

Economic Development Agenda for Bayelsa State of Nigeria: An Advisor's Opinion

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Abstract

This paper is about advancing the course of development in Bayelsa State of Nigeria. Here the writer chose to discuss the conceptual and pragmatic approaches to building a state development imperative in a developing country. It is also an attempt at understanding the requisite regional development interests of Nigeria's oil rich Niger Delta and link it to the unique character of Bayelsa on her drive towards development and social well being. The paper examines the challenges of oil, federalism and the environment and the implications for the development interest of the state and its citizens. The paper supposes the need for partnership approach to development planning and environmental management for sustainable development and therefore offers a feasible pragmatic agenda for government [state], private and peoples cooperate partnership to institute development policies directed to enhance the provision of social and economic infrastructures for fostering sustainable development in Bayelsa.

Introduction

Bayelsa State is one of the youngest states in the Federal Republic of Nigeria. It was created in 1996 with its capital in Yenagoa by the late military head of state, General Sanni Abacha. Bayelsa is part of the Niger Delta blessed with abundant deposits of oil and gas. It is also endowed with forest resources and a human population estimated to be over 3 million people. Traditionally, agriculture, farming and fishing are the main occupations of the people but the young state is on the drive towards modernization and development. While Bayelsa State is richly endowed with oil and other natural resources still poverty is prevalent, partly due to oil industry displacement of traditional agricultural scenario. The state is one of the major contributors to Nigeria's oil wealth, yet it enjoys very minimal dividends from its oil wealth due to the structural inequities in the national revenue allocation system in the practice of fiscal federalism in the country.

The move towards human progress and advancement to higher social order begins with conceptualization and flow of ideas housed in the intellects of all responsible citizens. A good blend of diversity of ideas emerges from citizen idealists and converges into the corridors of policy makers who then filter those ideas into a practicable feasible path deemed useful to nurture the development agenda. The diversity of ideas and thoughts remain the spice of development; for ideas from the building block of any development agenda before solution ideas can be transformed into pragmatic usefulness. Development agenda for Bayelsa is also spicy with multitude of ideas and this is my little spice of ideas for Bayelsa development. Here I begin with conceptual approach

to understanding economic development and then I have attempted to offer some solution ideas for Bayelsa's development.

Lecture delivered on 28th Day of May 2003, Yenagoa.

I am asked to speak on economic development agenda for Bayelsa and it is my pleasure to share my thoughts on development with this distinguished audience. The move towards human progress and advancement to higher social order begins with conceptualization and flow of ideas housed in the intellects of all responsible citizens. A good blend of diversity of ideas emerge from citizen idealists and converge into the corridors of policy makers who then filter those ideas into a practicable feasible path deemed useful to nurture the development agenda. The diversity of ideas and thoughts remain the spice of development; for ideas form the building block of any development agenda before solution ideas can be transformed into pragmatic usefulness. Development agenda for Bayelsa is also spicy with multitude of ideas and this is my little spice of ideas for Bayelsa development. Here I begin with conceptual approach to understanding economic development and then I have attempted to offer some solution ideas for Bayelsa development.

Conceptual Thoughts on Development:

Economic development is the foundation for enhancing the factors of society's productive capacity for sustained development. We know, there are differing themes of interest in economics development. For instance, to the economist, economics development is an issue of more economic growth. To business leaders, economic development means productive use of resources for profit and the wise application of public policy that will increase national and international competitiveness. Some people think that government should actively direct the economy, with proper industrial policy. To environmentalist, economic development should be synonymous with sustainable development that harmonizes nature and man in the social system. To labor leaders, economic development, is a vehicle for increasing wages, benefits, education, and worker training. To community leaders, economic development is a way to strengthen communal and rural economies in order to reduce poverty and inequality in the social system. To the politician, economic development embodies job creation programs that are broadened to increase productivity, reduce unemployment and build institutions and human capacity to support growth and development for the well being of all citizens. To the contractor economic development means having favorable contract returns for an accomplished public project undertaken by the contractor. While it may seem that there are deferring goals in development thinking, yet there is one common interest that binds them all, i.e. development is a people oriented mechanism to improve upon the collective and individual well being of society.

Brief History of Oil, Federalism and the Development of the Niger Delta

An agenda for Bayelsa development must be for the well being of all Bayelsans, it should therefore reflect unique interest and character of Bayelsa. We know Bayelsa is made up mostly rural communities and highly endowed with natural wealth but the state is still underdeveloped and poverty is prevalent throughout the state, therefore Bayelsa must find its own niche of workable development strategy.

The development challenges of Bayelsa as we all know are partly due to the historical political and economic anomalies of Niger development since the colonial era as well as our contemporary practice of federalism and resources allocation in our national political order.

