource curses. This is the problem of many countries that are rich in natural resources. He observes that in the last forty-five years, Nigeria has generated close to \$600 billion from oil resources in the Niger Delta region without evidence to show of its positive effect on the lives of the Niger Delta people in terms of socio-infrastructures, economic benefits, stability and security of the region. It is evident that the lots of the people would have been better off if the huge amount of money siphoned to foreign countries was judiciously utilized on people oriented projects.

There is a somewhat system collapse, institutional decay, unfriendly and uncondusive environment for meaningful investments. The indigenes are alienated so as to distant them from government activities instead of empowering them to be economically viable. Some societies have good institutions that encourage investment in machinery, human capital, and better technologies, and consequently these countries achieve economic prosperity. Good institutions have three key characteristics: enforcement of property rights for a broad cross section of society, so that a variety of individuals have incentives to invest and take part in economic life; constraints on the actions of elites, politicians and other powerful groups, so that these people cannot expropriate the incomes and investments of others or create a highly uneven playing field; and some degree of equal opportunity for

broad segments of society, so that individuals can make investments, especially in human capital, and participate in productive economic activities (Acemoglu, 2003:27).

### **THE CONCEPT OF RURAL DEVELOPMENT**

According to Ibeanu (2007:10), rural development means the process of progressively improving the conditions in which human beings live through the elimination of the factors that alienate labour in society. Walter Rodney (cited in Ibeanu, 2007:10) posits that for development to occur, the people must improve their understanding of the laws of nature (Science); must be able to apply this understanding to create tools and other implements that improve man's working condition and living environment (technology); and finally the society must ensure equitable organization of work rewards (social relations of production). The administration of rural development programmes and policies is enunciated by local government, state and federal agencies as well as private investors and the civil society organizations. Therefore, the process of the rural development can be conceptualized using the interdisciplinary approach encompassing the socio-political, economic and ecological/environmental dimensions (Seregeldin and Steer, 1994) quoted in Uzuegbunam (2003:126). This can be subsumed thus – Economic: sustainable growth, capital and resource use efficiency, employment generation, technological progress, etc; Social: equity in resource distribution, empowerment, participation, etc; and Ecological: ecosystem, natural resources, biodiversity, carrying capacity, etc.

The sole purpose of development efforts is to improve the conditions of life of the population in a sustainable way through the formation of human and social capital. This provides a fertile ground for a broad-based economic growth and sustainable poverty reduction. Nnoli (1981:36) cited in Okoli and Onah (2002:160) defines development as “a dialectical phenomenon in which the individuals and society interact with the physical, biological and inter-human environments, transforming them for their own betterment and that of humanity at large and being transformed in the process”. Nigeria operates a dual economy delineated into urban and rural, each with its own characteristics. Abogunjo (1980:30) cited in Okoli and Onah (2002:161) defines rural development as:

being concerned with the improvement of the living standards of the low income people living in the rural area of a self-sustaining basis through transforming the socio-spatial structures of their productive activities. It implies a broad-based reorganization and mobilization of rural masses and resources, so as to enhance the capacity of the rural populace to cope effectively with the daily tasks of their lives and with the changes consequent upon this.

Rural development therefore involves the improvement on the living standards of the rural dwellers through the mobilization and allocation of resources. To achieve this, there must be a balance between the stride for the welfare of the people and the productive capacity of the environment in the most sustainable manner. Development does not come in a straight-jacket, stop-gap or quick-fix contraptions. It is rather gradual, permeative, encompassing, durable, integrative and qualitative, requiring the involvement and participation of all. A society that is well on its path to sustainable development lays emphasis on the acquisition of appropriate skill, capacity and effective institutions at the local, state and national levels. This is to assure an effective and efficient regulatory

framework for behaviour especially in a pluralistic society like Nigeria where interests are dispersed.

The objectives of rural development include employment creation, increase in income, and improvement in technology, increased productivity and knowledge as well as social consensus building. It therefore means the mobilization of human, material and institutional capitals for the transformation of social, economic, psychological and environmental fabrics for their well-being. Put succinctly, rural development means the determination and commitment of rural citizens to mobilize themselves using available resources toward higher and more qualitative standards of life. To be meaningful, the people must, through the instrumentality of relevant institutions, be able to balance the forces of attrition to be generated by the dynamism of the actions and reactions of societal elements.

