



Natural Endowment and Persistent Poverty Situation in Nigeria; The Nexus.

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Abstract

There is a nexus between the state, resource endowment and the national development of any nation. The capacity of the state is measured by its ability to effectively harness and optimally utilize and allocate the commonwealth of the nation. The Nigerian state has not been able to effectively convert the abundant human and natural resources to wealth for the people. This paper therefore interrogates the capacity and willingness of the Nigerian state to effectively explore and manage the abundance resources to improve the life of the people as a way of enhancing the national development and reducing the level of poverty among people in Nigerian state. The paper adopted qualitative technique of research with extensive use of secondary data sourced from national and international data banks, the internet, the library and national dailies. The paper followed the logic of neo-Marxism to question the nature of capital accumulation in Nigeria with its attendant (under)development implications. It was revealed in the study that the challenge of poverty seems to have defied solutions in spite of the abundant resources put in place to alleviate or eradicate poverty. In the opinion of the paper the measures in some cases have led to a worsening of the conditions of the poor. As a corollary the point is made that the corrupt practices and tendencies of those charged with poverty alleviation and eradication were responsible for this condition. It therefore recommends active state engagement with the private sector to ensure effective use of the abundant resources for the overall development of other critical sectors of the Nigeria's economy.

Keywords: Natural endowment, National development, Poverty, Nigerian government, the nexus

Introduction

Nigeria came into existence in 1914 as a result of the amalgamation of the North with the Southern protectorates by Sir Lord Lugard, who was the Governor General, representing the British Colonial Master at that time. Nigeria became independent in 1960 and a republic three years later (1963). At independence, the country practiced Parliamentary system of Government headed by the Prime Minister. The first republic was terminated by a military coup in 1966 by a group of young army officers. The military intervention in the governance of Nigeria lasted till 1979 after which the Second Republic was born. A new presidential system of governance was introduced in Nigeria. The civilian administration was interrupted again in 1983 and lasted for seventeen years till 1999 when a third republic was born and has lasted up till date. Nigeria, commonly known as the giant of Africa with more than 180 million people is the most populous country in Africa. With one of the biggest democracies in the world and a presidential system of government, Nigeria has a dual economy, based on its rich natural resources, traditional agriculture and the trade sector. Despite her high potential in human resources, she is also endowed with rich natural resources such as oil,

gas and minerals. The country aims at developing other productive sectors, boosted by the size of its population and economy; hence, she is a regional powerhouse. The country has a rich land of diverse cultural heritage, with more than 250 ethnic groups, a wide array of religions and sophisticated visual arts.

Nigeria is located at the extreme inner corner of the Gulf of Guinea on the West coast of Africa and lies between latitudes 3°15' to 13°30' N and longitudes 2°59' to 15°00' E. On the South, it is bordered by Gulf of Guinea, on the West and North, it is bordered by the Republics of Benin and Niger respectively, and on the East, it adjoins the Cameroon Republic. Nigeria has a land area of 923, 768 km² in which land comprises 910, 768 km² and water accounts for 13, 000 km². Its greatest length from North to South is 1, 046 km, and its maximum breadth from East to West is 1,127 km with a total boundary length of 4,900 km, of which 853 km is coastline. Comparatively, the area occupied by Nigeria is slightly more than twice the size of the state of California in the United States of America and almost twice that of France. The country has rich deposits of natural gas, petroleum, tin, iron ore, coal, limestone, niobium, lead, zinc and arable lands. The major rivers are the Niger and Benue rivers. The outlets of these rivers and their tributaries are masked by the walls of mangrove. Behind this barrier, calm lagoons extend from the western boarder of the great Niger.

