

Socio-Economic and Environmental Challenges and the Quest for Sustainable Development in Nigeria's Oil Rich Niger Delta: A Commentary

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The Niger Delta is the largest wetland in Africa and it is rich in Oil and Gas deposits and a mangrove forest endowed with high biodiversity of plants and animals unique to the region. It is ranked as one of the best global natural resources the World has ever known. The Niger Delta was the world leading producer of palm oil that fed the wheels of European industrial revolution for over two centuries and made Nigeria great as number one producer of the lucrative palm gold in palm oil trade. Coincidentally, the same Niger Delta has firmly placed Nigeria on the world petroleum map as one of the top ten oil producers in the world. Since the development of oil industry in the country, the Niger Delta has produced lucrative wealth worth \$400 billion from the liquid black gold and the oil wells are still flowing and again the same region holds the proven natural gas reserves to last for the next 100 years. Therefore, the Niger Delta has another promise to produce a new earning power for Nigeria in Gas Gold in natural gas production in the 21st century. The lucrative oil and gas production in the Niger Delta has transformed the political economy of the nation that commands high international recognition for her oil wealth that provides 90% of foreign exchange earnings and 80% of federal revenues.

While the Niger Delta has produced the most wealth for the country, the poor masses of the Niger Delta and elsewhere in the country are increasingly the most impoverished losers of oil wealth; due to the wealth distributional anomalies in the system as well as the environmental problems created by oil industry operations in the country. It is a known fact that the Niger Delta suffers from the negative externalities associated with oil industry operations by way of environmental pollution, ecological degradation and air pollution related to constant gas flaring. As result of environmental pollution, there is drastic decline in the region's biodiversity and ecological resources as to threaten the people's mode of survival. We also know of the health hazards posed to the inhabitants as a results of oil pollution of the environment and hence there are environmental challenges as well as socio- economic problems created by adverse effects of oil mining which has culminated into low agricultural productivity and poor farm yields sufficient enough to threaten the food security systems of the Niger Delta.

Finding a modality to correct the systemic anomalies and build consensus partnership mode for achieving sustainable development with peace and the elimination of conflicts in the Niger Delta is the interest of the paper, particularly the role of development agencies. The establishment of Niger Delta Development Commission (NDDC) and its predecessor development agencies are all

directed to reverse the negative trends of underdevelopment and create the means to attain sustainable development in the Niger Delta. Now, the N.D.D.C has been established to address the development needs of the Niger Delta with a promise to restore the region to enduring peace and prosperity. The NDDC has the mandate to find a lasting solution to the socio-economic difficulties of the region in which all successor governments have dealt with since the colonial era. So, the NDDC has the development initiative to offer an enduring sustainable solutions to the development needs of the region. The NDDC has to provide the blue print or master plan for the coordination and utilization of resources from government and private donors for implementing sustainable development in the Niger Delta. However, NDDC is playing a complimentary role to this special regional development initiative and therefore does not preclude the constitutional role of federal, state and local Governments as well as corporate entities in their responsibility to the people and the development of the Niger Delta. But, the NDDC will remain catalyst to the development process and implementation.

We know that oil industry has had beneficial effects to many in creating job opportunities and the development of infrastructures nationally and regionally but regrettably the Niger Delta, the domain and home of the Nigeria oil industry has suffered far more marginalization, neglect and underdevelopment for so long to the extent that great mass of people in the Niger Delta have only witnessed the damage to their environment and livelihood. While the people have continually suffered for so long on the adverse effects of oil extraction, they have failed to gain commensurably from the oil wealth beneath their soil.

The level of Niger delta under-development may be linked to the nature of oil and fiscal Federalism in Nigeria and to greater extent the level of oil industry corporate social responsibility to the people of the Niger Delta. We know that in all federations, the political units share certain functions and responsibilities as part of the practice of federalism in a democratic system. In Nigeria, the historical mixture of economic and political circumstances empowers the federal government to collect the bulk of the nations revenues and share it among and between different tiers of government.