### **RURAL DEVELOPMENT IN THE NIGER DELTA REGION**

The Niger Delta inhabitants are predominantly subsistence farmers, petty traders, craftsmen, and fishermen. The topography is highly uneven, mostly swampy with tropical rainforest; while the uneven coastlines form creeks. The major means of transport is by water and the disease burden which are mainly malaria and water-borne diseases are overbearing. In the absence or scarce presence of the paraphernalia of modernity, the rural area is underdeveloped and most of the inhabitants live below poverty line. The region is essentially rural with pockets of urban and sub-urban areas. The rural area is characterized by oppression, degradation and deprivation. Basic infrastructures are lacking. The rural communities are economically unviable while the inhabitants live below poverty line because of unavailability of gainful employment. Olatunbosu (1975) cited in Okoli and Onah (2002:157) aptly described common features of rural area thus:

Its inhabitants are mainly farmers who maintain small holdings and practice seasonal farming; their production is mainly on subsistence level and food crops productivity and standard of living are low. They are certified victims of preventable diseases, which derive from malnutrition. Inside the rural dwelling place, man, woman and children are herded together under conditions which defy all rules of hygiene, a condition of life so poor that it prevents the realization of man's total potential.

The ugly picture painted above is even worsened by the ecological disaster wrecked by the extractive activities of the oil and gas companies. Oil spillage, which is a constant feature of the area, destroys arable farmland and fisheries on which the people depend for their livelihood. The flare of gas pollutes the air, causing acid rain and other health-related hazards including global warming. The rural dwellers are generally not well educated and some are oblivious of modernity because of ignorance and illiteracy. There is paucity of schools, while the existing ones are dilapidated, shabby, poorly equipped and under-staffed. Health institutions are also in short supply as hospitals, health centres, clinics and maternity homes are sparsely located and inadequately equipped. This encourages the inhabitants to patronize quacks and traditional medicine. Their wreck homes are mostly not accessible due to the nature of the region.

The obvious picture being painted here is that the rural environment in the Niger Delta is underdeveloped, hence the apparent appeal and struggle of the inhabitants to

transform their lives. This involves the process of economic, social, political and cultural change through collective efforts of all stakeholders (both internal and external). The major actors in the development process include the local communities, government, the private sector, civil society organizations, non-governmental organizations (NGOs), technical and financial development partners (Seya, 2005:97).

Ironically, the Niger Delta region is endowed with crude oil by nature and the region produces over 80% of Nigeria's revenues. According to the Library of Congress (2008:8), 80% of oil and gas revenues flow to the government, 16% cover operational costs and the remaining 4% goes to investors. However, the 80% revenue benefits only about 1% of the entire population. This accounts for the preponderance of poverty which ravage about 54.4% of the entire population (Soludo, 2006; National Planning Commission, 2004). The persistence of underdevelopment of the Niger Delta region is a clear indication of the failure of the administrative structures and institutions (Federal, State and Local Government).

Socially, the gap between the rich and poor is increasingly overwhelming and the disparity in infrastructures in urban and rural areas is obviously intimidating. The region has one of the widest gap between the rich and poor with a Gini index of 50.6 (Obiechina, 2007:79). The index measures the extent to which the distribution of income or consumption expenditure among households or individuals deviates from a perfectly equal distribution. The people are disempowered because of their minority status and there is lack of participation, voice and inclusiveness. This, perhaps, heightens the relative deprivation perception. There is ecological disaster as the ecosystem or biodiversity is not only degraded but endangered. The technological fallout occurs in the form of pollution (air, water and land) through gas flaring, oil spillage, acid rain etc. Economically, the unsustainable method of extraction and other industrial activities underlie the "oil mineral resource curse syndrome" (Okonjo-Iweala, 2008:44); while the inefficiency in capital and resource use underlie "the paradox of the plenty" (Library of Congress, 2008:7). The Federal Government expropriates oil revenues just like the quota system or federal character is reflected in employment opportunities. This exacerbates unemployment in the region.