Nigeria experiences four different types of climates ranging from the tropical rainforest climate to tropical savanna, tropical dry climate and the montane micro-climate. Nigeria has a tropical climate with variable rainy and dry seasons, depending on location. It is hot and wet most of the year in the southeast but dry in the southwest and farther inland. A savannah climate, with marked wet and dry seasons, prevails in the North and West, while a steppe climate with little precipitation is found in the far North. In general, the length of the rainy season decreases from South to North. In the South, the rainy season lasts from March to mid-October, whereas in the far North it lasts only from mid- May to September. A marked interruption in the rains occurs during August in the South, resulting in a short dry season often referred to as the "August break." Precipitation is heavier in the south, especially in the southeast, which receives more than 120 inches (3,000 mm) of rain a year, compared with about 70 inches (1,800 mm) in the southwest. Rainfall decreases progressively away from the coast; the far north receives not more than 20 inches (500 mm) a year.

Temperature and humidity remain relatively constant throughout the year in the South, while the seasons vary considerably in the north. During the Northern dry season, the daily temperature range becomes great as well. On the coast, the mean monthly maximum temperatures are steady throughout the year, remaining about 90 °F (32 °C) at Lagos and about 91 °F (33 °C) at Port Harcourt; the mean minimum temperatures are approximately 72 °F (22 °C) for Lagos and 68 °F (20 °C) for Port Harcourt. In general, mean maximum temperatures are higher in the north, while mean minimum temperatures are lower in the

south. In the North East city of Maiduguri, for example, the mean monthly maximum temperature may exceed 100 °F (38 °C) during the hot months of April and May, while in the same season frosts may occur at night. The humidity generally is high in the north, but it falls during the harmattan (the hot, dry northeast trade wind), which blows for more than three months in the north but rarely for more than two weeks along the coast.

The geology of Nigeria could be described as Pre-Cambrian, Cretaceous, Tertiary, Quaternary and Volcanic. The pre-Cambrian rocks are made up of igneous and metamorphic rocks and cover almost fifty percent of the country. They are crystalline in nature and consist of granite, gneiss and schist and they are commonly referred to as the basement complex. When weathered, the older granites give rise to smooth-domed hills known as inselbergs. The Cretaceous rocks are relatively younger rock types than the Pre-Cambrian rock types. They consist of various sandstones that are basically classified as older sedimentary rocks. Cuesta relief forms are characteristic of these rocks; and coal, lignite and limestone are important minerals found in these rocks. These rocks occupy the basins of Niger, Benue, Gongola and Cross Rivers. The younger sedimentary rocks are the rocks of the tertiary age consisting mainly of sandstone but with some clay and lime- stone. They are found in the Chad Basin and in the South with its widest extent in the Lower Niger. The alternating layers of clay and sand, especially in the Chad Basin are a noteworthy characteristic of these rocks. The Quaternary rocks are comparatively recent depositions found along the coast and river deltas of the country. They are made up of sandy and muddy deposits. Volcanic rocks which are of the tertiary age are not wide- spread in Nigeria. They are mainly found in the centre and north-east of the country. The main areas are the Biu and Jos Plateau and the Kerikerri area of the Benue valley. The acid and basic rocks of these places give rise to peculiar volcanic features.

The relief of Nigeria consists of plains in the North and South interrupted by plateaux and hills in the centre of the country. The Sokoto Plains lie in the North-western corner of the country, while the Borno Plains in the North-eastern corner extend as far as the Lake Chad basin. The Lake Chad basin and the coastal areas, including the Niger River delta and the Western parts of the Sokoto region in the far northwest, are underlain by soft, geologically young sedimentary rocks. Undulating plains, which becomes waterlogged during the rainy season, are found in these areas. The characteristic landforms of the plateaus are high plains with broad, shallow valleys dotted with numerous hills or isolated mountains, called Inselbergs; the underlying rocks are crystalline, although sandstones appear in river areas. The Jos Plateau rises almost in the centre of the country; it consists of extensive lava surfaces dotted with numerous extinct volcanoes. Other eroded surfaces, such as the Udi-Nsukka escarpment rise abruptly above the plains at elevations of at least 300m. The most mountainous area is along the South-eastern border with Cameroon, where the Cameroon Highlands rise to the highest points in the country, Chappal Waddi (2,419 m) in the Gotel Mountains and Mount Dimlang (2,042 m) in the Shebshi Mountains.

