

RESOURCE CURSE, ELITISM AND THE DEVELOPMENT OF THE OIL-RICH NIGER DELTA REGION OF NIGERIA

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Abstract

The concern of this research is that the political elites in the Niger Delta appears to be undermining the development of the region by utilizing the development funds in ways not appropriate. But the people of the Niger Delta claim that the underdevelopment ravaging the region is caused by the Federal Government of Nigeria (FGN). So, who should we hold responsible? We set out using existing literature to investigate the matter. We found that the FGN is making good efforts by providing development intervention funds that can be utilized for the development of the region. These funds are directly transferred to the states in the region and the FGN also created special development institutions for the same purpose. Both means are managed by the elites from the region. We also found that the elites who manage the funds are not doing so properly. We also found that the intellectuals, writers and scholars from the region are not telling the elites the truth about how the elites are badly managing the development of the region. We therefore conclude that it is the political elites from the Niger Delta that are squarely responsible for the underdevelopment of the region.

Keywords: *Resource Curse, Development, Elites Theory, Intellectual Hypocrisy.*

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1. INTRODUCTION

The Niger Delta region of Nigeria has become very popular in the world today because of one key reason: it produces crude oil upon which Nigeria depends to fund over 80% of her annual budget for over 53 years now and yet it has remained unacceptably underdeveloped. At the beginning, during the early 1960s under the regional government, revenue from crude oil was shared 50%-50% between the Federal Government of Nigeria and the Eastern Region under which the Niger Delta belonged. The Eastern Region dominated by the Igbos dealt unfairly with the minority oil producing communities and this led to the fears of the minority ethnic groups in the region. In 1958, the aggrieved minority groups made a presentation at the

Willinks Commission of Inquiry into the fears of the minority groups in Nigeria. The Commission recommended that a development commission should be set up to develop the oil producing minorities. That was the beginning of the efforts by the Federal Government of Nigeria (FGN) to develop the oil producing minority communities in the Niger Delta. Consequently, FGN established the Niger Delta Development Board (Ibaba 2008) in 1961, Niger Delta River Basin Development Authority in 1976, Oil Mineral Producing Areas Development Commission (OMPADEC) 1992 in response to the Ogoni crisis, 13% derivation from the Federation Account as Special Allocation to oil producing states in response to the Ogoni killings and the recommendation of the 1994 Constitutional Conference, Niger Delta Development Commission (NDDC) 2000 and the Ministry of Niger Delta Affairs 2009. Studies have estimated that over N9 trillion (Dibia, 2023) has been allocated and utilized in funding these development interventions from 2000-2020.

Yet, the region has remained abjectly underdeveloped as indicated by poor industrialization, high level of youth unemployment, poor electricity supply, lack of clean drinking water, despoliation of the environment, air and water and soil pollution, very poor educational and health facilities, poor marine resource development, poor rail facilities, increased agitations and violence, hunger and malnutrition, lack of mega functional bridges and roads, marginalization of the people at Federal Government institutions, corruption and mismanagement of development funds (Tamuno 2011, David et al 2022, Onah et al 2010, Oviasuyi et al 2010, Ekpebu 2008, Etekpe 2008, Ikelegbe 2005, Asuni 2009 and UNDP HDR 2006). Youth unemployment is ravaging the region and these youths have resorted to cultism and militancy activities for survival, hence they engage in kidnapping, oil bunkering, breaking of oil pipelines and stealing of crude oil, participation in artisan or local refining of crude oil which has been causing black soot pollution of the atmosphere. These activities have caused reduction in some years in crude oil output available to the FGN, thus affected the budget of the government and its services to the people of Nigeria. The crisis also has affected many international oil companies who have either reduced operations or shut down and relocated to other oil producing countries of the world.

Meanwhile, the people of the region blame the FGN for the underdevelopment of the region, claiming that the funds provided by the FGN for the development of the region is not enough and therefore they request for resource control; on the other hand, the FGN points accusing fingers to the political elites of the region as directly responsible for the underdevelopment of the region (Ehiorobo 2018). Scholars have also argued that it is the development module

adopted by Third World countries that is responsible for the underdevelopment of the area (David et al 2022). Some scholars allude to the resource curse as the factor responsible for the underdevelopment of the region (Atelhe 2013, Ayokhai et al 2015).

