Niger Delta Development Commission activity and poverty alleviation in the rural communities of Akwa Ibom State

#### BY

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#### **ABSTRACT**

The essence of this research is to assess the impact of Niger-Delta Development Commission on rural communications in Akwa Ibom State, which is one of the principal areas known for oil production in Nigeria. The research design adopted for this study is a survey design. The study population comprised of adult male and females from the age of 25 years and above residing in the various rural communities in Akwa Ibom State who are beneficiaries of NDDC programmes, officials of NDDC and opinion leaders in the area. The sample for the study made up to five hundred (500) respondents randomly selected from ten (10) local government areas mostly benefiting from NDDC activities. A community was randomly selected from each local government area using simple random sampling and cluster sampling techniques. The main instrument used for data collection was the questionnaire developed by the researcher. Before using the instrument, the items developed was submitted to experts for screening and face validation. Those found relevant were retained while the irrelevant items were dropped. To ensure that the instrument measures consistently with what is purported to measure, a pilot study was carried out in the population area, and a Test retest method of reliability was done. To test the hypotheses of the study, chi-square  $(X^2)$  statistical technique was employed. The study concludes that the achievements of NDDC within such a short period of time (barely four years) has changed the people's perception of government projects of empty promises to that of a promise fulfilled (a dream come true). It is as a result of this fulfillment of a dream come true that the respondents of the study caused the significance of the hypothesis. It was recommended that, the commission should as much as possible get the grassroots people fully involved in the execution processes of projects.

#### **Key Words: Niger-Delta Development Commission, Poverty Alleviation**

## Introduction

In Nigeria, close to 80% of the population lives in rural areas, which are the principal sources of food, as well as raw materials for the whole country (Williams 1978:XIX)

The essence of this is research is to assess the impact of Niger-Delta Development Commission on rural communications in Akwa Ibom State, which is one of the principal areas known for oil production in Nigeria. According to Ekpo (2004). Akwa Ibom is classified among the rural communities in Nigeria, hence produces food and new materials that makes Nigeria a known figure in the world.

At the beginning, the areas referred as the Niger Delta was limited to the geo-political zone occupied mainly by minorities of Southern Nigeria which currently comprises six states of Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers. But in recent years, the Niger Delta region was re-defined and engaged to include all the contiguous nine oil-producing states. The new states of Abia, Imo and Ondo were therefore added to the original six.

The long years of neglect and deprivation, coupled with insensitivity of some previous developmental agencies, set in a volatile atmosphere characterized by protest, agitation and communal conflicts in 1998, the *Niger Delta* region by establishing this scenario, when Obasenjor became Nigerian president in May 1999, he fulfill his campaign promises he made to the region by establishing the Niger Delta Development Commission with the view that it would deal urgently and fundamentally the development needs of the Niger Delta and such that would bring sustainable prosperity and peace to the area.

It is viewed that the impact of Niger Delta Development Commission and the activities of the commission will touch about 20 million people drawn from the nine states of the region. Second, their activities will directly impact on the development of the area and Nigeria. Third, assessing the performance of the commission and the challenges of the problems needed to be solved would challenge it to perform better in the years to come. For a clearer picture, however, it is better to understand what the Niger Delta situation was, before the establishment of NDDC. Indeed, the Niger Delta which produces about 90 percent of Nigeria's oil was threatened by severe crises of unimaginable proportion. This was fuelled by ethnic hostilities, youth antagonism, vandalization of facilities and destruction of properties which was so pervasive that many stakeholders including oil firms recorded unquantifiable losses.

Niger Delta Development Commission has recorded achievement in the area of health, education, water, electricity, roads, transportation, youth's empowerment and agriculture to justify its existence. Niger Delta Development Commission has launched its development plan which was plauded, unlike other development agencies. With this, hopes are high. The chairmanship is to be rotatory. For example it has a credit in this direction, after the chairmanship the Chief Onyema Ugochukwu, from Abia State comes Ambassador Sam Edem from Akwa Ibom State.