The process of carrying out the inter governmental transfer of revenues in the federal System forms the core interest in the politics of oil and fiscal federalism. Oil has become the chief lubricant to national and regional development planning interest of the country, since the upsurge of oil revenues in the 1970s. Oil and fiscal federalism in retrospect, suggests that, in the pre-oil era, fiscal federalism was arranged in a manner that allowed for high measure of fiscal autonomy such that the central government had responsibility for corporate taxes and duties levied on goods imported into the country as well as mining rents and royalties. However, as regards mining rents and royalties, the 1963 constitution had a provision that revenues derived from any region would be accorded to that region 50% of the proceeds, based on the principle of derivation. At that time,

the federating units or regions enjoyed this constitutionally guaranteed revenue sharing plan which in turn motivated each region to engage in its own expertise in production of goods and services for they were assured to enhance their respective fiscal capacities based on application of derivative principle in federal revenue allocation.

Federalism and public finance took a new turn at the beginning of military federalism in 1966. Since then, the use of derivative principle of revenue allocation became less significant in a declining order following the lucrative development of crude oil which replaced agricultural produce as the main source of revenues for the country. In Nigeria when oil became the most viable source of national wealth, the reasoned political fiscal order is that it is unfair for the resource endowed states or regions to receive the lion's share of funds from oil proceeds for their resources, that such huge funds will invariably make these resource blessed areas more developed at the expense of the poorly endowed areas of the country. At this instance, the derivation principle application and relative revenue allocation shows declining order from 100% in 1954, to 50% 1958, 1970 45%, 1974/75 20%, 1981 2%, 1992 1.5%, and 1993 3%. The 1994 constitutional provision upgraded it to 13% which is currently in use. Nevertheless, Nigeria is still in search of federal allocation formula that will satisfy all members of the federating units. Fiscal satisfaction may be synonymous in the practice of true democratic federalism. Since there is no such thing as false federalism, but every federal system is unique and seeks to ensure a just and fair play in its resource allocation system with the view to satisfy all the federating units. Through political understanding, cooperation and in positive compromises spirit of give and take, our policy makers can find fiscal satisfaction in distribution of resources in our democratic order. The Nigerian founding fathers have enlightened us to know the true spirit of political compromise in nation building. One of the country's great leaders, Sir Ahmadu Bello in his capacity as the premier of Northern Nigeria at independence stated: *I appeal to the people of this Region to work for the success of the Nigerian Federation let us approach our common problem in a Spirit of cooperation and give and take. It is of the utmost importance that all of us Nigerians whatever our regions should work together and pay less attention to differences of tribe or religion*¹.

And in identical political philosophy for compromise, Dr. Nnamdi Azikiwe stated in 1979 that: *"Compromise is the art of symbiotic living; hence the most successful politicians are those who compromise for the common good whilst not sacrificing fundamental principles"*². The country's policy makers can learn from them so that the practice of true federalism in democratic order nurtured by fiscal satisfaction will work to ensure national progress in building unity in diversity. It will be a pragmatic measure of confidence building that will uplift Nigeria into greater heights of good governance for national greatness.

The oil producing states that contribute the bulk of revenues into the federal coffers are seemingly squeezed dry by structural inequities inherent in the federal allocation system, for the system has

not rendered adequate care and attention to the adverse environmental, and socio-economic conditions as a major element in the wealth distribution formula. We know that a reasonable percentage is accorded to landmass and population we appeal to all policy makers and all fair minded Nigerians to consider difficult terrain as essential element and be made integral into revenue distributive formula since difficult terrain is more likely to cost more in development project implementation. Since the rapid increase of oil revenues for the country, the oil producing states fiscal capacity had not been adequate to finance and resolve the environmental and socio-economic problems as well as developmental and human settlement problems created by oil industry operations in their environment.

A scholarly view on environmental and socio-economic impact of oil mining in Riverine areas of Nigeria (Prof. Angaye, et al 1980) suggest that “although petroleum has created economic boom for the entire nation, it has also led to environmental and socio-economic problems for the entire nation and, that the inhabitants of the ecological zones of the Riverine areas of Nigeria where petroleum is produced are the most obvious victims of environmental and socio-economic hardship that oil mining and spills have produced daily in the country”.³ In a study by Paul Collier of International Labor Organization revealed that the dream wealth from oil was unequally distributed – that, the socio-economic status of the people was determined by access to land, oil had displaced part of the vast land on which rural people depend. The rapid export of oil actually reinforced income reduction in rural areas, naively one would have expected their income to rise.⁴ Indeed, one has no choice than to concur with Prof. Yusufu Bala Usman. He contends that the petronaira has not blessed (Nigerian producers) with the essentials of existence; rather its abundance is part of the process of denying them the benefits of what they produce. They continue in their poverty.⁵ Therefore, giving the distributive anomalies of the system, we need innovative national fiscal contour in both philosophical and pragmatic terms, if equity and fairness is to be attained to satisfy all constituent parts of the federation and for the sustained development of the Niger Delta