This paper makes the following propositions: that resource curse is responsible for the underdevelopment of the Niger Delta region; that the political elites of the region are responsible for the underdevelopment of the region and finally, that the inability or the deliberate refusal of the intellectual community to engage the elites and tell them how they are under developing the region, encourages the elites to undermine the development of the region.

This paper is interested in carefully determine who is squarely responsible for the underdevelopment of the region and recommend solutions towards its development.

2. LITERATURE REVIEW OF KEY TERMS

In this brief inquiry, we will review the following relevant concepts relating to the topic: Resource Curse, Development and Elites Theory.

2.1 Resource Curse

Dibia (2023) stated that it was Auty who developed the idea called resource curse. The idea explains that it is in the nature of revenue from natural resources to be seen as free or cheap money, and in that regard, the revenue may likely not be efficiently utilized for the development of the society. As such, there is the propensity or tendency for the revenue to be wasted, thus leading to a situation where there could be increasing funds from the sale of natural resource, yet, the country can experience less and less development. It is this asymmetry that is described as resource curse. NGRI (2015) describes it as the failure of many natural resource-rich countries to benefit fully from their natural resource wealth, and for governments in these countries to respond effectively to public welfare needs and at the same time these countries tend to have higher rate of conflicts and authoritarianism, lower rates of economic stability and growth instead of better development outcomes based on rising income from the sale of natural resources. According to Perry (2010), such country begins to experience corruption and that occurs because the political leaders become gluttonous, wasteful and authoritative and less law abiding. This has been the situation in oil in Nigeria, blood diamond in Sierra Leone and tin in Bolivia: in these countries, what should have been a blessing turns out to be a curse and incentive to wars, crimes, conflicts, high level of corruption and source of ruin.

More poignantly, Ross (1999) states that three-quarter of the states in sub-Saharan Africa and two-thirds of those in Latin America, the Caribbean, North Africa and the Middle East depend on natural resources for at least half of their export income. Thus, it appears that the curse afflicts the underdeveloped countries more than the developed countries. Why? The reason is that natural resource income comes so easily without much hard work; unlike revenue from taxation. Moreover, political leaders of the underdeveloped countries who suffer from corruption tendencies are prone and quick to abuse such funds at the expense of the state.

2.1.1 Implications of the Resource Curse

Ross (1999: 309) itemized the implications or effects of the resource curse as follows:

- a) It causes appreciation of a state's real exchange rate caused by sharp rise in exports.
- b) It causes a booming resource sector to draw capital and labour away from a country's manufacturing and agricultural sectors, raising their production costs.
- c) Together the above two can combine to cause decline in the export of agricultural and manufacturing and can inflate the cost of goods and services that cannot be imported.
- d) It causes cognitive problem when leaders in a natural resource state become enmeshed in the revenue boom that they no longer can discern what useful things to do with the huge revenue, causing "myopic sloth, or myopic exuberance in policy makers".
- e) Resource rent also leads to "irrational exuberance, producing a get-rich-quick mentality among businessmen. Also, it creates a boom-burst psychology and shortsightedness among policy makers...
- f) Another effect is that resource revenue boom enhances the political leverage of non-state actors who favour growth-impeding policies. For example, this is the case when non-state actors have first claim on any resource rents like import-substitution and subsidy policies, granting of import licenses and other privileges to cronies who now raise the value of being in power and induce politicians to expand public sector, bribe voters by offering them well paid but unproductive jobs.
- g) Because government is awash with easy money, it tends not to levy tax on citizens and become less accountable. This encourages institutional corruption... and makes room for government to design unwholesome policies to pacify dissent, avoid accountability and resist modernisation
- h) Natural resources suffer from exceptionally poor governance wherein officials manipulate every aspect of government ranging from Indonesia's deforestation to the collapse of the Mexican water system, from the deforestation of cocoa farms in Ghana to the waste of Nigeria's oil wealth.

The resource curse has clearly provided a clue that when political leadership sees the huge funds from a natural asset, they see it as free money and as such, will fail to manage the funds effectively and efficiently. This is exactly what is happening in the Niger Delta with respect to

its development despite so much funds provided by the FGN for that purpose. But do the leaders understand what is development and how to go about it? This takes us to examine the concept of development.