## Statement of the problem

Akwa Ibom as one of the state in the Niger Delta region is equally affected by this scenario of underdevelopment, absence of infrastructural amenities, unemployment absence of infrastructural amenities, unemployment, marginalization, exploitation, unfavorable political climate etc. Akwa Ibom State is virtually made up of rural communities, and it is hoped that with the help of Niger Delta Development Commission. Its status will improve. This is in view of the fact that problems of rural communities are many, some of which are neglect by government, the poor terrain of the territory and the under-development know-how of the people themselves. Indeed, rural communities in Nigeria are generally characterized by impoverish condition of the people. In order to address upon these problems, various governments of the federation have formulated, but none has actually yielded any positive result. Something may have gone wrong which promoted the articulation of this study. Hence, the research question was asked:

What role does Niger Delta Development Commission play in alleviating poverty in the rural communities of Akwa Ibom State.

## **Objective of the study**

The main objective of this study is to examine the activities of Niger Delta Development Commission towards poverty alleviation of rural communities of Akwa Ibom State.

## Research hypotheses

There is no significant relationship between Niger Delta Development Commission activity and poverty alleviation in the rural communities of Akwa Ibom State.

#### **Literature Review**

## NDDC and Rural Poverty Alleviation

Poverty reduction is a policy response to the prevalence of poverty. On the other hand poverty reduction in the Nigerian context is the process by which the socio-economic and political status of the hitherto poor, deprived and oppressed masses of the country, especially the rural dwellers is seen to have been meaningfully transformed or reasonably improved (Daniel, 2000).

The persistent poverty in the NDR (amidst God's given affluence of natural crude oil) is just like the situation in the entire country. Nigeria, is said to be evident, not because of the absence of programmes aimed at its eradication, but it is rather the result of failure of the programmes.

In fact evidence is that, in the end, poverty alleviation programmes entrap and push more people into the abyss of poverty reproduction (Tell, 2001). Failure of poverty alleviation programmes, especially in the NDR has been blamed upon various factors amongst which are poor leadership programmes, bad governance, misplaced priorities, urban sector biases and lack of political will (Uya & Okoro 2002, 505-506). In a similar token, Nkom (2000) in his study found out that lack of transparency, accountability and other ethical conducts which reflect good governance are at low levels not only in the NDR, but also the entire nation as a whole. The implication is that resources earmarked for running and maintaining public institutions and programmes are diverted by those in charge to private pocket or cliques thereby subverting the capacity of these programmes and institutions to perform efficiently.

When the NDDC was instituted for the NDR, many communities in the region did not expect any much difference from the past commissions. This notion according to Daniel (2000) has however been debunked to a large extent by the way the commission has carried on its poverty alleviation programmes. In other words, it appears too early for anyone to give a summative evaluation of NDDC activities. However the programmes already earmarked in the entire NDR, have all commenced in the various states and are still in their execution stages.

In Akwa Ibom State, agriculture loan scheme, and school rehabilitation projects have all started. It is hoped that in the next few months/years much would be left on ground to evaluate (Akpan, 2000). According to Bassey (2002) and Aguariavovodo (2004) the NDR is fast embarking on gradual rural transformation of many rural communities into semi-urban centers. This is as a result of the full implementation/execution of the rural projects of the NDDC. In Akwa Ibom State, just like in the other states of the NDR, the projects with a completion date of 2006 aimed at improving the business development initiative of the NDR over these three years.

However, under the community assistance model, there was a low level of community participation and ownership of the welfare scheme and infrastructure projects' provided as part

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of the Shell Development Company (SPDC)'s programme – on the impacting company's side. According to Chinedu (2004), a comprehensive review of all community interface activities meant to alleviate rural poverty in the NDR, within Shell Companies in Nigeria (SCN), in April 2002 highlighted the inadequate capacity within SCN to fully deliver the social dimension of development. The company – by directive of the NDDC – began the process of developing new strategies to address current and emerging social issues. The objective of this shift were to:

- > Promote sustainable social and economic development of the community
- > Support government in building capacity to enhance delivery on its role on sustainable community development
- > Form partnerships with other corporate bodies and civil society organization in developing community
- > Secure SCN's license to operate and ultimately maximize oil and gas development revenue for the benefit of all (Akukwe, 1988)

This new approach is to engender poverty alleviation toward sustainable community development (SCD) strategy which is aimed at improving the management of all communities interface within Shell, Petroleum Nigeria Limited. This has become the next phase of social options in SPDC's journey from community assistance to sustainable social development. It involves managing community interface as a care line responsibility and through teams who interact daily with the communities. This is being complemented by strong central guidance and monitoring from the SCD organization thus attention to community issues and concerns (Akukwu, 1988).