The reform is based on the idea that the urgent governmental fiscal relationship seemingly lack each state to have a strong foundation for self reliance fiscal capacity and it has created unintentional indirect economic burden for the mineral oil producing areas. In essence, the wealth derived from oil mineral producing areas must support itself and other states through the influence of the federal revenue allocation system. That, the heavy reliance on oil without economic diversification has generated undue excess burden for oil states except some structural changes are made in the national distributive formula. The federal policies appear to have displaced the non-oil producing areas incentive to generate alternative sources to enhance their respective fiscal capacity and also make a fair and equitable contribution to the national treasury. Consequently, the current federal system stifles each state fiscal initiative and seems to be a policy that requires serious revision requiring a fiscal policy coordination with enhancement of fiscal capacity utilization

that will induce better balance between revenue generation capacity and equitable distribution of national income. The good citizens of Nigeria want revenue dispensation system that encourages each state to vigorously exploit the sources of revenue within its jurisdiction, which will in turn encourage financial responsibility in governance. Therefore, there is need to change and replace it with more progressive and competitive fiscal federalism. Indeed, economic diversification to enhance the fiscal capacity of all tiers of government is a necessity with the premonition that an increase in international competition in a weak oil market scenario may amount to reduced revenue allocation and wealth redistribution system, because oil is highly vulnerable to the vagaries international geo-politics. Obviously, any national wealth distribution under-taken by the central government would also be weakened by reduction in oil revenues. Consequently, both the fiscal capacity of the federal government and the oil producing states will be weakened and the development budgetary outlook also become deficient, unless serious steps are taken to plan for viable economic alternatives in the future. Therefore, federal, state and local governments must not abandon their statutory responsibility to the Niger Delta and that NDDC is not a substitute for the government rather it is complementary and consensus builder to the development effort. Indeed the economic diversification and the progressive fiscal federalism are all important to enhancing the fiscal capacity of all states. It is also important to take cognizance of the fact that under a progressive and competitive 'fiscal' federalism, each state government will be better informed than the central government about the developmental needs of the people within each locality within each state jurisdiction.

We know that the growth and development of Nigeria's oil wealth has been derived from mostly rural areas of the Niger Delta; yet the per capita infrastructural development expenditures on the oil producing Niger Delta states appear relatively low when compared with heavily populated non-oil producing states. However, the disparities and gaps in development is not necessarily the fault of the people in the non-oil producing areas rather it is an ineffective national revenue distributive system that requires serious revision if fairness and balanced national development is to be achieved. In other words, federalism with fiscal equity must be made synonymous with socio-economic understanding of fiscal equity, which would instill fairness and envy free atmosphere in the distribution of national wealth in our democratic order. The oil rich Niger Delta had been the fountainhead of the nation's wealth since the colonial era but the people of the region have suffered from neglect and deprivation, despite the region's immense contribution to national economic prosperity. Hence, there exists a wide range of poverty, environmental degradation, lack of social and economic infrastructure and high rate of unemployment (particularly, among the youths in the region). This in turn has bred a frustrated population culminating into conflicts, hostility, and agitation requiring remediation and urgent call to attention to meet the region's development needs. We recall that in 1980 Mr. Philip Asiodu stated, that: *there is a long way to go to meet the claims of the oil producing areas which see themselves losing non-replaceable resource while replaceable and permanent resources of agriculture and industry are being*

*developed elsewhere largely with oil revenue. Given, however, the small size and population of the oil-producing areas, it is not cynical to observe that even if the resentments of oil producing states continue, they cannot threaten the stability of oil in the country nor affect its continued economic development.*⁶ But lately, a more realistic observation by oil industry leaders and operators suggest a different scenario. In 1996, the General Manager of Shell, Brian Anderson observed that *community disturbances occasionally disrupt industry operations. These disruptions he noted, not only cause revenue loss but also create a climate of uncertainty that could discourage investment.*

