

INSTITUTIONAL FAILURES AND POVERTY IN THE NIGER DELTA REGION: A CRITICAL APPRAISAL OF NDDC PROJECTS IN IKOT ABASI, AKWA IBOM STATE, NIGERIA

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ABSTRACT

This study accessed the effect of institutional failure and poverty in the Niger Delta Region through a critical appraisal of NDDC Projects in Ikot Abasi Local Government Area, Akwa Ibom State, Nigeria. It attempted to investigate the people's acceptability, successes, and failure of the institutions in solving the poverty problems of the people in the study area. This study employed a descriptive research design. The population of the study consisted of adult in the study area. A multi-state sampling method was adopted to select the respondents for the study. The major findings revealed that over seventy percent of the people in the study area are poor; the strategies by this institution/government in tackling poverty are not yielding positive results due to the unavailability and non-accessibility of fund to the rural poor among others. Therefore, it was recommended amidst others that there should be a change from top-bottom approach to bottom-top approach in project designs, implementation and evaluation. The government should build on existing community base organizations and activities to ensure effectiveness and sustainability.

Keywords: *NDDC, poverty alliviation, project*

INTRODUCTION

The World Bank (2000) describes poverty as hunger, lack of shelter, being sick and not being able to see a doctor, powerlessness and lack of representation and freedom. In recent times, the rising trend of poverty in Nigeria has continued to generate much discussion among academics, policy makers and others. Despite the country's huge physical and human resource potential, the macroeconomic and social sector trends in Nigeria since the early 80's have shown a deterioration of Nigeria's welfare. According to the FOS (1999) estimates, over 65% Nigerians are living below the poverty line. Poverty in Nigeria is widespread and pervasive.

The incidence of poverty has been perennial and alarming because of its pathological effects both on the individual experiencing poverty and the nation being ravaged by it. The inability of government to provide basic necessities of life such as

food, shelter and clothing; has fully exacerbated poverty. The situation is abetted by the lackluster attitude of government officials and regulating agencies or groups in carrying out programmes aimed at alleviating poverty to the fullest. This social situation has informed the positions of various governments in Nigeria to opt for interventionist agencies. Such agencies include the wilinks commission, the Niger Delta Development Board (NDDDB), the Local Government Council, Niger Delta Basin Authority (NDBA), the Presidential Task Force, Oil Mineral Producing Areas Development Commission (OMPADEC), and currently, the Niger Delta Development Commission (NDDC). In spite of the intention of these agencies, poverty has persisted as the efforts of the agencies have successively failed. It should be noted here that the implementation of poverty reduction programmes in Nigeria, however, has always ended in shambles (Desman, 2000). These observations confirm the sad experience in the implementation of development programmes in Nigeria during the past decades. This has confirmed that various aspects of the Nigerian economy suffer some set back due to corruption and mismanagement. Therefore, the problems of the rural poor in Nigeria became compounded by lack of basic planning data, flood and erosion, lack of manpower, shortages of funds, corruption, and other vices whose attendant consequences fall on the masses that cannot but continue to wallow in abject poverty. This situation has resulted in high rate of rural-urban drift, high rate of crime, uncontrolled penchant for violence and aggression, illiteracy, unemployment, inequality, hopelessness, loss of trust in government, high rates of infant and maternal mortalities, low life expectancy as well as low standard of living and kidnapping.

Against the backdrop of series of failed programmes of government, and widespread institutional failure in the study area, it has become expedient for this study to address the following questions:

1. How many NDDC projects have the Ikot Abasi people benefitted from since the inception of the commission?
2. How many of such projects are still functional?
3. Have the functional projects assisted in the alleviation of poverty in the area?
4. Since the developmental institutions have consistently failed, how can they be made to succeed?

In this light, the main objective of this study is to investigate the institutional failures and the persistence of poverty in the Niger Delta region: A critical study of NDDC Project in Ikot Abasi community in Akwa Ibom State.

Ekong (2003) offers that a community is a local group or an aggregation of families habitually living together within a definite geographical region. Also, a territorially organized population mutually depending on each other, supporting some basic social institutions and having some measures of political autonomy in relation to other communities. Thus a community applies to a group of people who live in the same place or locality having common interest, sentiment and share the basic conditions of a common life. In which case, Ikot Abasi Community is here considered as a synonym to Ikot Abasi Local Government Area of Akwa Ibom State.