The SCD strategy places greater emphasis on partnerships, not just with the communities themselves, but also with government, local and international development organizations need to complement SPDC's effort's to develop solutions that SPDC cannot achieve on their own, thereby accelerating development and employment opportunities across the region. Two of such partnerships were entered in 2003, the first one with USAID a five year \$20 millions agreement that will develop Nigerian capacity in agriculture, health and business enterprise-and the second with Africa - a three year \$4.5 million partnership that will focus on reducing death from malaria. A third partnership with UNDP, was signed in 2004 (Akukwe, 1988).

Apart from developing expertise and additional development funding into the Niger Delta, these partnerships are intended to offer excellent opportunities for improved cultivation for farmer, increased access to domestic and overseas markets, development of local industries and agro-allied enterprise. They will also increase opportunities for local employment and capacity building, and help to improve the local economy and implementation of the programmes under these partnerships will begin in 2004, whilst discussions are ongoing to develop new partnerships (including with NDDC).

The new strategy also aims to abolish corrosive practices that currently impede sustainable development in communities, chiefly the pressure for cash payments for unjustifiable reasons, such as the payment of "ghost workers" (or standby labour). The demand for, and payment of cash to community youths for access fees, standby labour, and so on have sometimes led to disputes within communities and often distort genuine community needs. According to SPDC's (1990) interaction with communities will henceforth be governed by a set of SCD "big roles" which amongst other things out laws unjustifiable payments.

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The primary goal of the big rules and SCD as a whole is to ensure that SPDC's community interventions are sustainable and deliver real and immeasurable benefits of poverty alleviation to intended beneficiaries right across communities, and not just concentrated in the hands of a few influential individuals.

To ensure sustainability, benefiting communities need to take the lead in the decisions and planning for their own development, and ownership of the resulting projects and programmes. To provide them the skill and confidence to do so, SCD places emphasis on capacity building-helping communities (other development partners) to build their capacity (Havens 1972).

The SCD strategy also recognizes the "symbiotic relationship" between development and peace. An integral part of the new SCD strategy is the development of a peace and security strategy (PASS) for the Niger Delta. Preliminary work have been done with the help of internationally recognized experts on conflict reduction and peace building. So far a synthesis and a baseline report on the conflict situation in the region have been produced following wide consultation across the region. Going forward, a peace and security working group (PASS), comprising public and private stake holders in the Niger Delta will be set up to collectively develop the Pass and Security Strategies (PASS). On completion, it is expected that PASS will become an essential component of the strategy for fostering sustained peace and development in the Niger Delta.

The UNDP has summed up the defects of some of the previous development strategies not just in the Niger Delta but also in Nigeria as a whole. The greatest flaw in these (PASS) and poverty alleviations strategies is their "top down" approach. The federal authorities have taken all the initiatives. The state and local governments were reduced to mere implementing authorities. Even here, state and local governments are seen as those who do not contribute financially and hence their ideas are not wanted. The rural man is even seen as illiterate, hence it is needless to add that the involvement of the supposed beneficiaries both I the conception and the implementation of the programmes were conspicuously negligible (UNDP 2004).

The main programmes preceding the creation of the NDDC suffered from a lack of clarity of vision, adherence to meaningful achievable goals and objectives within a framework guiding systematic action and review and evaluation of progress. This is precisely the framework that the Niger Delta master plan and a strategy implementation plans will offer I providing the guidance and context for detailed action by state and local governments as well as other development efforts in the region (Havens 1972).

Finally, in respect of agriculture, NDDC is collaborating with International Institute for Tropical Agriculture (IITA), the Federal Government and other Stakeholders to prevent the spread of deadly cassava mosaic disease. It is also in collaboration with International Fund for Agriculture Development (IFAD), the Federal Government and other Stakeholders to implement the community based Natural Resources Management Programme. In addition, NDDC is supporting the sector through the provision of fingelings for fish farming, improved seedlings and fertilizer (Igiebor & Omotunde, 2001).

## Method

The Study Area

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The study was conducted in Akwa Ibom State of Nigeria.