The urgent need to meet development aspiration of the Niger Delta people, cannot be delayed any longer because (in the words of Mr. Jackson Gaius Obaseki, Managing Director of Nigerian National Petroleum Corporation (NNPC)) *“the problem of the Niger Delta region demands prompt and proper attention because if not resolved, it could pose a major set back in the development of the petroleum industry in the country”*⁷

It is only when true development brings tangible benefits to the people of the Niger Delta from every barrel of oil produced in their land that they would attain a sense of belonging and be true partakers in the joy of prosperity. The derived oil revenues from Niger Delta communities have not been adequately utilized to nurture the material need and comfort of the people because vast majority of the people are still saddled with all sorts of human sufferings, poverty, and misery in a land blessed with oil wealth. The need to reverse this contradiction of suffering, in the midst of plenty, and restore hope is part of the necessity, in forging partnership for sustainable development through to exchange ideas for creating an enabling and conducive environment in Niger Delta for the possibility of transforming the Niger Delta into a region of sustained development, tranquility, peaceful coexistence and prosperity for all. In this way, we can minimize the problems of conflict, poverty, restiveness, unemployment and human misery at the grassroots in the oil-bearing communities.

No doubt, industrialization is the magic panacea for poverty alleviation, for it is the central focus of modern nation states committed to raising the standard of living of their citizens. In the early 193's, President Roosevelt of the United States, faced with problems of depression and underdevelopment, stated, *“the object of government is the welfare of the people. The material progress and prosperity of a nation are desirable chiefly so far as they lead to the moral and material welfare of all good citizens.”* President Roosevelt and American leaders of his day successfully brought America out of depression and underdevelopment and extended its benefits around the world to make America great. The challenge of Nigerian leaders is the proper utilization of human and material resources that would restore hope and aspirations for the people and help transform the endowed resources to life more abundant for all citizens. Therefore, the successful wholesome development of the Niger Delta and elsewhere in country is to the credit and glory of Nigeria.

The Niger Delta has contributed immensely towards the development and greatness of the country; therefore every fair-minded person including corporate entities should not engage in any stereotypical attributes of blaming the victims of Niger Delta underdevelopment instead be partner to the development effort. A conflict in the Niger Delta is a call to attention to other Nigerians to have the empathy and understanding that the people are hungry and angry over their polluted ecology and devastated environment and the plight of underdevelopment. The challenges of the Niger Delta has attracted international attention. In a speech to the Nigerian National Assembly in August 2000 President Clinton of USA said: *the challenge is to make sure any foreign involvement in your economy promotes equitable development, lifting people and communities that have given much for Nigeria's economic progress, but so far have gained too little from it. Neither the people, nor the private sector want a future in which investors exist in fortified islands surrounded by seas of misery. Democracy gives us a chance to avoid that future. Of course, I'm thinking especially of the Niger delta. I hope government and business will forge a partnership with local people to bring real, lasting social progress, a clean environment and economic opportunity.* The people in the Niger delta like other Nigerians are basically good citizens and peace loving. We can work together to make them even better citizens by making each oil community a productive, industrial center to benefit the people. In any industrial development how to balance growth with human welfare remains a challenge to policy makers. Therefore, the need for socio-economic and environmentally sustainable development practices and policies have become a major concern for community development planning. The lack of a common platform of values, that satisfy all parties, remains a problem and a major responsibility in sustainable development planning in oil areas. However, if a mutually acceptable framework for sustainable development is reached by creating an improved socio-economic and ecological condition, then there exists the possibility that sustainable development can be restored to the mutual satisfaction of all parties involved. This should be a strategic option of common interest to all parties for promoting sustainable development in all the resource producing areas without any party losing it is economic interest. No doubt, when there are inherent inequalities in the distribution of benefits derived from community resources, conflicts arises to disturb community social and economic stability. The emphasis of collective action is fairness and equality and it is designed to correct systemic anomaly when social conflict and loss arise to the disadvantage of majority of the people. In this way, a positive social impact would have been created for a higher standard of living and a better livelihood for the people in the resource producing areas.

We need partnership approach to sustainable development

One of the basic tenets of good government is the allocation of adequate resources to meet the demand of economic development that benefit the people. Therefore, real social development is that which seeks to ensure that economic growth is associated with sustainable development and social equity. Government in partnership with the private sector should cooperate to strengthen peace, stability, and create a favorable environment for development.

