# Inclusive Governance, Poverty Reduction and Sustainable Development in Niger Delta Region

Adebusola Odedina
Department of Political Science and Public Administration,
Babcock University, Nigeria
Corresponding email - <a href="mailto:busolaodedina@yahoo.com">busolaodedina@yahoo.com</a>

#### **Abstract**

High level insecurity occasioned by militancy and other forms of criminal activities including bunkering and oil theft had rocked the oil rich Niger Delta region since the 2006 and has continued after few years of respite following the introduction of amnesty in 2009. The reasons adduced for the crisis, include environmental degradation occasioned by reckless oil spillage and gas flaring by the oil companies; as well as insensitivity on the part of government. Government's efforts to pacify the host communities through establishment of commissions and agencies had failed to accomplish expected results as a result of application of double standards and adoption of divide and rule approach. Bureaucratization of policies, underfunding of critical programmes, and lack of political will had hindered poverty reduction and sustainable development. The study investigated factors that would result in poverty reduction and attainment of sustainable development in the Niger delta region. Historical and descriptive survey designs were adopted. Using stratified random sampling technique, 600 respondents were selected from the three core Niger Delta states; Bayelsa, Delta and Rivers of Nigeria. Questionnaire was used to collect data and 97% response rate was achieved. Data was analyzed using descriptive and inferential statistics. Hypotheses were tested using chi-square at 5% level of significance. The results revealed significance relationships among the variables of participatory decision making (Tc=2.259>Tt=1.96); poverty reduction (Tc=7.941>Tt=1.96) and sustainable development in the region. The study found that Nigeria's introduction of amnesty in 2009 helped in restoring peace to the troubled region, but this was fraught with poor inclusion of youths from some sections of the region as a result of non-involvement of indigenes of the host communities in the decision making processes. The study recommends that attain effective poverty reduction and sustainable development, there should be adoption of inclusive governance in processes of policy formulation and implementation from the bottom to the top.

**Key words:** Poverty reduction, inclusive governance, sustainable development, participatory decision-making, conflict

#### I. Introduction

Whenever and wherever today the Niger Delta region of Nigeria is mentioned, what comes to mind is that it is ridden with ethnic conflicts, dominated by local militias who vandalize oil installations, kidnapping of local and foreign workers. Only few recalls with ease that the enclave had been the home of peace and tranquillity. The rich oil resources (palm in the 1880s and crude in the 1960s) in the land and waters of the Niger Delta region have been a major point of attraction to global politics. Income accruing from the development of petroleum and related industries over the years have accounted for over 90% of Nigeria's foreign earnings and gross domestic products. This has not meaningfully translated to tangible development instead has become a curse that have gradually transformed the region into a violent zone. Evidently, the micro-economic indexes show that the region is faced with severe poverty, high rate of unemployment, myriad of diseases, high literacy, social exclusion and environmental despoliation. This popular opinion was aptly captured by the 2006 United Nations Development Programme (UNDP) Niger Delta Human Development Report thus:

Its rich endowments of oil and gas resources feed methodically into the international economic system, in exchange for massive revenues that carry the promise of rapid socio-economic transformation within the delta itself. In reality, the Niger Delta is a region suffering from administrative neglect, crumbling social infrastructure and services, high unemployment, social deprivation, abject poverty, filth and squalor, and endemic conflict (UNDP, 2006:9).

This situation created by the operations of the multinational oil companies caused enormous damage to agricultural crops, destruction of fishing farms, and the pollution of potable water. The damage cannot be quantified, and to address these peculiarities, especially those 'stresses of environmental cum demographic insecurity', the people embarked on a long and sustained struggle to control the resources derived from the region (Adekanye, 2007).

The people have become so hostile, even to every perceived palliatives and conflict management strategies put in place by the government of the Federal Republic of Nigeria in collusion with the multinational oil companies operating in the region (Osaghae, Ikelegbe, Olarinmoye, & Okhomina (2011). Some other policies were not well articulated, thought-out and not concrete. Worst still, most of the programmes and policies that were unilaterally planned and implemented from the top to bottom. Little or no consultations are made withparties implicated in the Niger Delta challenge. Meanwhile, Ekpo (2000) avers that it "is probably the most exploited, controversial and misunderstood region in Africa even though it has been in the forefront of global civilization and development from the early times'. Regardless from which perspective one looks at the region, it is very strategic to national and international community. This has motivated this study to examine the relationship between inclusive governance, poverty reduction and sustainable development in the Niger Delta region of Nigeria.