Also, the term "institution" is commonly applied to customs and behavioural patterns important to a society, as well as to particular formal organizations of government and public service. Institution is meant to be a structure or mechanism created for purposes of rapid socio-economic development in society. There are many types of institution namely: marriage and family, scientific institutions, legal systems, governments and government agencies for example, Directorate of Food, Roads and Infrastructure (DEFRI), Federal Road Safety Commission (FRSC), Niger Delta Development Board (NDDDB), Oil Mineral Producing Area Development Commission (OMPADEC), Niger Delta Development Commission (NDDC), United Nation Development Programmes (UNDP) and Federal Ministry of Niger Delta Affairs.

In its abstract term, poverty is said to be a state of mind which cannot be quantitatively measured. However social scientists have defined the concept of poverty as the inability to provide or secure basic needs. This comprises food, clothing and shelter. It is a state where an individual lacks the capability of settling his social, economic, and political needs; lacks the ability to be gainfully employed, lack skills, assets and self esteem and have no opportunity to social and economic infrastructure (Ekpo and Uwatt, 2005).

However, poverty alleviation refers to a set of programmes designed to restructure the pattern of income distribution in favour of the poor. In order to achieve success, efforts must be directed towards identifying the poor and their socio-economic environment in order to isolate target groups. A major challenge in devising poverty alleviation schemes is to ensure that only those in need of assistance are identified. Thus, according to Mfatifikolo (1990) and Repink, (1964) poverty alleviation comes as a result of experimental processes of perfect and imperfect targeting or through special project like the social dimension of adjustment projects supported by the United Nation Development Programme (UNDP), the World Bank, New Economic Partnership for African Development (NEPAD) and African Development Bank (ADB). In terms of the causes of poverty, Ekpo and Uwatt (2005) argue that two of the early causes of poverty are low level of economic growth and market imperfections. Within the context of vicious circle of poverty, the low level of economic growth (income) leads to a low level of demand (or saving) which in turn leads to a low rate of investment (capital formation) and hence to deficiency in capital (both physical and human and low productivity). The low productivity manifests itself in increased unemployment and underemployment.

Culture and inequitable income distribution which through institutional distortions would not make for equal opportunity of access to productive assets, it will also lead to un-utilization, under-utilization or even mis-utilization of natural resources. Ekpo and Uwatt (2005) are of the view that excessive family size in relation to the amount of productive services or income, chronic absence of acquired human skills, mental or physical incapacity and discrimination in terms of age, colour, race or sex contribute a great deal to poverty.

Similarly, the January 1964 Report of the Council of Economic Advisers to

the United States of America's president identified some causative factors of poverty to include unemployment and underemployment, lack of productivity, lack of education, discrimination on account of colour, sex and age, poor parentage and the environment. Ugal (2001) in a paper entitled "Overview of Nigeria's Past Development Plans and their Implication for Poverty Alleviation", also identified the following factors: *Unemployment and underemployment, discrimination, location bias of development policies, programmes and projects, culture and tradition, political factors, skewed income distribution, subsistence orientation of production, mass illiteracy, political instability and high growth rates of population leading to over-population etc.*

Furthermore, World Bank Studies (World Bank, 2000) have indentified the following as the causes of poverty:

- (i) Inadequate access to employment opportunities, which is often caused by stunted growth of the economy or inappropriate technology, which is labour saving.
- (ii) Inadequate access to physical assets such as land and capital, and minimal access by the poor to credit even on a small scale.
- (iii) Inadequate access to the means of supporting rural development in poor regions.
- (iv) Inadequate access to market where the poor can sell goods and services. This is due to poor or inadequate road network and transportation.
- (v) Low endowment of human capital, which manifests in inadequate access to education, health, sanitation and water resources.
- (vi) Destruction of natural resources leading to environmental degradation and reduced productivity of agriculture, forestry, fishes etc. This is often the result of desperate survival strategies of the poor, as well as inadequate and ineffective public policies on natural resources management and industrial pollution (Odusola, 1997).
- (vii) Lack of participation in poverty alleviation programmes, failure to draw the poor into the design of development programme.
- (viii) Poor maintenance culture or the failure to retain and maintain existing structures, leading to deterioration in rural, urban and highway roads and township slums and squalor.
- (ix) Political instability in the form of coups, wars, civil interest etc. which inhibits rapid economic growth and
- (x) Corruption which is reflected in the conspicuous and a wasteful life-style often exhibited by the government and those in power.