When communities, government, and oil companies are in tripartite partnership for progress, they will create an innovative synergy to minimize conflict and enhance the benefits and rewards to parties involved. In furtherance of sustainable development in our oil areas, the partnership approach should become the means by which all stakeholders in the oil industry can have a joint strategic combination of efforts, interests and behaviors that are designed to avoid conflict and pave the way for harmony in development. A partnership model for sustainable development in the Niger Delta will create a better atmosphere to promote a human settlement approach to build and revive the physical and human development of oil producing areas through provision of appropriate infrastructures that are conducive to the people's livelihood and ecological security. The creation of NDDC is a step in the right direction. Through partnership, the NDDC and other support systems that identify with the needs of the oil producing areas where each oil community developmental pattern is coordinated to ensure that it is consistent with community interest and development objectives. In this regard development agency like the NDDC need to apply adaptive management techniques in development policy.

- By adaptive management, I mean that the public and private development Agencies charged with managing the developmental agenda for the Niger Delta need to create extensive interaction for and with the people of the region to identify mechanisms:
- To develop insights into indigenous processes of the people's active relationship with their environment and the ecology that they depend on, with the view to minimize conflict with their traditional patterns of their ecological stewardship and livelihood.
- It will be helpful for development agencies to seek adaptive management techniques based on the idea that if formal organization understanding of nature is imperfect, then the indigenous peoples interaction with nature and their inherited knowledge should be made integral in planning for Niger Delta sustainable development.
- Adaptive management will provide an opportunity for both development Agents and Niger Delta people to cooperate and coordinate to create a compatible means to identify with the desired common interest for the sustainable use of resources for today and in the future.
- A collaborative adaptive management in development planning with the people's participation would then be the cornerstone for building consensus in sharing information, cooperation and compromises for the benefit of the people and for the common good of the nation.

If adaptive management of oil resources, the people and their environment were considered from the onset as integral part to all phases of oil activities, we would have learnt much better to minimize the costly socio-economic and environmental conflicts and thus avert the past failures in planning for Niger Delta Development.

Then one might ask what are the pragmatic expectations in Niger Delta Development?

The Development in the Niger Delta should be a process in which the economic development and environment serve the basic needs of the people, which should include but not limited to the following:

- The right of the people to their own indigenous economic security for the practice of their traditional occupations without any threat to their ecology.
- The people's right to more equitable distribution of benefits sufficient to ensure decent housing, healthcare, education, power and other infrastructural amenities for better standard of living and reduce poverty.
- The right to participate in all phases of decision making that affects their livelihood in our democratic order.
- The right to preserve their cultural heritage and respect for the integrity of their environment and the ecology that they depend upon.

The development process itself is not just about height of achievements measured in naira and kobo or dollars and cents, but all phases of development process should be measured in part by how well it has contributed to the overall development process and by how well it has satisfied the basic needs and basic rights of the peoples ecological well-being. The Niger Delta today on a serious note is in dire need of water mass transit to ease up the heavy transportation costs in the region. The NDDC and all tiers of government must assist in that direction similar to mass transit on land

Niger Deltans do not want to beg for their daily bread. They are known to take pride in their fishing and farming to earn their daily bread and sustenance of their livelihood through the ages but when their farmlands, fish ponds and water ways are polluted, then it naturally follows that their ecology and food security systems have been threatened to limit their means of livelihood. Consequently, Niger Delta communities agro- based production systems which offered employment for the masses have been drastically reduced as to cause youths and peasant migration to urban areas and oil company settlements in search of jobs with the hope to earn petrol naira for better livelihood. Those who hope to gain employment in oil companies soon realize that they had nursed false hopes, for oil industry is highly capital intensive and employment conditions demand exceptional technical skills and relatively only few lucky ones can gain employment. Those youths and peasants who migrate to urban areas soon realize too that they had exchanged rural poverty for urban misery and soon joined the great mass of unemployed urban human reserve in the cities. As a result, the Niger Delta is faced with triple- edged jeopardy of mass unemployment, poverty and ecological degradation.

It is in this light that the Niger Delta needs special attention for poverty alleviation, youth skills acquisition programs and massive educational scholarship programs to assist the Niger Delta; for many parents have been impoverished to a point where they can no longer bear the burden of offering basic education to their children.