## **Research Design**

The research design adopted for this study is a survey design. The survey was conducted in Akwa Ibom State of Nigeria.

## The Study Population

The study population comprises of adult male and females from the ages of 25 years and above; and are residents of the various rural communities in Akwa Ibom State who are beneficiaries of NDDC programmes, officials of NDDC and opinion leaders in the area.

## Sample and Sampling Technique

Data for this study comes from questionnaire administered between April and October 2005 in Akwa Ibom State. The sample of this study is made up to five hundred (500) respondents randomly selected from ten (10) local government areas mostly benefiting from NDDC activities. Ekpo (2004). A community was randomly selected from each local government area using simple random sampling technique. A breakdown of the figure shows that fifty (50) respondents were randomly selected from each of the ten communities chosen for the study. The selection was further done using cluster sampling techniques.

#### Instrumentation

The main instrument used for data collection was the questionnaire design by the researcher with the help of the supervisor. The major sources of data of this study were from text books, published and unpolished, magazines, news dailies, journals etc. internets sources were also used, all as secondary source. A field survey was carried out where raw data were obtained through a structured questionnaire. These were actually the primary sources of data for this research work.

#### Validation of the Instrument

The items in the questionnaire were drawn in reflection of the hypothesis generated and the variables under study. Before using the instrument, the items development were given to experts in research and statistics for screening and finally to the supervisor who carefully vetted the items and passed its face validity. Those found relevant were retained while the irrelevant items were dropped.

## **Reliability of Instrument**

To ensure that the instrument measures consistently with what is purported to measure, a pilot study was carried out in the population area. Test retest method of reliability was done.

## **Method of Data Analysis**

To test the hypotheses of the study, chi-square  $(X^2)$  statistical technique was employed. The statistical technique was used because of the nature of the variables involved in the hypothesis for the study.

## **Results and Discussion of Findings**

In presenting the result, the decision rule was first stated, thereafter the hypothesis was tested and analysed, under 0.05 degree of significance with appropriate degree of freedom.

TABLE 1: Contingency chi-square  $(X^2)$  analysis of the influence of NDDC activities on reduction of poverty levels among rural communities. n=500

	NDDC RELIEF ACTIVITIES								
Variables (poverty levels)			Scholarship Awards	Loans for small - scale bus.	Farming subsidies	Road Trans. Subsidies	Total	Df	X <sup>2</sup> -cal
High	poverty	(F <sub>0</sub> )	50	65	40	30	185		
level		$(F_e)$	(43.66)	(59.20)	(51.43)	(30.71)			
Average	Poverty	(F <sub>0</sub> )	40	60	60	33	193		*
Level		$(F_e)$	(45.55)	(61.71)	(53.66)	(30.04)		6	17.02
Low	Poverty	(F <sub>0</sub> )	28	35	39	20	122		
Level		$(F_e)$	(28.80)	(39.04)	(33.92)	(20.25)			
Total			118	160	139	83	500		

<sup>\*</sup> Significant at P< .05, df = 6 crit- $X^2$  = 12.586 (or 12.59)

From table 1, it can be observed that the calculated chi-square  $(X^2)$  – value of 17.30 was higher than the critical  $X^2$ -value of 12.59, required at .05 level of significance with 6 degree of freedom, thus, the null hypothesis is rejected while the alternate hypothesis is accepted, hence there is a significant relationship between NDDC activities and poverty alleviation of rural dwellers of Akwa Ibom State.

## **Discussion of Finding**

## NDDC activities and rural poverty alleviation in Akwa Ibom State

The testing of the hypothesis has shown that NDDC's activities in the NDR have played significant beneficial roles in alleviating the poverty burden of many individuals in Akwa Ibom State. That the presence of the NDDC has enhance the formation of rural dwellers into cooperative groups, by which NDDC is able to reach out onto such communities and provide some forms of loan, either directly or indirectly to the rural people. This is specifically felt in the aspects of farming, where agricultural subsidies are provided to the rural farmers through the distribution of farming inputs (improved farm-crops like soya bean, hybridized maize and cassava seedlings, rice, and animal husbandry). Also, small scale loans are given to interested farmers to invest on fishing ponds, piggery, and goateries, among others. Other areas of assistance are the provision of road transports, business, entrepreneurship and scholarship for education at all levels of education.