2.2 The Concept of Development

There is no generally agreed definition of development. Before the 20th century, writers and scholars saw development in terms of human progress based on the existential circumstances of a particular set of people. According to Enwere (2019), the first person that used the word ‘development’ in 1942 was Wilfred Benson, a member of the International Labour Organisation. The idea was to suggest a description of the underdeveloped areas of the South. Thus, Marquis (1764) saw it as ‘civilizing people’. Similarly, the former President of the USA, late President Harry S. Truman in his inaugural address on 20th January 1949 said:

We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas.... Their economic life is primitive and stagnant. Their poverty is a handicap and a threat to them and to more prosperous areas... I believe that we should make available to peace loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment in areas needing development (McPhail (2007:4).

Recall that at this point in time, the world was in thought as to how to develop the countries of the South (Africa, Latin America, Middle East and some parts of Asia) that are being independent. Thus, the idea of development moved from human progress, income per capita onto the application of scientific knowledge and skills for the purpose of transforming traditional societies into modern ones through industrial progress and steady capital investment.

Dudley Seers (1969), as recorded in Todaro and Smith (2015:17), asked very cogent questions about development:

The questions to ask about a country’s development are: What is happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result “development” even if per capita income doubled.

As Todaro and Smith (2015) would put it, Seers later moderated his view of development insisting that it is more of improving the lives of people through effective and efficient management of their human and material resources in a continuous manner (not just income per capita). In this thinking, Seers included the means (resource management) and end (improving the lives of people). The means alludes to development as a process involving transformation of resources through funding (process input). For this paper, our interest is more on development as a process because if the process is wrong, the end can never be well reached. Secondly, if we see development as a process, it will reject the idea of giving people development; the people must participate in their development. Thirdly, development as a process requires things to be done rightly.

Rodney (1972:7) defines development as “increased skills and capacity, greater freedom, creativity, self-discipline, responsibility and material well-being”. So, development takes place in human being and society. For the individual, it is about capacity and the right environment to freely choose who to be, what to do and how to do it well and optimize your gains as a human being. At the society level, Rodney defined development as “the increasing capacity to regulate both internal and external relationships” (Rodney, 1972:10). By society capacity Rodney sees development as the people’s ability to determine their challenges, formulate policies based on clear ideologies and implement plans and projects aimed at sustaining the people’s economic, social and political interests in relation to other groups. Therefore, in Rodney’s views, for development to take place, the individuals in society must have the ability to drive the process while the society should be able to regulate all functions within the society and ensure that the process is effectively and efficiently managed.

The United Nations Development Programme (UNDP, 1991:77) defined development as “expanding the range of choices for the population that allows development to become more democratic and participative... access to income... participation in decisions and enjoyment of human, economic, and political liberties”. This definition introduces the idea of democracy as well as institutional arrangements that will facilitate development. So far we have been able to garner that development is about process, improvement in the human and material resources of society, human capability, freedom to choose and involvement of all in the development gamut. We reckon that in all of these, development is more of a process than end, and that it must be seen in its entirety. Hence Rabie’s definition of development appears more suitable to the effort. He sees development as

A comprehensive societal process to move the underdeveloped nations from their state of economic backwardness and slow sociocultural change to a

dynamic state characterized by sustained economic growth and sociocultural and political transformation that improves the quality of life of all members of the society (Rabie, 2016:7).

Despite its Eurocentric bias, this definition is interesting because it talks about a “comprehensive societal process” for a defined group of people. Again it alludes to the authentic needs of the people so as to improve the quality of their lives.

In summary, we can define development as a deliberate comprehensive process through which the people in a defined society would deploy their talent/capability and transform their resources for a sustainable higher quality of life.

2.2.1 Models or Theories of Development

These models are different ideas of how the underdeveloped World can become developed. This article sees development more as a process (means/input) than an end (outcome), we will recognize and explain three models of development that are relevant here. They are modernization, structuralist and elites’ theories of development.

2.2.1.1 Modernization Theory

This theory, according to Rostow (1960) simply states that for a country in the underdeveloped world to become developed, it should imitate and adopt the systems and values of the West (Europe, and North America). It describes five stages the underdeveloped country must undergo to become developed. Enwere (2019: 31) summarized them as follows:

- i. Primitive society: the stage characterized by subsistence farming and barter trade
- ii. Preparation for take-off: This involves specialization, production of surplus goods and trade. Transport infrastructure is developed to support trade and the stage supports savings and investment.
- iii. Take-Off: The stage signifies increased industrialization
- iv. Drive to maturity: Economic diversification
- v. Age of mass consumption: diversified economy stimulates mass production supported by a dominating service sector.