Therefore, the role of the NDDC in community based training and skills acquisition program including computer training for our youths to minimize the rural-urban digital divide is important to human capital development in the Niger Delta. The high school and university graduates constitute a great reserve of the unemployed. They need affirmative action to extend the federal character values to cover the oil industry so that our youths can be proportionately and affirmatively trained to accommodate reasonable percentage of all cadres of oil work force and, if need be, a quota be set aside for the Niger Deltans to minimize the serious problem of youth unemployment and restiveness in the area. It is another practical way of oil industry to show its clear social responsibility to their host communities. Oil companies are probably doing the best they can to be socially responsible corporate citizens through provision of social amenities for the people but the huge profits made relative to oil community reinvestment in the Niger delta has not adequately produced socially comparable and responsive corporate dividends that are directed to benefit oil communities in the alleviation of the many serious negative externalities associated with oil industry operations in the Niger Delta. We appeal to the good conscience of oil industry to do more in the area of employment and provision of social amenities in the areas they operate.

The role of NDDC is to acknowledge and implement the useful path to a successful partnership

The feasible path to a successful partnership in conflict resolution lies first by incorporating the inherited indigenous ecological wisdom of oil communities that is essential to their own sustainable development interest. The strategic vision of the partnership model would require a community based participatory development planning that entails planning with the people of the oil resource producing areas, by directing investment toward them and formulating with them policies, to improve the distribution of benefits and employment opportunities in their communities with the view of achieving harmony in sustainable development. If the rights and contributions of the people of oil producing areas are recognized and they enjoy full participation in all forms of development, that affect them, an essential precondition for a successful partnership approach to modeling for harmony and development would have been made. There is a need to accept, respect, and adapt to traditional values for ecological stewardship in all our resource/producing areas. The traditional values for conflict resolution for sustainable development are as old as modes of social organization in Nigeria. It is an age long tradition of the people of the Niger Delta to come together to produce goods or protect the common property resources deemed beneficial to their current and future survival. By coming together to formulate rules which will avert the tragedy of the commons

and thus preserve their ecology and the common interest of the community. By the way of proper adoption and adaptation of traditional techniques blended with formal management techniques of social and environmental changes, we can better understand the conflicting human perceptions and values brought to light by different stakeholders in industrial development. With some openness and awareness, we can tap the knowledge and tradition of the people and work with them in all phases of development so as to influence a positive outcome in the partnership model for promoting harmony in development in the Niger Delta.

We need to revisit the nature of Pre-industrial environmental management and ecological stewardship in the Niger Delta

We know, in Nigeria, that the management of the environment was organized under the traditional institutions within Emirate, Kingdoms, and chieftains with the guardian and the wisdom of elders who were armed with ethics of their cultural beliefs, norms and taboos which dictated and directed the means by which the rational use of endowed resources were made to be in harmony with nature. Thus, our early indigenous societies were imbued with the wisdom of the elders and the partnership between the rulers and the people often collaborated to ensure the strict compliance of the checks and balances put in place to guard against excessive or rapacious exploitation of the community common resources of the society. Hence, sustainability was assured and any man-made tragedy of the common was avoided

Now, the process of modernization and industrial growth has brought in new challenges to strike the balance between the environmental dilemmas of modernization development and human welfare. Therefore, with renewed partnership, we can transform our oil communities into sustainable formal and indigenous industrial centers. We can learn from the take-off patterns and historical preconditions for industrial development of the great nations of Europe, America, and Japan at the grassroots. We can also learn from our past triumphs and mistakes with a view to plan for better performance in the future. But let's remember that we cannot have true sustainable development in the Niger Delta, if there is no economic diversification from oil dependency to the promotion of sustainable development elsewhere in the country.

If we do not diversify the economy, we may be promoting potential economic instability from external origin for oil is subject to the dynamics of unstable world energy market. We should also consider oil a consumers' weapon. To put it differently, if the consumers of oil find a better technological means of getting power or if we become victims of geo-politically contrived non-purchase of crude oil, then we would be put out of business and our national development capacity will be put at jeopardy. Therefore, we need to diversify our national economy and prepare the nation on a sound footing of reliable financial architecture that can best prepare Nigerian citizens for proper fiscal capacity building and responsibility to nurture the growth and development of the country. One of Nigerians diplomats Ambassador Gen. Joseph Garba wrote in his book on

diplomatic soldiering that “*Nigeria is fortunate to have undergone major economic crises...From which to draw appropriate lessons for future planning... our dangerous dependence on oil revenues overnight threw our country into economic hardship and despair... unfortunately our reactions were limited to short term austerity measure which brought hardship to the people. What we would have expected in the circumstances was a fundamental restructuring of our nation’s economy to ensure its resilience against any further reversal in economic fortunes.*”⁹ Consider this: an American diplomat, David Miller, has given a useful insight into Nigeria’s wealth. He observed that Nigeria has the image of a rich nation awash in revenues from oil pumped out of the ground whose economic destiny would easily be reversed if only the benefits are shared more equitably. No one can deny Nigeria great potentials in her abundance natural resources but oil alone cannot provide answers to building a viable economy.