# II. Building up the Niger Delta Imbroglio

The oil milieu in Nigeria has brought about a massive oil rents, exploitation, marginalization and neglect for the Niger Delta region. The people of region, particularly King Jaja of Opobo and other monarchs in the region had from the advent of Missionaries and European traders in the 15th century, exhibited the inherent desire for self-determination and opposed European exploitation. This was borne out by the facts of the Akassa Raid and opposition against European intrusion into the trade and affairs of the people as well as the importation of European workers to Bonny, in present day Rivers State, under the guise to build up Bonny to become as respectable as England. The people were compelled to submit to European hegemony by sheer force of superior arms (Opu-Ogulaya, 1973; Tamuno, 2011). Years later and prior to the independence of Nigeria, the trend of nationalism in the 1930s as well as constitutional structures

tended to fuse minority elements into majority neighbours which did not go well with the people of the region.

Though oil production in Nigeria began in 1958 with the discovery in commercial quantity in the oil fields in the Niger Delta Basin, oil prospecting dates back to 1908 when the Germany Company, the Nigeria Bitumen Corporation (NBC) started exploration in the present day Ondo state. With the significant find at Oloibiri in 1956 and Shell-BP relinquishing portions of its onshore license in 1959, allowed other multinational companies including ExxonMobil, Chevron, Gulf oil, Elf Petroleum, ENI-Agip and Texaco to explore for oil in Nigeria. This ushered a new financial regime (The Industry-Wide E&P Committee for International Conference, 2000).

Consequently from the 1960s militant formations emerged and engaged in fighting with the federal government and multinational oil companies (MNCs). Isaac Adaka Boro and his 159 men put up resistance against the Nigerian military, seeking to calve out the Niger Delta Republic from the rest of the country. The revolution was eventually curtailed after twelve days. Boro's grouse was that oil derived wealth was not ploughed back to the region from where it came. Meanwhile, the recklessness of the major oil companies largely devastated the ecology and economy of the region. The oil resources instead of a blessing have negatively made the land and water unproductive and a 'curse' to the region and causing massive poverty in the region (Eyinla & Ukpo, 2006).

Though Boro was eventually killed in controversial circumstances, characteristic of the Nigerian government against leading spokespersons from the region. Ken Saro-Wiwa, an Ogoni born play wright and environmentalist and his Movement for the Survival of the Ogoni People (MOSOP) in the 1990s decried particularly Shell BP's weak environmental sustainability

policies. The Nigerian government in connivance, instead of initiating measures to alleviate poverty, improve the health risks the people faced and initiate clean-up programmes sent reprisal military troops against the people. Particularly, the reprobate regime of General Sanni Abacha who extra-judiciously executed him (Osah and Alao, 2014).

According to Osaghae, Ikelegbe, Olarinmoye, &Okhomina (2011) "youth movements began to gain prominence from the mid 1990's when the youths, exasperated by unemployment, growing impoverishment and inmiseration, inconsistent and poor transition programmes, poor human rights and economic reform policies and the annulment of the 1993 presidential election results, began to translate their frustration, anger and hostility into actions against the Nigerian state, the MNCs and their elites and elders.

Asara Dokubo and Ateke Tom, the arrowheads that nursed the seed of militancy in the Niger Delta region and other 'conflict entrepreneurs' including Farah Dagogo, Chief Government Ekpemupolo, Soboma George had created and maintained violent empires since the late 1990s in the creeks of Bayelsa, Delta and Rivers, from where their footmen launched deadly offensives against the Nigeria government and consequently destroyed major oil facilities worth millions of Naira. Their intension though was to cripple the Nigerian economy which is built around crude oil from the region and to bring the federation to its knees. Not surprising since the 1990sviolence has persisted,murder and kidnapping have become the order of the day. These formations have attributed their struggles to the poor state of development and abject poverty in the midst of plenty; absence of basic social amenities; corporate irresponsibility associated with oil companies operations; land ownership and control of resources; violent and systematic institution of terror by successive regimes and repressive measures taken against leading spokespersons; flagrant human rights violations; obnoxious legislations; absence of fiscal

federalism; denial of access to the benefit from oil derived wealth; environmental degradation and poor welfare programmes; divide and rule policies; unemployment; rigging of elections; chieftaincy tussle; bribery and corruption (Osah, 2016; Inokoba & Imbua 2010; Ikelegbe, 2008). Meanwhile, a World Bank report of 2008 on the Niger Delta highlighted the drivers of the violent conflicts in the region as poor leadership (governance), poor governance, corruption, environmental degradation, unemployment, low education, and insecurity, lack of infrastructure, high cost of living and poverty. This description elsewhere captured in the extant literature greatly have made the people see themselves as an aggrieved, deprived and depraved people. There is agreement with what Mbodo, (2007) noted when he stated that "as long as oil companies and the government give nothing, the youth will be angry".