Some of the criticisms of the modernization model are that it was Eurocentric and bias, limits creativity and optimization of the potentials of Third World countries. However, it strongly recommended industrialization and building of critical infrastructure. An imitating country will

always lack creativity and innovation that come with productivity. As an easy route to quick richness, elites in the Third World favoured building of infrastructure. They forget that infrastructure is a facilitator of development and cannot be development on its own. A proof of this error is that despite the many infrastructural items built by underdeveloped countries, they remain underdeveloped. One important factor not strongly considered by Rostow's modernization theory is political governance. According to Hunter (2012:51), assuming a country has good governance, the following factors remain important to be considered if an underdeveloped country intends to become developed:

1. Development efforts must start from industrialization based on your natural resources
2. Get good crop of industry managers
3. Be sure of your market and access to it
4. Be conscious of your production costs and how to reduce them steadily through innovation and competition
5. Be sure of logistic infrastructure
6. Ensure an environment that can enable the industry to grow and sustain itself
7. Have a clear relationship between education, natural resources and industry (strategic education)
8. Support large population through cheap labour for cheap products needed by the people.

Based on the additions by Hunter (2012) it is important here to recognize that industrialization and good governance are critical for development.

2.2.1.2 The Structuralist Theory of Development

Kay (2017) provided us with the background to the **structuralist** theory when he observed that at the end of the WW2 and the commencement of decolonization, many underdeveloped nations were in heavy negative terms of trade balances, so there was need to restructure their economies and make them inward looking, production oriented and export driven. Hence Jibin (2021) said the theory recommended economic restructuring that must focus on Import-Substitution-Industrialisation (ISI) such that more goods are produced for exports and gradually ensure sustained economic progress. To the structuralists, industrialization is the key to development.

It is important to state that the oil-rich Niger Delta region of Nigeria is blessed with gas, crude oil, uranium, water, fertile lands and with sincerity and commitment, the leadership of the region can start with agro-based industries.

2.2.1.3 The Elites Theory of Development

The understanding under this theory is that for development of society to take place, a human being or group of human beings must be responsible for it. They articulate the ideology, policy, plan, implementation and regulation and provide a feedback loop for evaluation, reviews, adjustments and innovations for better future results. These human beings are the elites. They are in charge of all sectors of the society, hence we have political elites, economic elites, scientific elites, military elites, cultural elites, social elites, educational/intellectual elites, healthcare elites and so on. Thus, the elites constitute the engine hub of society development process and without them that process may not be able to proceed. More succinctly, Maloy (2021: 1) stated that there are three ideas that gave rise to the elite:

- i) The affairs of a community are best handled by a small subset of its members
- ii) In modern societies such arrangement is in fact inevitable
- iii) Whether the relative power of any group ought to exceed its relative size

Why would a few lead or rule the many? Classical elite theorists (Plato, Pareto, Mosca and Michels) argued that such few have distinguished characters that already made them leaders: they have superior virtue, personal charisma, good education, specialized training, high rank in church and public administration and the army, they are highly esteemed and very influential and are the wealth producers in society. These traits are obviously not in everyone. Consequently, the few that have them are in the small subset of society that rule or lead others. On the inevitability of elites rule or leadership, they reason that it is illogical and anarchistic to have everyone rule or lead everyone or many rule or lead many. Hence, Mosca (1939:50) said:

In all societies - two classes of people appear - a class that rules and a class that is ruled. The first class, always the less numerous, performs all political functions, monopolizes power and enjoys the advantages that power brings, whereas the second/ the more numerous class, is directed and controlled by the first, in a manner that is now more or less legal, now more or less arbitrary and violent, and supplies the first, in appearance at least, with material means of subsistence and with the instrumentalities that are essential to the vitality of the political organism.

A question can arise here: is it democratic for a few to lead or rule the many? Literarily no, but politically yes. The few will be subjected to the electoral process to get the best of the few who will represent the many and lead or rule the entire society.

On the inevitability of the elites in society leadership and development, Roskin, Cord, Medeiros and Jones (2010) reiterated Pareto and Mosca that elites' rule or leadership in society is inevitable.

In addition, Gunter (1984) contends that the elites are a small group of people who have influence and control over the affairs of society, involving political, economic and social decisions that must be made for the development of society.