Therefore, the challenges of Niger Delta development and Bayelsa in particular 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 1970's. Oil and fiscal federalism in retrospect, shows that, in the pre-oil era, fiscal federalism was arranged in a manner that allowed for high measure of fiscal autonomy such that 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.

Federalism and public finance took a new turn at the beginning of military federalism in 1966. Since then, the issue 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.

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 which has worked to reduce the fiscal capacity of oil producing states like Bayelsa.

The oil states have not been able to resolve the socio-economic and environmental problems and development issues created by oil activities in their environment.

In 1960 our Isaac Boro lamented that:

Let us examine with some latitude whether the state of development is to any extent commensurate with a tint of the bulk of the already tapped mineral and agricultural resources. First, we may run our eyes through the health services. From the area concerned, covering a territory of 10, 000 square miles..., there are just a few hospitals of ordinary health center status. Of all parts of the country, the Niger Delta is the richest in water and so the governments have not found it necessary to give the inhabitants pipe borne water... People drink from the most squalid wells and so dysentery and worm diseases are rife.

Twenty years later in 1980 Prof. Angaye et al noted the environmental and socio-economic impact of oil mining in riverine areas of Nigeria in which he stated 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 Nigeria where petroleum is produced are the most obvious victims of environmental and socio-economic hardship that oil mining and spillages have produced daily in the country’. In another study by Paul Collier of

International Labour Organization, Geneva 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. Nearly forty-two years after Boro’s observation the same theme of underdevelopment reechoes. In a response to a lecture on resource control on November 15th 2002 the governor of Bayelsa State Chief Dr. D.S.P Alamiyeseigha stated that “I traveled through the creek to my hometown, Amassoma, only a few days ago. The effects of oil exploration and exploitation are evident everywhere in the sheer ecological abuse of the environment. Marine life is virtually extinct. Indigenous occupational industries are no more. Erosion is widespread and unrelenting. Pollution of the very sources of life for the ordinary people manifests in everything from our fishing equipment to the water we drink. ”

So, over forty-three years of lucrative oil industry operations in the Niger Delta the plight of underdevelopment is still starring at us in Bayelsa and the rest of the Niger Delta.

The complexities of Niger Delta development is not just domestic but also external. Development equation is further complicated by Nigeria’s over dependence on Oil and Gas reserves in the region and the role of oil in international geopolitical interests. No doubt, Nigeria’s oil production of approximately 2 million barrels per day earns the government approximately \$17 million daily. This is a substantial sum but when spread the proceeds over a population of over 100 million, it equates

to less than 17 cents per day for every Nigerian. No country can be expected to meet the health, education and infrastructural needs of its citizens on 17 cents per day. It shows that Bayelsa and other producers of oil are not getting enough benefits.

The development of oil and other strategic resources of Nigeria must be developed to bring tangible benefits to all Nigerians and improve upon the standard of living of the people.

For the Niger Delta, it is only when true development brings tangible benefits to the people of the region from every barrel of oil produced on 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. Our development agenda must transform Bayelsa into a state of sustained development and reverse this contradiction of suffering, in the midst of plenty. In this way, we can minimize the problems of conflict, poverty, restiveness, unemployment and human misery at the grassroots in our 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 1930s, President Roosevelt of the United States, faced with problems of depression and under development, stated, "the object of government is the welfare of the people. The moral and material welfare of all good citizens."

The challenge of our leaders is the proper utilization of our 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.

We need partnership approach to sustainable development for Bayelsa

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.

When communities, government, and oil companies are in partnership for progress, they create an innovative synergy to minimize conflict and enhance the benefits and rewards to all parties involved in development. Through provision of appropriate infrastructures that are conducive to the people's livelihood and ecological security by adaptive management. The adaptive management practice is to develop insights into our indigenous processes of the peoples' active relationship with their

environment and the ecology that they depend upon, with the view to minimize conflict with their traditional patterns of resource control and ecological stewardship for better livelihood.

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 state and the country.

The Path to Innovative Development Agenda

The development process itself is not just about height of achievements measured in naira and kobo, 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 right to the people ecological well-being.

Bayelsans and other 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 farmland, 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 Bayelsa and other 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 with urban misery and soon joined the great mass of unemployed urban human reserves 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 people need special attention for poverty alleviation, youths skills acquisition programs and massive educational scholarship programs to assist the people for many parents have been impoverished to a point where they can no longer bear the burden of providing basic education to their children. We appeal to Federal and State governments to award mass scholarships and render free basic education for the poor as well as free school bus services on land and free school boats for riverine areas.