The findings is highly supported by Chinedu (2004) who asserts that NDDC has actually initiated some poverty alleviation programmes- especially in the area of scholarship awards to sons and daughters of Akwa Ibom State; but that comparatively, the rate is still very low taking the population of the state and the high poverty level into consideration. Akwa Ibom State with a population of close to 4 million people, the rate of beneficiaries of the financial assistanceship scheme of the NDDC is still low, (but, though, highly appreciated).

UNDP (2001) also supports the findings of this study by asserting that within a short span of time, NDDC has started the supply of fingerlings (through IFAD's collaborative effort) to local farmers to boost fish production to enhance the supply of high protein fish to the teaming population of the state and beyond. In their support to the above, Igiebor & Omotunde (2001)

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assert that IFAD and SCD strategic plans have also taken into consideration the symbiotic relationship between development and peace in Akwa Ibom State. That aside from few agitations in some areas of the state, there has been relative peace in the region since the inception of the NDDC developmental activities. The developmental programmes in the state, preceding the creation of the NDDC suffered from a lack of clarity of vision, adherence to meaningful achievable goals and objectives; and which the NDDC has come to amend.

In the aspect of transportation the commission has acquired 300, 18 seater buses, as well as flying boats for the riverine areas. Also about 200 waste disposal trucks as well as 10 ambulance cars have been provided for emergency cases in hospitals (Ekpo, 2004). All these, add credibility to NDDC activities.

Still in respect of poverty alleviation many communities have had their sons and daughter benefiting from the commission's scholarship programme, mostly to secondary and tertiary institutions all over the country. That NDDC has a programme of awarding scholarship to over 4500 student each year to benefiting students of Akwa Ibom State origin. Thus, it is believed this will alleviate the suffering of majority of the lower socio-economic class in the region who cannot easily afford school fees for their wards. Once such wards satisfy the laid down conditions of NDDC, the scholarship is warded accordingly.

Data also reveal that one area of significant benefit on poverty alleviation strategy of the NDDC is the subsidies provided for road transportation. This is done through provision of short term loans to interested citizens for the purchase of vehicles (which are also heavily subsidized by NDDC) which are made to ply inter-state transport services to almost every state of the federation. The fares of these interstate transport services are usually very minimal so as to encourage the masses or citizen to benefit/patronize this goodwill. According to Aguariavwodo (2004) over 800 such loans and vehicles have been so far made available to indigenous of the States.

In the aspect of agriculture, the commission has also made provision to supply improved variety of rice species for the Fadama cultivation programme, across the State. It is hoped that when fully operational the Fadama project will supply all the rice equivalence of what is being imported consumed to the States.

Finally, the poverty alleviation programme has been extended to the provision of small-scale commercial loans for the setting up of business enterprises and cooperative sales associations in the state. This has readily encouraged the formation of sales-groups and marketing unions in the urban centers in particular. Some people collect these loans for transport service or for setting up supermarkets (retailing shops) where necessary. This form of cooperative-shopping has really enhanced the financial position of many citizens, and a lot more are hoping to benefit with time. According to Ekpo (2004) the plan to embark on full utilization of Fadama wet lands is a welcome development not only for the State, but for other parts of the region. First, the initiative will complement the efforts of the NDDC and other parties who probably have the greatest responsibility to provide for the people.

## Conclusion

The study points to the fact that the achievements of NDDC within such a short period of time (barely four years) has changed the people's perception of government projects of empty

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promises to that of a promise fulfilled (a dream come true). It is as a result of this fulfillment of a dream come true that the respondents of the study caused the significance of the hypothesis.

#### Recommendations

Based on the findings of the study, the following recommendations are made:

- 1. That, the commission should as much as possible get the grassroots people fully involved in the execution processes of projects. The commission itself, has all stakeholders in the state as contributors to NDDC, it thus behooves on the people to be involved in making this very important projects a people-oriented programme.
- 2. It must be remarked here that an organization like NDDC must not be without challenges; and some skeptics are already predicting its failure like its predecessor commissions such as OMPADEC and petroleum special Trust Fund. This study recommends that the NDDC must remain steadfast and diligent in the dissipation of its much needed developmental projects in the State; bearing in mind the adage that "the end justifies the means".

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