On the political power versus size equation, Pareto in Sharma (1977:64) said elites have access to high social values like power, riches and knowledge with which they govern society. This reminds us of the popular Philosopher King idea of Plato where he insisted that the Philosopher King should have knowledge and power but not riches. Knowledge here refers to wisdom, good character and pious upbringing; power refers to political power and riches refer to having much of worldly material pleasures/possessions. Looking at the three variables, how do we combine them for better society leadership? This paper believes that an elite with knowledge should have power not riches; while an elite without knowledge should not have power but may have riches. An elite with power should have knowledge not riches; while an elite without power may have riches. An elite with riches should not have power because he/she may be low in knowledge; while an elite without riches may have knowledge and power. The goal of these formulations is to guide society in determining who leads the people because it may not be easy to have a human being with power, riches and knowledge without been compromised. So, in the equation of power and size, what is important is knowledge. Without knowledge, we cannot have good political leaders and without good political leadership, we cannot have development. Therefore, elites are crucial in the development of the society.

Added to knowledge is idealism or ideology. Djilas in Sharma (1977:88) describes these elites as:

New bureaucrats... who have idealism as added knowledge besides professional knowledge... The new class... obtains its powers, privileges, ideology, and customs from one specific form of ownership: collective ownership, which the class administers and distributes in the name of nation and society. Its chief weapons are industrialization and development of production.

The bolded words above were made by me because it establishes an important point that it is the elites that have the crucial responsibility of developing the society. Is there any society in the world that got developed without the leadership of the elites?

So, it has been established that elites are very important for the development of society. To meet the needs of the society (national interest), the elites act like the lion; but to meet their own needs (self-interest), the elites act like the fox. However, in the underdeveloped world, the reverse is the case: for national interest, the elites are cunning, while for selfish interests the elites are aggressive.

To be aggressive and succeed, the elites must be powerful and that was why Mills (1956) described them as power elites who occupy, lead and control powerful institutions like the top corporations, political leadership and military heads. Haralambos et al (2008: 531) provided other factors that aid elites in succeeding as lions: they have “unprecedented powers and unaccountability”. Thus, the elites are responsible for making top government decisions that affect the utilization of funds for development. Acting in an unaccountable manner while possessing too many powers can easily lead to recklessness in the utilization of funds, thus, undermine development. Yet, the human being remains the most important agent of development and elites are the number one in that agency work.

For the purpose of this paper, there is another group of elites called the intellectual elites. They are in the academy and consultancy works. They are responsible for steadily providing and building leadership with intellectual capacity (knowledge) as envisioned by Plato. The theories propounded by the intellectuals have helped to develop societies. For example, liberalism was used by political leaders to develop the West (Europe and North America) and socialism/communism used to develop the East (China, Japan, North Korea and some countries in the Caribbean). The good thing is that the intellectual elites were courageous to speak to the political elites on how to develop society and the latter listened and implemented the ideas of the former. Is that the case in the Third World countries and indeed Niger Delta and Nigeria? Surely not. But the idea here is that in development, the intellectual elites empower political elites with knowledge for development. In the pursuit of selfish interests in the underdeveloped world, elites who become so powerful and unaccountable but do not have knowledge, undermine the development of their regions.

3. ISSUES IN NIGER DELTA DEVELOPMENT

For several decades since crude oil became the main provider of revenue to the Federal Government of Nigeria (FGN), the Niger Delta people have complained that the FGN is not adequately funding the development of the region. This complain has led to other issues like marginalization, unemployment, environmental degradation, lack of functional large or mega infrastructural development, resource control and fiscal federalism and lack of good governance (Dibia 2023). However, for the purpose of this paper, we will limit our focus on the inadequacy of funding complained by the people of the region. The reason is that we are focusing on the management of the resources (funds) that were made available to facilitate the development of the region.

3.1 Inadequate funding of development

Section 162 (2) of the Constitution of the Federal Republic of Nigeria 1999 provides that not less than 13% of revenue accruing from any natural resources shall be allocated to the communities from where such resource is domiciled. Consequently, 13% of crude oil sales have been made available to all the oil producing states in the Niger Delta (Akwa Ibom, Rivers, Bayelsa, Delta and Edo), with Rivers State, Delta State and Akwa Ibom being the heaviest recipients. Between 2000 and 2020, these three states have received an estimated N6 trillion based on the 13% derivation oil allocation (Dibia 2023).

In the year 2000, the FGN established the Niger Delta Development Commission (NDDC) to basically conceive, plan and implement projects for the sustainable development of the Niger Delta especially in the areas of industrialization, agriculture and fisheries, electricity, telecommunications, employment, education, health and so on. An estimated total funding of the NDDC is N2.5 trillion from 2000 to 202 (Dibia 2023).