We need community based training and skill acquisition program including computer training for our youths to minimize the rural-urban digital divide which is important to human capital development in the Niger Delta. Our high school and University graduates constitute a great reserve of the unemployed. We 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 Bayelsa and other Niger Deltans to minimize the serious problems of youth unemployment and restiveness in the area. It will be another practical way of oil industry to show their 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 people must have a deep connection with their natural wealth and the progress of their society so that suitable development policies that can induce restoration of the ecological systems from the negative excesses of oil and industrialization.

In 1997, the Japanese Minister of International Trade, Sozaburo Okamatsu emphasized harmonious balance between environment, energy and economic development, in his view are fundamental for the attainment of sustainable development and that the loss of balance in the three concepts would give rise to some very unfortunate developments for mankind. These unfortunate development are already in the Niger Delta because we have come to know in our region that the demand for oil extraction has also created environmental burden, deforestation, pollution and underdevelopment in our fragile ecosystem. The problem before policy makers is how to actualize sustainable development in a degraded environment and restore hope for community livelihood and survival.

An agenda for actualizing sustainable development for Bayelsa would require new ideas and formation of think tanks dedicated to formulation of policies and finding pragmatic solutions for the wholesome development of the state.

Today, civil society in all modern states in an attempt to achieve wholesome development through planning and the government takes the lead in planning for social development through the provision of social and economic infrastructures. A development planning is a conscious and responsible strategy undertaking by the government in response to changes in the dynamics of social order and also as an instrument for modernization.

The development of social, economic and public infrastructures are very important but we need to find a unique path of development appropriate for our people. Our development strategy must be

people oriented aimed at community reinvestment for reducing poverty as well as the promotion of development with sustainability.

Poverty is sometimes said to be a result of inadequate growth and investment in human, financial and physical capital. The strategy for sustainable development in Bayelsa is more likely to depend on the following factors:

1. Increase traditional economic output within each community.
2. Improvement in traditional market systems.
3. Liberal Micro credit schemes for low income groups.
4. A policy that will help strengthen local farmers and raise their local productivity for self-reliance and food security.
5. The ability to strengthen local resource conservation and preservation of community ecological heritage.
6. Promote participatory development interest of people. Let the people in each locality be accountable in monitoring progress and development strategies within their own locality and help government to ensure that scarce resources allocated for their development projects are utilized effectively to benefit the people.

Let there be a promotion of public–private partnership along with responsive and supportive citizenry working together to create the appropriate synergy for a just, sustainable and all inclusive system as essential foundation for a just and sustainable development system. Frankly, there is nowhere in the world where development is the sole responsibility of the government. So, all modern governments seek partnership with the private sector as a new strategy for development planning. Development planning comes into reality with the cooperation and visions of responsive citizenry and with a provisions of a master plan. The Bible says “Without vision the people perish”.

The master plan is the vision of development. It is normally a broad based and achievable blue print for wholesome development of the society. The government has the responsibility to provide the conducive and enabling environment to make it work in cooperation with private sector in a peaceful environment. Professor Anya .O. Anya has pointed out that changes in technology particularly information and communications, global flows of capital, information, investment, trade, skills and expertise across borders have been facilitated. These changes have fostered new ways of doing business and of learning. In the process, the laws and strategies for economic development have changed. While in much of the 20th century economic development depended on the resource base of a nation often amplified by technology but at the tail end of the 20th century and at the dawn of the 21st century economic development in any given nation is driven by the knowledge base especially the skills and expertise of the nation.

Professor Anya .O. Anya further noted that the study of the transition from resource-base economies to knowledge-based economies have established three levels of economic development as seen in different nations and each propelled by one of three different factors. In low income economies development is resource-based and therefore factor-driven. As the low income economy transits to the medium-income level development becomes investment driven and finally in the transition to high income, technology becomes a dominant factor. Consequently, high income economies are innovation driven.

Economic development Agenda in a democratic order most necessarily imbibe the idea that sovereignty resides with the people and therefore, any economic development policy must also incorporate into the Development Agenda that every individual in the society has the right to be a productive citizen and contributing member of his/her family community and society.

It follows then that every human community should have the opportunity to control their productive resources within their ecological preserve to enable them produce and broadly distribute goods and services vital to their basic needs, livelihood and sustained development.

Indeed, any government development agenda should be people and community oriented and participatory development strategy that allows for each community to create its own self reliant economic units which will in turn create a safety net to wade off downswings of national and international economic shocks. In this way, when people or communities partake in the management of their environmental resources on which their own and the lives of their children depend, they are more likely to exercise responsible stewardship in the allocation of resources to meet the needs of society in an appreciable order of resiliency and stability in promoting social well being.