No doubt, Nigeria’s oil production of approximately 2million barrels per day earns the government approximately \$17 million daily. This is a substantial sum but when spread over a population of over 100million, it equates to less than 17 cents per day for every Nigerian. No country can be expected to meet the health, educational and infrastructural needs of its citizens on 17 cents per day. It was perhaps in this light that in mid 1970s in the era of oil boom and in response to overheated economy and demands for new programs and higher wages the then Head of State Gen. Olusegun Obasanjo pointed out that *petroleum revenue was not a cure-all “though this country has great potential, she is not yet a rich nation.... Our resources from oil are not enough to satisfy the yearnings, aspirations, and genuine needs of needs of our people, development, and social services.”*¹⁰ We also know that oil boom and real per capita income reached \$1200 in 1980 but crashed to less than \$300 with drastic decline in oil prices in the mid 1980s. By 1989, Nigeria was classified for the first time as low income country by the World Bank. Therefore Nigeria must make a quick progress towards diversification and expand its economy.

We can learn from our past history of triumphs in cash crop productions, where local and regional initiatives were highly productive.

According to the World Bank Report: Nigeria’s economic growth between 1950 to 1970 was about 4% and from 1970 to 1976, it was 5.4%.¹¹ Thereafter, the elements of stagnation set in as a consequence of excessive dependency on oil. We can rekindle and resuscitate our past glory in agricultural development in the pre-oil era. Our national productive capacity was formed at the embryonic stages of our federalism when the Macpherson Constitution laid the foundation for native grass root participation in policy formulation for development Our nationalist leaders then reached out for the people in each region of governance and the community as the building block of industrial growth and development at the grass root was born. Community leaders began to mobilize the people toward full realization of communal productive capacity for development. It was the power of the communal productive capacity that produced the mountains of cocoa in the Western region, the groundnut pyramids in the north and palm oil that flourished bountifully to

make Nigeria great as the leading producer and world-class producer in cash crops. There was economic power in diversification and regional specialization for development. We remember that Ikeja was the most industrialized area in Sub-Saharan Africa; only second to South Africa, and that impressive achievement was based on local initiative when western regional government utilized revenues from cocoa, rubber, and timber to building industrial estates in Ikeja and its environment. The western region was not the only one that prospered. It was also true that Kano grew industrially and tin mining boomed to develop Jos.

In the east, there were developments in building palm estates and cattle ranching to command national and international interest. The greatness of the country was marked by the industrial height attained in resource production and diversification. Lets get back to agriculture. We also need to diversify the oil sector to increase indigenous content participation and utilize the oil resources to support the agricultural sector in our dual economic system. No nation can be great without food security. Through partnership, we can establish or enhance institutions to manage community resources to make a direct connection between community natural wealth and quality of life.

The people must have a deep connection with their natural wealth and the progress of their society so that sustainable development can thrive throughout the country as to reduce pressures of oil dependency on the Niger Delta environment which in turn induce restoration of the ecological systems from the negative excesses of oil and industrialization. NDDC should expand beyond its conventional mandate to include the establishment of a Resource management department and work with Niger Delta communities for the conservation and proper management of the region's natural, cultural land use and socio economic activities with the view to protect and preserve the wild life, fisheries, water quality, culture and other heritage resources of the people. There is need to protect fish and fish habitats and other ecological resources as well as a coordinated land use planning to identify with the social economic interest of Niger Delta people and protect the vulnerable poor masses from the expanding urban and industrial development interest.