Again, later in 2008, the FGN established the Federal Ministry of Niger Delta Affairs (MNDA) to ostensibly coordinate efforts at providing infrastructural development, environment protection and youth empowerment in the Niger Delta (ANEEJ 2014). Total estimated funding of the MNDA from 2008 to 2020 is N592.2 million (National Bureau of Statistics: e-library).

In total, the region has received an accumulated N9 trillion for the period 2000 to 2020 from these legally established development funding agencies and policies. Yet, a critical observation of the region cannot see the development projects and programmes worth this huge amount.

The obvious question to ask is: where is this money? We must note that the 13% derivation funding is managed directly by the state governors, the NDDC and the MNDA are also managed directly by the political elites from the Niger Delta. Spending N9 trillion cannot be said to be inadequate in a poverty stricken region like the Niger Delta. This funding is extra funding above what other states and regions receive from the Federation Account.

3.2 Who or what could be responsible for the underdevelopment of the Niger Delta?

We will consider this question from the ideas of those factors revealed above in literature that can lead to the mismanagement of resources in a natural resource rich region. Such factors as the resource curse and elites who directly manage these resources. One can also observe that officers of the central government can also connive with Niger Delta elites to undermine the appropriate utilization of these funds for development. Again, has this supposed failure of the elites been well studied by the intellectual community and published widely to call the attention of the elites who directly manage the funds?

3.2.1 Resource curse and the underdevelopment of the Niger Delta region

The theory here is that when a nation begins to enjoy huge sums of revenue from the sale of a natural resource, there is the tendency for the political elites or leaders to say that such revenue is free fund. It is with that mentality that the elites will not use the funds judiciously. On the long run, it will breed corruption and authoritarian leadership and wasteful expensive consumption leading to underdevelopment.

Recall that in the power, riches and knowledge equation, we agreed that when the elites have power and riches and lack knowledge, it leads to corruption and underdevelopment. This is exactly what is happening in the Niger Delta: the area is underdeveloped because the elites who are managing the huge oil revenue have become rich and have power; but certainly, lack knowledge and moral discipline to manage the funds judiciously leading to rising revenue and rising poverty. Thus, the oil revenue becomes a curse, leading to underdevelopment.

3.2.3 Niger Delta Elites and the underdevelopment of the region

There are several ways the elites in the Niger Delta have used to frustrate the development of the region. Directly, through the mismanagement of the 13% oil derivation funds by the governors. The FGN pays the money into the joint state-local government account managed by

the state governors (NEITI 2013). But the governors hardly give fair share of the money to the local governments, hence the consistent demand for local government autonomy in Nigeria (Dibia 2023). At the end, the oil producing communities do not share from the fund because the state governors and the local government chairmen share this fund as they may agree. Remember that it is the state legislature that creates the local government, so the governors are in charge (NEITI 2013). At the end, the oil communities get nothing directly from the 13% derivation funds. Thus, these governors now have power and access to state funds, and they become rich, but because they lack knowledge, have unprecedented powers and are unaccountable, they mismanage the funds and this is simply described as poor governance (UNDP 2006). In details, how do they mismanage the funds?

At the state level, funds are allocated through annual budgets to capital (CAPEX) and recurrent expenditures. For development purposes, CAPEX are used to buy fixed assets for all the state government ministries and institutions every year. According to NEITI (2013), in Rivers State, proper accounting records are not kept, where they exist at all, they are hidden from public access. Human Rights Watch (2007) reported that in Rivers State, daily transport cost was \$65,000 and at today's exchange rate (CBN: N891 p/dollar as at 30th January, 2024) gives N15.6 billion in a year. The CNN (2016) reported how a former governor of Rivers State stole \$850 million between 2007 and 2015 from the treasury. Another means of stealing is through strange and unexplained expenditure items like "Special Duties" claiming a huge sum of money to the tune of N31.5 billion; or "Deduction at Source" in the 2018 Audit Report of the state, for a whopping amount of N13.5 billion. The study also recalls the lingering battle between the EFCC and Dr Peter Odili, a former governor of Rivers State involving an alleged fraud of N100 billion (Eniola Akinkutu on 24th November, 2021 on <https://www.punchng.com>). These are examples of direct stealing of public funds and because the governors have unprecedented powers, they remain unaccountable and unprosecuted. Recall that none of the governors from Rivers State has been successfully prosecuted to date. According to Human Rights Watch (2007:29), another way of defrauding the state is by "engaging in large infrastructure constructions and not completing them so that the same projects can be re-awarded again and again at higher costs to the government". In such cases, the state will experience projects duplication and abandonment.