## **MULTINATIONAL OIL COMPANIES AND RURAL DEVELOPMENT**

The Niger Delta provides ample activities for the multinational oil companies in Nigeria, which engage in extractive activities. The multinational oil companies (MNCs) are seen as foreign direct investors that contribute meaningfully to the economic development of the country. This is especially so because Nigeria lacks the technology to exploit and refine the oil. The obvious implication is that Nigeria literally depends on the MNCs which extract oil and gas that make up the bulk of national revenue. The country lacks efficient institutions that create, regulate, stabilize and legitimize transactions and activities. The consequences are two-fold. One, MNCs are somewhat careless and even indifferent to the externalities or negative consequences of their explorative activities such as oil spillages. The spillages contaminate farmlands, freshwater ways and fisheries. The oil companies flare gasses which produce other gasses that contribute to ozone layer depletion and hence climate change.

The absence of effective regulatory institutions and the corrupt nature of the existing ones are responsible for lack of commitment to corporate social responsibility. Second, the budgetary allocations to states and local governments do not trickle down to the rural dwellers because relevant institutions which ought to pick up signals from all fringes of society, balance interests and execute agreed-on policies are ineffective. It is not surprising

therefore that the insurgent ethnic militias targeted oil companies which they hold accountable for the poverty that afflict the inhabitants of the region.

## **CONCLUSION**

The paper focused on the Niger Delta region which has been a hotbed of crisis over time. It examined the concepts of local governance in relation to development of the region. The observation is that the rural area is still largely underdeveloped despite the huge financial allocations from the Federation Account. Poor governance is indicted for the failure. The study also observed that corruption is one of the major bane of development in the rural areas of the Niger Delta region. As a result, the people are impoverished in a land flowing with milk and honey. It is stressed that effective regulatory and supervisory institutions will promote accountability and transparency in local governance and subsequently enhance development in the rural areas of the region. In accountability, as one of the tenets of good governance, there should be no provision for sacred cows as revealed in Rivers State and Delta State. Rural area is the bedrock and structural foundation of all civilized countries. It is the springboard of all levels of development and civilization, as every individual originated from a rural area he calls "my home village". It is the statutory responsibility of the state government and local councils to complement community development efforts in a participatory democratic governance.

## **RECOMMENDATION**

It can be inferred from the foregoing that many Nigerians living in rural areas in the Niger Delta region are impoverished because of systemic corruption and mismanagement of scarce state and local council resources. This is responsible for the people's impoverishment and underdevelopment within the region. Based on the above, the following recommendations are made:

- (1) The major reason why the Niger Delta region is largely underdeveloped is poor governance. The region is lacking in all indices of good governance which include voice and accountability; political stability and absence of violence; Government effectiveness; regulatory burden; rule of law; and freedom from graft or corruption. The recommendation is that the Nigerian State should develop formal and informal rules that govern human interactions. The anti-corrupt institutions must be guaranteed the power to exercise their autonomy and be seen to be fully independent and very well disposed to fight corruption without extraneous influence from any arm of government, entrench political rights, ensure public sector efficiency, bear the burden of regulating behaviour and other transactions and assure legal protection of private property. Again, limits must be placed on political actors, community leaders and other stakeholders in Nigeria polity in order not to expropriate public assets and investments.
- (2) The budgetary process should be reformed to reinforce the distributive capacities, accountability and responsibility. Resources cannot be efficiently utilized without regulatory bodies like external auditors to enforce the principles of due process. The federal, state and local governments should be constrained to allocate substantial sum of money for rural development. The state and local governments should be made to use statutory allocations from the federation account for infrastructural development while reserving all internally generated revenue for recurrent expenditure. Mechanisms should also be installed to ensure

value for expenditures on all state and local government councils' sponsored projects and other essential services.

(3) Government should not alienate the indigenes from its activities that are meant to serve the needs and yearning of the people. Participatory governance is the surest way of articulating and prioritizing the needs of the poor, particularly on issues affecting their lives as a people. The state and local government councils should urgently engage in accountability and transparency processes to reassure the populace that democracy is the best thing that can happen to any nation in love of peace, political stability and good governance.

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