The effects of poverty are evident in inability to feed well, poor health and high susceptibility to health problems, infant mortality, low-life expectancy, poor housing or lack of shelter, single-parent families, and street children due to parental neglect or abuse (Dike, 2003). Illiteracy, and inability to send children to school, high school drop-out rates; mental derangement; prostitution; development of slum

settlements in cities; increased male out-migration from rural to urban areas in search of menial jobs; restiveness of unemployed youths; increase in drug abuse (particularly alcohol consumption) and violent crimes, loss of self-esteem; powerlessness or inability to participate meaningfully in social and political life (Ekong, 2003).

SOCIO-ECONOMIC ACTIVITIES IN THE CONTEMPORARY IKOT ABASI LOCAL GOVERNMENT AREA

Due to the geographical and climatic endowments, the people of Ikot Abasi Local Government Area are predominantly farmers, fishermen and traders. As a coastline area, fishing accounts for most of the economic activities in the study area. Fishing is practiced in small scale along the creeks and streams emptying itself into the Imo River. Those earning their livelihood from the water and in communities located in the swamp, fresh water areas - Ikpa Ibekwe Urban, Edemaya Creek, Ukpum Ete and Ikpa Nnung Asang Clans.

Okon clan, parts of Ukpum-Ete and Ikpa Nnung Asang are in the hinterland with farming, though in small scale, as their main occupation. Also palm wine tapping and extraction of illicit gin "kaikai" from wine obtained from the raphia palm, provide a major sources of income to some good number of people involved in such activities. The economic activity of the study area apart from being predominantly dominated by farmers, fishermen and women, palm wine tappers, and traders, is also characterized by modern industrial structures reflected in the ALSCON-Rusal Nig. Ltd., Independent Power Plant (IPP), Septar Energy Nig. Ltd., Ikot Abasi Dock Yards and Akwacem Company Nig. Ltd., etc. These structures have also influenced the economic life of the rural people in the study area.

Ikot Abasi Community as study area is rich in both natural and mineral resources. She is abundantly endowed with resources like crude oil, fine sand, limestone, gravel and clay. There are also palm trees, raffia trees and melina plantations in the area. The study area is very rich in marine resources like fish, crayfish oysters, lobsters, shrimps, shell, periwinkle etc. With all that nature has provided in the study area, poverty is a critical reality of life as a result of failed institutions, and unemployment, malnutrition, kidnapping pollution and degradation of environment etc., are increasing rapidly in the study area.

Here all the development-based institutions in Ikot Abasi L. G. A. are considered irrespective of when they held sway. It should, however, be noted that NDDC is conserved in the main. This is informed by the value of currency. There are three types of institutions in the study area as identified: Government, Government Agencies, and international development groups. In this regards, attention will be limited to Local Government Council; Niger Delta Development Board (NDDB); Niger Delta River Basin Authority (NDRBA); Presidential Task Force, Oil Mineral Producing Area Development Commission (OMPADEC), Niger Delta Development Commission (NDDC), United Nations Development Programme (UNDP) and the recent Ministry of Niger Delta Affairs.

Local Government Council: According to National Population Commission 2006, population as at 2006 was 132,608 with 67,806 males and 64,802 females has had many development challenges. If the political leadership of the area has been focused overtime, it would most properly organize and direct area's socio-economic activities towards poverty alleviation. Even so, the area's political leadership has failed to sensitize and mobilize the area's citizens to take advantage of existing institutions which should have provoked community-wide development. Recent studies carried out in the study area revealed that over dependence on external sources of the study area's funding had tended to weaken the revenue base for socio-economic development of the council as fund for capital expenditure programmes were diverted into recurrent expenditure. The political leadership of the study area was not interested in internally generated revenue for recurrent expenditures, our investigations further reveal that byelaws on the study areas revenue sources were not made by the council's legislature.

Weak revenue generating institutions and legal infrastructure combined to frustrate all efforts to boost the volume of the area's internally generated revenue. In addition, council leader also frustrate the development opportunities of the area by greed and corruption. They negotiate with the multinational companies for personal interest and not for the area interest. Thus, employment opportunities for instance, elude youths in the area.