In Delta State, it is the same story. We recall that James Ibori, a former governor of the state was prosecuted, indicted and jailed for 13 years by a London court for money laundering

amounting to 50 million pounds and the Met Police estimates that Ibori embezzled over \$250 million through money laundering and obtaining money transfer by deception and fraud (<https://www.theguardian.com>).

In Bayelsa State, the first civilian governor of the state, late Diepreye Alamieyeseigha was arrested in London because he was found with nearly \$2 million cash in his London home. Meanwhile he was impeached by the Bayelsa State House of Assembly for fraud amounting to N50 billion for which the Economic and Financial Crime Commission (EFCC) prosecuted him and he was convicted and jailed for 2 years by a Federal High Court in Lagos (Emmanuel Edukugho, 23/3/2013 on <https://www.vanguardngr.com>). Also, UK authorities seized 1.5 million pounds (N225m) cash and another \$2.7 million (N405m) and his London real estate valued at \$15m (N2,25 billion) (<https://www.premiumtimesng.com>).

In Akwa Ibom State during the reign of Godswill Akpabio, now the Senate President of Nigeria, elites misuse of development funds continued unabated. In the Audit Reports of 2017 and 2020, an expenditure item titled “Extraneous Expenses” gulped the sums of N54.8 billion and N45.9 billion respectively and without any query or details for such huge expenses. Again, an Abuja based lawyer and activist, alleged that between January and December 2014, Akpabio could not account for over N108.1 billion belonging to the state. Details are as follows:

As reported in Power Steering Magazine (2020: 7-8), ex-governor Akpabio between Jan-Dec, 2014, could not account for N108.1 billion belonging to the state and which he used as follows:

- i. Ex-governor Akpabio paid N50 million to late Chief of Staff Abba Kyari to lobby for the position of the Minister of Niger Delta Affairs
- ii. Ex-governor Akpabio and his three aids withdrew N22.1 billion from the state’s Zenith bank’s account number 1010375881 for undefined expenditure
- iii. Ex-governor Akpabio withdrew another N18 billion from the state’s FAAC account with UBA for undefined expenditure
- iv. Ex-governor Akpabio spent over N50 billion for the 2015 general elections
- v. Ex-governor Akpabio spent another N18 billion for “special services, reception of very important guests and sundry items”.
- vi. Akpabio spent \$40 million to buy his private jet (p.9).

At the Ministry of Niger Delta Affairs (MNDA) where Akpabio later became the minister, the corruption continued and detailed below by the Power Steering Magazine (p.9-21):

Writing for the same magazine, Power Steering, July 2020 edition, John Umoren Udoh stated that:

- a) As minister of the Ministry of Niger Delta Affairs, Akpabio took over the NDDC and supervised the payment of contractors. A contractor revealed that he was required to remit 15% of total contract sum due prior to payment or 20% after payment. He disclosed that he had already issued a cheque for 20% of the contract sum due to his company since he could not come up with the 15% option. He was awarded a contract for the construction of a bridge which he has long completed (p.9)
- b) At the NDDC, Akpabio is accused of awarding N5.47 billion contract to Signora Concepts Services Ltd for the supply of personal protective equipment for health workers and provision of community-based sensitization campaign against the spread of COVID-19 in the region, which was not supplied within the stipulated time (p.12)
- c) The NDDC under Akpabio's watch had in January 2020 released N4.096 billion for the supply of Lassa Fever Equipment that was never delivered (p.13)
- d) An NGO, Act for Positive Transformation Initiative uncovered moves by NDDC to cover up the alleged N40 billion fraud in the NDDC, squandered within three months. But NDDC said it was N33 billion, not N40 billion (p.14)
- e) NDDC spent N400 million on Regional Communication Strategy/Production of Annual Reports, a project that was fully provided for in the 2019 budget for N110 million (p.15)
- f) The spokesperson of NDDC, Mr. Charles Odili said Peter Nwaoboshi, a serving Senator and Chairman of the Senate Committee on the NDDC and the Niger Delta, used 11 companies as fronts to secure for himself N3.6 billion contracts in September 2016. Odili said the contract was the biggest single case of looting of the Commission's resources (p.19)