A resource management department of NDDC working with federal and state ministries of environment can cooperate to enforce the protection and conservation Niger Delta Bio diversity and maintain a resource library dedicated to sustain the ecological reserve of the Niger Delta. In this way, mineral resources development and implementation policies will also work to ensure proper maintenance of environment integrity. NDDC in promoting sustainable development for sustainable livelihood through poverty alleviation for the poor masses will also necessarily ensure that the human and physical investment do promote peaceful coexistence with social stability as well as enhancement of the traditional economy to sustain the socio economic security of the people. Further more any economic diversification must not be made to displace traditional ecological stewardship and control but cooperate with each community to develop conservation

sites for the ecological preservation to sustain healthy environment. NDDC must also embark on all inclusive conflict management and resolution strategies and policies to minimize crisis and promote inter organizational collaboration and coordination of all stakeholders through equal voice with equal participation to all parties involved. NDDC can promote economic diversification that can be positively directed to develop and support opportunities for eco tourism and adventure travels in our naturally beautiful Niger Delta. Economic diversification with use of appropriate technology can increase agricultural productivity and farm yield to enhance the peoples food security system.

Above all, the foundation of any national and regional development is the provision of infrastructure. The development of infrastructure in the Niger Delta is either weak or non-existence in some areas therefore, the NDDC must self propel its mandate and responsibility to increase the provision of affordable Housing, Health, education, roads, power, canals, bridges and other social and physical infrastructures to promote rapid sustainable development in partnership with other agencies. It will so a long way to heal the pangs of under development and pave the way for lasting peace and development for the Niger Delta.

To ensure rapid development of Niger Delta and transform the region to socially stable and economically prosperous society, NDDC must embark on Human capital development to include health, education and people oriented capacity building for economic empowerment through provision of sustained financial capacity with provision for community participation and ownership of capital for development. The need for economic empowerment then calls for the establishment of a Niger Delta development bank under the auspices of NDDC to promote the peoples capital base and create an enabling environment for investments, job creation and this will enhance the wealth creating capacity of each community. Therefore the NDDC role in principle has the constitutional mandate as well as the strategic imperative to develop the Niger Delta equitably to ensure that non- community left out and positive impact toward conflict resolution for peaceful coexistence and sustainable Development

The protection and preservation of the environment for sustainable development is necessary but would not be sufficient without social justice. The equitable distribution of wealth is the first step towards social justice and the required social justice should be extended to include planned oil community reinvestment programs. The NDDC is now the development agent with oil fueled special Marshall plan to divert some of the oil revenues to rehabilitate the people's traditional agricultural scenario in order to ensure food security and restoration of the ecology that the people depend for their lives. As a catalyst to development process in community habitats we remember the Igbeti Marble formula in old western region which stipulated that *the proceeds of all resources in a location should be shared to recognize the right of indigenous communities, the local government, the operating firms, the state government and the federal government. This formula*

enables the local community to go into partnership with the technological firms producing wealth in the environment and by participatory decision making in the process entails those concerned share the pride of progress together. This should be the mood of all good Nigerians today. We also remember the Oyo State benefit plan in 1990 which stated that to ensure the people of the state derive maximum benefit from the exploitation of natural resource the state adopted guidelines in which an allocation of 10% equity participation to the state government on mineral resource development ventures. The state stipulation required an undertaking by the mining companies to provide social and economic benefits for the areas to be affected by their operations. This should be made a national policy for sustainable development in all our resource producing areas.

There is now a renewed hope that the establishment of the Niger Delta Development Commission with a master plan will provide a realistic and wholesome development in the Niger Delta where all people can live in peace. Since, the achievement of new dawn of democracy in the country and the creation of NDDC, the conflicts in the Niger Delta have been reasonably reduced. This is a great credit to the President of Nigeria, National Assembly, the people of the Niger Delta, Governors of the Niger Delta States and to greater extent, the Nigerian citizens and corporate leader who supported the creation of NDDC. The oil companies will hopefully see the NDDC partnership model as an opportunity to become favorably reconnected with resource producing communities as part of developing a responsible care system through cooperation and coordination with others engaged in outreach programs to induce harmony in sustainable development. The government would have made a positive bridge between oil industry and communities to ensure that communities are not enduring or exposed to unreasonable risk and the communal environment is protected through establishment of monitoring systems and proper regulation. In this way, the government can help oil communities to apply their inherited knowledge founded in their tradition, along with new environmental awareness and education, to buttress sustainable development fashioned to enable the communities to live well while exploiting the oil resources compatible with Nigeria's economic interest. The desired government involvement would be a practical way of adapting the progressive insertion of the communities' social and economic productive structures into Nigeria's national economic integration.

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