Sanda (2005) posited that the increased activity and exploration of oil by the multinational oil companies brought in its trail increased economic dislocation, intra and inter-ethnic migration and conflict, moral decadence especially among youths, female depravity, male crime and revolution of induced needs.

## III. Poverty in the Niger Delta

Withstanding the oil gains and huge funding it has raked in for Nigeria, Campbell (2010) noted that "the concentration of Nigeria's vast oil wealth in the hands of a small group of wealthy Nigerians has made income distribution among the most unequal in the world". This view was also captured in the UNDP HDR of 2006 that aver that:

The region produces immense oil wealth and has become the engine of Nigeria's economy. But it also presents a paradox, because these vast revenues have barely touched the Niger Delta's own pervasive local poverty (UNDP, 2006:4).

The dynamics of external exploitation coupled with a blatant disregard for the basic rights and needs of this resource rich community. Unfortunately, severe economic deprivation and social

exclusion stood in sharp contrast to the enormous oil wealth, creating a "paradox of plenty" in the midst of plenty (Okai, 2008). Government's neglect and the recklessness of the multinational oil companies operating in the area over the years have not only undermined development but also impacted negatively on the social infrastructure. Hence, Eteng (1977) opined that oil exploration and exploitation has over the years impacted disastrously on the social-physical environment of the Niger Delta oil-bearing communities, massively threating the subsistent peasant economy and the environment and hence the entire livelihood and basic survival of the people.

Statistic available from National Population Commission (2006) indicate that poverty in the region stood at about 71.22 per cent. Even to date, the situation has not significantly charged for the better as the Niger Delta is characterized by legions of unemployed youths, many of whom turned to militant activity in their alienation (Campbell, 2010). Inokoba & Imbua (2010) corroborate these points raised above, as they noted that the industrial poisoning of the rivers, streams and creeks of the Niger Delta has rendered the region's fishermen jobless, useless and hungry, as they can no longer engage in the traditional means of livelihood because the waters are polluted and the quantity of fishes depleted.

According to Kuku (2012) the rising unemployment conservatively estimated at 21%, with the swathe of the population, about 70% living below the poverty, poor state of primary healthcare and basic education and its infrastructure in decay, the Niger Delta and indeed Nigeria needs to act fast to reverse poor social-economic conditions.

The Nigerian government had initiated several policies of poverty eradication in Nigeria. Some of these include: National Poverty Eradication Programme (NANEP) National Economic Empowerment and Development Strategy (NEEDS); Operation Feed the Nation (OFN) of 1976-

1979; Green Revolution of 1979-1984; Mass Mobilization for Social and Economic Reformation (MAMSER); The Directorate for Foods, Roads and Rural Infrastructure (DFRRI); The People Bank of Nigeria (PBN) Better Life for Rural Women's Programme; Oil Mineral Producing Community Commission; Petroleum Trust Fund (PTF); The family Support Programme (FSP); The Family Economic Advancement Programme (FEAP); Poverty Alleviation Programme; National Youth Employment Scheme (NYES). The challenges that most of these programme had were the lack of political will to promote participation; poor funding; ineffective implementation of target projects including low capacity of the tiers of government to face the tasks and the problems of continuity of government.

Kuku (2012: 63) further noted that "the social drivers are themselves the effect and cause of economic and political problems in the Niger Delta... The result of underdevelopment, pollution, lack of basic amenities, and lack of employment opportunities in the oil sector, non-oil sector and poor governance generally threatens the survival of the Niger Delta". Even the piscatorial activities have been adversely affected.