- g) In reply, Nwaoboshi disclosed that Akpabio as Senate Minority Leader and Member of the Senate Committee on the NDDC, inserted N500 million worth of projects for himself in the 2017 budget of the NDDC (p.19)
- h) On 23rd May, 2020, the Interim Management Committee (IMC) of the NDDC paid N641 million to Clear Point Communication Ltd with Zenith bank account number 1012613187 for media support to cover its forensic audit exercise. Another N39.4 million was paid to the same company via the same account for consultancy on rebuttal of media attacks against Akpabio, IMC and the NDDC (p.21)

Akpabio had, while appearing before the House Committee investigating suspected financial impropriety at the NDDC... claimed that 60% of contracts in the NDDC were awarded to the lawmakers (The Guardian, 22nd July, 2021:1). They (the law makers) wanted to be paid N3.7 billion as 60% of the work done for a N6.4 billion (skill acquisition in the Niger Delta). The problem is that none of the work was done (The Guardian, 22nd July 2020: p.6). Two days later, the Minister of the Niger Delta Affairs, Godswill Akpabio “denies implicating the lawmakers” (The Guardian, 24th July, 2020:1). Thus, the NDDC has been captured by mindless and avaricious political elites within and outside the Niger Delta. Their mindless actions have consequently deferred the hope for the development of the region (The Guardian, 24th July, 2020: p.28). The Guardian is correct that these corrupt actions defer the development of the region.

Another way the elites in the region use to under develop the area is by discreetly and subtly ensure a cooperative relationship between them and the scholars, academics and writers from the region. The study observes that the intellectual community from the region appears to endorse the corrupt behaviours of the political elites and to them, the only one guilty for the underdevelopment of the region is the FGN. Given some of the acts of corruption and defrauding of funds as enumerated above, it is therefore a deliberate hypocrisy on the part of the writers, scholars and academics from the region to pretend that the elites are doing well. A good example is from David and Azuka (2022) said:

In 1999-2007, the then governors of the Niger Delta states, spearheaded by Chief James Ibori and late Chief DSP Alamieseigha added momentum to the resource control struggle which culminated to a constitutional provision of 13% derivation for oil producing states”.

This is academic hypocrisy at its highest because far before 2022, Ibori and Alamienseigha have been convicted as thieves of public funds meant for the development of the region. Why praise them? This is intellectual hypocrisy and tacit support for the underdevelopment of the region. Another eloquent example was in 2008 when an International Conference on “The Nigerian State, Oil Industry and the Niger Delta” was held in Yenagoa, capital of Bayelsa State in Niger Delta where over 96 papers were presented. This conference remains the highest discussion done on the Niger Delta in Nigeria’s history. The conference was sponsored among others by the Bayelsa State government, NDDC, Pennsylvania State University, USA and the Centre for Applied Environmental Research, Department of Geosciences, University of Missouri-Kansas City, USA. Yet, the conference was bias from the onset as it appears targeted at discrediting the FGN when it stated on its Preface Page (i) that:

The Niger Delta... remains one of the least developed regions of Nigeria, epitomizing one of the most pathetic paradoxes of contradictions of poverty in the midst of plenty... Today, the most visible presence of the Nigerian state in the Niger Delta is perhaps not to be found in Development Projects but in heavy development of its coercive apparatus...

The intelligentsia in the region have always failed to interrogate and criticize in detail the corrupt practices of the elites who lead the region, rather they are quick and prefer to indict the federal government of Nigeria for the underdevelopment of the region. This paper has proved that it is not the far away FGN in Abuja that is responsible for the underdevelopment of the region; it is indeed the elites of the Niger Delta that are responsible for the underdevelopment of the region.

4. RECOMMENDATIONS

How then can the Niger Delta be developed?

1. Niger Delta elite leaders should have knowledge in the arts of political leadership and theories and ethics of society development.
2. Intellectual elites from the Niger Delta should consistently be bold at objectively criticizing elites leadership in the region, especially those saddled with the responsibility of managing development funds. Such criticisms will help check corruption and enlighten the citizens on the need to demand accountability from leaders.
3. The people of the region should insist on appropriate sanctions on leaders found guilty of corrupt practices.

4. State governors and all officials of the state and government institutions should not have access to development funds. Such funds should be professionally managed through a trust fund.

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