Renewal of ideas also call for reformation in governance and administrative strategy. While there are scheduled meetings in the state council of governance and also at the state assembly, there should also be expanded patterns of scheduled meetings, consultations and workshops for exchange of ideas between the government and the governed for healthy exchange of development ideas, challenges and accomplishments as part of responsiveness to shared responsibility between policy makers academic-thinkers, professionals, community leaders, youths and citizens. Let there be government to people and people to people town meetings which is traditional for inspiration in providing collective well being. There should be established Bayelsa Town meetings statewide and replicated in all local government areas so that government will keep abreast with all development activities and keep in touch with the people.

Through this Town meeting strategy, government would have made every unit of governance functionally relevant as well as sense of belonging to the development strategy put in place.

In planning for development, government needs to periodically revisit and review its own master plan with the view to assess and monitor conditions for effective implementation and feed back on the rate of success of the master plan put in place.

Federal government and the state as well as other private and public development agencies need to cooperate in the effort of building roads, communication, power and other vital public infrastructure for accelerated growth and development in Bayelsa. Also, the government should help to place our qualified personnel in all Federal Agencies including diplomatic corp. in order to ensure that Bayelsa State has its fair share of representation in the Federal Public Service.

Education is the foundation of development. The government needs to take high priority in educational investment that is capable of building the capacity of the people to take charge of their own lives, communities and participate in local, national and international decision making processes that affect them.

Bayelsa must enhance all its educational institutions with links to national and international credible universities and experts with standards and productivity capable of commanding academic currency whose values and products are comparable to academic standards anywhere in the world. Federal and State governments should help to establish a Federal University and Polytechnic for Bayelsans.

On finance and development the government needs to ensure that development projects are within budgetary and funding guidelines and that there is the availability of resources. Government should promote unified cooperation and coordination of development efforts between national and international donor organizations in the implementation of development projects.

Government can encourage efforts to enhance fiscal capacity of the state through allocation of investment funds for less risky financial instruments and beef up its own internal revenue efforts. There needs to be some inward looking approach to enhance its own fiscal capacity.

To attract more businesses to Bayelsa and for the good of families and businesses, government and private sector should work to establish resort centers, campsites and other recreational facilities which will create, not only more job opportunities, but also leisure revenues for the state coffers. Inadequate provision of recreational facilities in the state has made many citizens and corporate employees to travel to neighboring states to find their own solace in leisure and spend their money outside Bayelsa. Bayelsa is loosing money. We know that transportation cost in riverine areas is too high so we appeal to the federal and state government to establish water mass transit with good boats. The housing units must be affordable.

Agenda for development should include better environmental stewardship. Let us have a new slogan in Bayelsa, keep Bayelsa clean campaign for environmental cleanliness and better stewardship so that every community will have a set day to clean the environment. Let us have cleanliness from the grassroots.

Everybody should cooperate with the government to install responsible waste disposal system from the villages to cities and also the government and community leaders should work together to preserve and conserve farmlands to help farmers in all communities.

As part of the development strategy, Bayelsa State should take conscious step to reach out for Bayelsa Diaspora at home and abroad. There is need to redrain the Brain Drain we have Bayelsans in Europe and America making outstanding impacts in their host countries by playing a pivotal role in engineering, computers, medicine, academics technology and public service. They are willing to come home with an enabling technology, as industrialists, academicians and professionals to establish enterprises at no cost to the government except that the government helps them to secure land. Perhaps the government needs to build mere commercial and residential estates.

Let us learn from the Great Law of Six American Indian nations of Iroquois which states that: In our every deliberation, we must consider the impact of our decisions on the next seven generations. Therefore, in planning for our succeeding generations and as part of our long-term sustainable development interest in Bayelsa and the Niger Delta in general, the government and nation should establish Oil Heritage Savings Fund for the Niger Delta to ensure sustainable development of the area in the post oil era and save for the future generation of our citizens to enjoy our oil wealth today.

With the good governance, our communities will live in harmony with one another and a bright future where equality and social justice abound will be guaranteed to all in an atmosphere of balanced development. Thank you.

There is need for both public and private sectors to improve upon provision of housing.

The Housing Authority should seriously consider creating contiguous housing zones in the state metropolis. Such housing zones can be established as Amassoma, Tombia, Okolobiri, Igbogene, Obozoro, Ogbia, Okordia Zarama, Buseni, Odi, Kaiama and other areas within close distance to the metropolis in order to ease off congestion in Yenagoa and its limited land space.

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Development planners and policy makers need to learn from the Great Law of Six American Indian nations of Iroquois which states that: In our every deliberation, we must consider the impact of our decisions on the next seven generations. Therefore, in planning for our succeeding generations and as part of our long-term sustainable development interest in Bayelsa and the Niger Delta in general, the government and nation should establish Oil Heritage Savings Fund for the Niger Delta to ensure sustainable development of the area in the post oil era and save for the future generation.

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