## IV. Conflict management in the Niger Delta

When the conditions was becoming unbearable, the Nigerian government instituted numerous commissions of inquiries. Some of these aretheSir Henry Willink's Commission was appointed to Enquire into the Fears of the Minorities in 1958; The Justice Alfa Belgore Judicial Commission of Inquiry of 1992; The Ministerial Fact-Finding Team (the Don Etiebet Committee) of 1994; Major General Popoola Committee of 1998; Lt. General Alexander Ogomudia Committee on the Special Security Committee on Oil Producing Area of 2001; The 2003 Presidential Panel on National Security otherwise referred as the Presidential Committee on Peace and Reconciliation; The Niger Delta Regional Master Plan of 2004; The Presidential Council on the Social and Economic Development of the Costal States of the Niger Delta 2006;

The Technical Committee on the Niger Delta 2008 and many more (Osah, 2016). Even as setting up of these were not adequate, the government also established several interventionist agencies to implement the policies. As far back as 1961 the Niger Delta Development Board (NDDB); Niger Delta Basin Development Authority (NDBDA) of 1976; Oil Minerals ProducingAreas Development Commission (OMPADEC) of 1992; Niger Delta Development Commission (NDDC) of 2000 and the Ministry of the Niger Delta Affairs (MNDA) of 2008 (Ekpo, 2004).

In 2009 the government introduced an amnesty programme for militants which was another strategy to buy peace. The government had promised in collaboration with the multinationals to implement the disarmament, demobilization and reintegration programme aimed at restoring peace to enable sustainable development. Militants were expected to come out of the creeks and bushes within the 60-day window from August 6 and October 4, 2009. They were to dismantle their weapons, surrender same to the Government security agencies, and then proceed for the identification, registration and documentation before the deadline of October 4, 2009 at the various disarmament centres designated for that component of the programme across states in the region. These efforts did not yield the desire result. In a way, was due to the fact that these agencies were not well grounded and powerful enough to succeed in addressing the issues at the root of the conflict or that the required political will to drive the process through was not there. The commissions and interventionist agencies did not end the search for peace anyway (Osah, 2016).

## V. Methodology

Descriptive survey design was adopted, using stratified random sampling technique, 600 respondents were selected from three core Niger Delta states namely Bayelsa, Delta and Rivers.

Questionnaire was used to collect data and 97% response rate was achieved. Data was analyzed using descriptive and inferential statistics. Hypotheses were tested using chi-square at 5% level of significance.

## **Hypothesis One:**

Ho: There is no significant relationship between participatory decision-making sustainable development in the Niger Delta region

H<sub>1</sub>: There is significant relationship between participatory decision-making sustainable development in the Niger Delta region.

## Regression

## **Model Summary**

| Model | M<br>R | R Square | Adjusted R<br>Square | Std. Error of the Estimate |
|-------|--------|----------|----------------------|----------------------------|
|       | 1.612ª | 374      | .372                 | 2.40768                    |

a. Predictors: (Constant), Inclusive governance, Poverty reduction

ANOVA<sup>b</sup>

| Model      | Sum of<br>Squares | f  | DMean<br>Square |        | Fig. |  |  |  |  |
|------------|-------------------|----|-----------------|--------|------|--|--|--|--|
|            | -                 | 1  | -               | 42.702 |      |  |  |  |  |
| Regression | 2499.100          |    | 8833.033        | 43.702 | 000a |  |  |  |  |
| Residual   | 4179.589          | 21 | 5.797           |        |      |  |  |  |  |
| Total      | 6678.690          | 24 |                 |        |      |  |  |  |  |

a. Predictors: (Constant), Inclusive governance, Poverty reduction Dependent Variable: Sustainable development

## **Regression Analysis**

**Sustainable development** as observed variables to characterize relationship between the parties at conflict in the Niger Delta. The formula is mathematically expressed as:

$$Y=\alpha + b_1(x_1) + b_2(x_2) + b_3(x_3) + \mu$$

Where:

Y= dependent variable

 $b_0 = intercept/autonomous$ 

b<sub>1</sub>= co-efficient of the independent variable

 $x_1$ = Poverty reduction

x<sub>2</sub>= Inclusive governance

x<sub>3</sub>= Conflict management strategies

 $\mu$ = Stochastic variables.