Niger Delta Development Board (NDDDB): In response to recommendations of Sir Willink's Commission (1958) of inquiry, the Federal Government of Nigeria established the Niger Delta Development Board (NDDDB) in 1961 to manage the developmental needs of the region including the study area. In its seven years of existence, however, the NDDDB achieved little or nothing before it faded away following the military coup in 1966 and the outbreak of the civil war in 1967. After the civil war, the NDDDB was not revived but the Government showed no interest in addressing developmental needs of the region. Rather, it decided to use substantial revenue accruing from oil production in the region to fund a massive rehabilitation and reconstruction programme in various parts of the country. Even with the quadrupling of oil prices in 1973 and the subsequent oil windfall, there was no deliberate attempt to use parts of the oil wealth to address the issue of poverty and the developmental needs of the region.

Presidential Task Force (The 1.5% Committee): Following growing agitations for a renewed focus on the development of the region, the 1979/1983 Administration of Shagari set up a Presidential Task Force (popularly known as the 1.5% committee) in 1980 and 1.5% of the Federation Accounts was allocated to the Committee to tackle developmental challenges of the region. Although the committee existed until early years of the 1983/1993 regime, it was largely ineffective. There were only a few projects to show for the funding received from the Federation Accounts and very little visible beneficial impacts on the welfare of the people of the oil producing communities.

Oil Mineral Producing Areas Development Commission (OMPADEC): Further growing discontent and restiveness in oil producing communities caused the

Babangida's regime to set up the Oil Mineral Producing Areas Development Commission (OMPADEC) in 1992. Three percent oil revenue was allocated to the commission to address the area's developmental needs. Although OMPADEC initially raised the spirit and hopes of the people, inefficiency, lack of focus, inadequate and irregular funding and excessive political interference, became the undoing of this commission. Most of its projects had little to do with poverty reduction and the vast majority of the people did not benefit from its activities. In brief, OMPADEC as one of development institutions failed abjectly to abate discontent and restiveness in the region.

The Niger Delta Development Commission (NDDC): The NDDC was inaugurated on December 21, 2000 to replace OMPADEC whose ability to develop Niger Delta region has failed. NDDC was established with a vision to offer a lasting solution to the socio-economic difficulties of the Niger Delta region and a mission to facilitate the rapid, even, and sustainable development of the Niger Delta into a region that is economically prosperous, socially stable, ecologically regenerative and politically peaceful. So far, NDDC has produced a comprehensive regional development master plan; which involves 24 sector studies, evaluation of allocation of services and infrastructure, accessibility analysis, scenario development, a regional plan and nine state plans, documents major programmes and projects. This is expected to enhance long term planning and development. The fact is a major break from past development institutions in the region, which had no such plans.

However, the stride of the commission does not presuppose that all is well. The organization is threatened by some problem. One of these is inadequate funding which is fuelled by the fact that it had become impossible to earn revenue from some expected sources. Another major challenge, which affects the commission, is communal and other crises. Frequent crisis, occasioned by political and other reasons has to some extent affected the work of NDDC. This becomes so as the commission needs a peaceful atmosphere to plan and execute programmes and projects in the region.

Currently, the Federal Ministry of the Niger Delta was established by President Yar'Adua in 2008 to develop the region but its activities cannot be assessed yet because it has just taken off. From the foregoing analysis, identified major constraints that have given rise to institutional failures in the region can be summarized as follows:

1. Lack of political will by the various leaders of these institutions to develop the area;
2. No environmentally sustainable development emphasis except in few cases like in OMPADEC and NDDC;
3. No long term planning except in NDDC;
4. Inadequate funding as the region political will and huge resources to undertake any meaningful development;
5. Weak monitoring and enforcement capacity;
6. Few appropriately trained staff;
7. Missing intellectual impetus in plan for imulation;

8. Human factors e.g. executive in fighting amongst top management, staff and even Board members; corruption and nepotism.
9. Bad federal government policies on the area, as well as consequence of crude oil multinational imperialist and exploitative attitudes.

United Nations Development Programme (UNDP): The United Nations, touched by the obvious and frightening rate/level of poverty, especially in the rural areas of developing countries, decided to combat poverty and development on a global scale. To achieve this, the UN set up the United Nations Development Programme (UNDP). United Nations Development Programme (UNDP) is the coordinator of technical cooperation for development in the Third World countries. It has more than 130 offices and a staff strength of about 8,000,000 of which about 85 percent are serving in the developing countries. For effective implementation of its programmes, this crucial development institution is in partnership with expertise of United Nations, Research Institutions, other international technical agencies, community-based organizations and non-governmental organizations around the world. Its presence is also felt in the research community.