# Result of regression analysis

### Coefficients<sup>a</sup>

|                                      |       | S         |      |      |       |
|--------------------------------------|-------|-----------|------|------|-------|
| Model                                | В     | td. Error | Beta | ,    | Гsig. |
| 1 (Constant)                         | 2.036 | .379      |      | .367 | 000   |
| Poverty reduction                    | .228  | .029      | .287 | .941 | 000   |
| Inclusive governance                 | .097  | .043      | .096 | .259 | 024   |
| Conflict<br>management<br>strategies | .261  | .033      | .333 | .973 | 000   |

# a. Dependent Variable: Sustainable development

# R-squared= 0.374

Using the simple linear regression model, the hypothesis is carried out.

$$Y=\alpha + b_1(x_1) + b_2(x_2) + b_3(x_3) + \mu$$

Where:

Y= Sustainable development

 $b_0 = intercept/autonomous$ 

 $b_1$ = co-efficient of the independent variable

 $x_1$ = Poverty reduction

 $x_2$ = Inclusive governance

x<sub>3</sub>= Conflict management strategies

 $\mu$ = Stochastic variables.

A priori theoretical expectation

 $b_0 > 0, b < 0$ 

 $b_0 = 2.036$ 

 $b_1 = 0.228, b_2 = 0.097, b_3 = 0.261$ 

Therefore, we have that

Y= 2.036+0.228 poverty reduction+ 0.097 inclusive governance + 0.261 conflict management strategies

Where 2.036 = autonomous

# R-squared

R- Squared = 0.374

This shows the percentage of total variation of the dependent variable explained by the independent variable. There is significant relationship among the divisions of poverty reduction, inclusive governance, conflict management strategies and the observed sustainable development needed in the Niger Delta region. According to the analysis for the above regression, r-squared is 0.374(37.4%). This shows that the factors of poverty reduction, inclusive governance and conflict management strategies have each had impact on the sustainability of development and peace in the Niger Delta region.

### **Determination of Standard Error**

According to our regression analysis;

S.E (b<sub>1</sub>); 0.029  $b_1 = 0.228$ 

 $b_1 = 0.228$ 

<del>2</del> <del>2</del>

= 0.114

0.029 < 0.114

# **Decision Rule for Standard Error (S.E)**

Standard error  $(b_1) > b_1/2$  Accept null hypothesis and reject alternative hypothesis.

Standard error  $(b_1) \le b_1/2$  Accept alternative hypothesis and reject null hypothesis

### Result

Since  $\mathbf{b_1}$ ,  $\mathbf{b_2}$  and  $\mathbf{b_3}$  satisfy the priori theoretical expectation. Therefore, for a variable to be statistically significant, the standard error (S.E) of its coefficient must not be less than half the value of the coefficient i.e. S.E ( $\mathbf{b_1}$ ) <  $\mathbf{b_1/2}$ 

The standard error o the coefficient is less than half the value of the coefficient. Therefore we

shall accept the alternative hypothesis. Inclusion, there is significant relationship among the

division of poverty reduction, inclusive governance, conflict management strategies and the

observed Sustainable development needed in the Niger Delta region.

To confirm the result of the standard error test, we shall use T-test.

T-test

Determination of T-calculated and t- Tabulated,

Taken t-Tabulated value Tt=1.96 as t-distribution probability

According to the regression result

Tc = 7.941

Tt = 1.96

**Simple Linear Regression Model** 

Y= 5.367+7.941poverty reduction+ 2.259inclusive governance + 7.973conflict management

strategies

**Decision Rule** 

Tc > Tt accept H1 reject Ho

Tc < Tt reject H1 and accept Ho

**Poverty reduction**, Tc >Tt, 7.941 > 1.96, therefore poverty reduction is significantly involved

inclusive governance, Tc >Tt, 2.259>1.96, therefore inclusive governance is significantly

involved

conflict management strategies, Tc>Tt, 7.973>1.96, therefore conflict management strategies is

significantly involved.

Result

There is significant relationship among the divisions of poverty reduction, inclusive governance,

conflict management strategies and the observed sustainable development needed in the Niger

Delta region.

13

### **Conclusion and recommendation**

The study found that Nigeria's introduction of amnesty in 2009 helped in restoring peace to the troubled region, but this was fraught with poor inclusion of youths from some sections of the region as a result of non-involvement of indigenes of the host communities in the decision making processes. The study recommends that attain effective poverty reduction and sustainable development, there should be adoption of inclusive governance in processes of policy formulation and implementation from the bottom to the top.

There is need for a paradigm shift in the general perception of each stakeholder, the government, multinational oil companies and oil bearing communities and to collaborate in ensuring that the environment is reclaimed for piscatorial activities. Dialogue, consultations and genuine partnerships among all stakeholder is needed for a lasting socio-political development of the Niger Delta as enunciated by Ukeje, Odebiyi, Sessay and Aina (2002).

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