METHODOLOGY

This is a descriptive research embellished in the survey tradition. Purposively, one hundred and fifty respondents were targeted (thirty from each of the five clans) for the survey of opinions. A multi-stage sampling device was adopted. First, the cluster sampling method for the clans was used. Thereafter, the traditional fathers, the clergy, women leaders, youth leaders, and opinion molders were reached at the instance of the stratified random sampling method. The questionnaire, structured interview and focus group discussions were adopted for data collection. An average of fifteen persons constituted each focus group. One group held in each clan. The simple percentage was adopted for the analysis of data.

RESULTS AND DISCUSSION

Table 1: NDDC Projects in Ikot Abasi Local Government Area

Nature of Projects	Location	Performance
i) Power distribution from IPP to various LGA in the state.		Newly awarded
ii) Solar water	Ikpa Ibekwe Clan	On-going
iii) Uta Ewa Shore line protection		Newly awarded
iv) Classroom blocks		On-going
v) Ikot Ukpo Inua- Atan Ikpe Road		Newly awarded
i) Road project	Ete/Okoronyong	On-going
ii) Civic centre	Ete Town	On-going
iii) Conventional water project	Ete Town	Completed
iv) Internal road network	Ete Town (All in	On-going
v) Hospital project	Ukpum Ete Clan)	On-going
i) Electricity	Ikot Iyire/Ikot Oboroenyin	Completed
ii) Electricity	Ikot Ikara/Ediduo	On-going
iii) Bridge	Atan Ikpe (All in Edemaya Clan)	On-going

i)	Bridge	Okon Town	On-going
ii)	Water project	Okon Town	On-going
iii)	Classroom blocks	Okon Town (All in Ukpum Okon Clan)	Completed
i)	Classroom blocks	Esene Town	On-going
ii)	Road project	Ikot Ubo Akpe-Effa-Ikot Mfon (All in Ikpa Nung Asang Clan)	Newly awarded

Source: NDDC AKS Office, 2010

The table 1 above shows that the people of Ikot Abasi will benefit from 17 NDDC projects when fully completed. Meanwhile, only three projects in Ukpum Ete, Edemaya and Okon clans that have been fully completed and commissioned could be said to have impacted on the lives of the people. These are conventional water project at Ukpum Ete clan; Electricity projects at Edemaya clan and a six classroom block at Okon clan; which have helped to reduce high level of water borne diseases and reduce to some extent the number of pupils who receive tutorials from under the trees. All completed electricity projects can be said to be fully functional in the area. These functional projects have assisted in the area's poverty alleviation. And all the 17 projects when fully completed and commissioned will bring incidence of poverty to its bearest minimum in the area. All completed and commissioned electricity projects in the area will quicken the pace of the area's industrialization. They will also increase the tempo of urbanization. Completed electricity projects will not only provoke but, strengthen the rise of entrepreneurship amongst the area's population. However, development institutions in the area can succeed if these institutions work out for themselves regional development master plans as the current Niger Delta Development Commission has done.

It could be said that the institutions failures have created negative effects which include: ethnic conflicts, unemployment, malnutrition, kidnapping, militancy, widespread poverty, pollution and degradation, and worsening situations of underdevelopment. The main finding reveals that over 70% of the people of the study area are poor, that strategy adopted by this institutions/government in tackling poverty in the area are not yielding positive results. This is due to the unavailability and non-accessibility of the fund to rural poor, lack of host community involvement in programmes design and implementation and poor handling of poverty alleviation projects by government officials or change agents.

CONCLUSION AND RECOMMENDATIONS

The work focused primarily on institutional failure and its implications on the socio-economic development of Ikot Abasi Local Government Area. In the course of the investigations, it was observed that existing development institutions are weak. For the Niger Delta region to attain domestic prosperity there is urgent need for the weak institutional base to be strengthened. Based on the findings, the following recommendations are made towards poverty alleviation in the region:

- i. Existing development institutions e.g. Niger Delta Development Commission (NDDC) should be strengthened (in legal, human capital, and financial

- measures) to eliminate all constraints militating against its existence; and
- ii. Effective, and efficient development institutions should be allowed to evolve since reduction of poverty, unemployment etc., in the region are functional to these.
- iii. Effective monitoring of NDDC projects in Ikot Abasi LGA calls for establishment of NDDC office in the area, and the need for other stakeholders to be involved.
- iv. Since Ikot Abasi Local Government Area is as large in expanse of land and population, the few projects (completed and on-going) can hardly ensure the alleviation of poverty, talk-less of eradicating it. Thus, there is need for other institutions and private individuals to be involved in the process.

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