Natural resources are useful raw materials gotten from the earth. They occur naturally, which means that humans cannot make natural resources rather they modify it in ways that are beneficial to mankind. Natural resources can be classified in several ways; biotic and abiotic resources. Biotic resources are those natural resources that come from living things or organic materials. Examples of biotic resources includes plants, animals and fossil fuel. Fossil fuels are classified as biotic resources because they were formed from the decay of organic matter over million years ago. The three fossil fuels are coal, oil and natural gas. On the other hand, abiotic resources originate from non-living and inorganic materials. For example, air, sunlight and water are abiotic natural resources. Minerals such as gold, copper, iron, diamonds are also considered abiotic. Again, according to the principle of renewability, natural resources can be renewable and non-renewable. Nigeria has significant renewable and non-renewable resources, some of which have not been fully exploited. Its most profitable minerals include crude petroleum, natural gas, coal, and iron ore to cocoa, timber and so on. Nigeria's oil reserves now comprise 80% of federal government revenue and 90% of exports. Most oil reserves are in onshore fields in the Niger Delta and Kaduna. Nigeria is a country blessed with different kinds of natural resources, both mineral and agriculture. These natural resources exist in multitude in different locations across the country which as a result has contributed to the growth and development of the nation.

Nigeria is a less developed country and the impact of poverty given its pervasiveness has been very telling on the country's socio-economic and political well-being. Studies have shown that about seventy five million Nigerians live below the poverty line (Abubakar, 2009, Agodom, 2011). This indicates that about half of Nigerians are poor. Data from the Nation Bureau & Statistics indicates that 71.5% of the Nigerian population was relatively poor as at the end of 2011 (Akinmutimi, 2012, Subair, 2012, Ibrahim 2012).

According to Kayode Fayemi, "poverty in Nigeria is deep, widespread and multifaceted, and Nigerians are all victims of this condition in one way or the other, the rich elite and the poverty stricken masses alike, although not to the same degree" (Fayemi, 2005). Therein is the crisis of poverty in Nigeria. Given the pervasive nature of poverty in the country, the prospects of development in the country are very dismal. A country traumatized by a plague like poverty can hardly have a motivated citizenry that can drive the process of development. This means that until the scourge of poverty is dealt with decisively the developmental efforts of the country will continue to be frustrated. The consequences of such a situation are very dire.

It is against the foregoing background that this study examines the nexus between high level of poverty and numerous national endowments in Nigeria. To achieve this aim, the paper is divided into six parts. After the introduction, section two deals with conceptual clarifications.; Section three examines the poverty situation in Nigeria [causes of poverty, poverty alleviation programmes in the country among others]. Section Four examine the nexus between natural endowment and poverty situation in Nigeria. The last section is the

conclusion which expatiates on the place of political will toward judicious use of natural endowment in Nigeria.

Conceptual Clarifications

The Concept, National Endowment

Nigeria is blessed with abundant human and natural resources. Every part of the federating units have sizeable natural resource deposit that if adequately tapped can accelerate the overall development of the Nigerian people and the state. Some of the natural resource deposit in Nigeria are; oil and gas, rubber, iron ore, coal, ignite, cocoa, coffee, tin, ply wood, lead, gold, palm oil, among others. To this end, it can be conveniently conceived that resource endowment refers to the concentration of natural resources in a locality. The adequate and satisfactory exploration and adequate utilization of those resources often help to jump start development

However, there is different national endowment in Nigeria, but this research paper will focus more on tangible natural resources which have direct impact our economic well-being.

Natural Resources and their Locations in Nigeria

Mineral Resources	Location
Crude oil and gas	Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Lagos, Rivers
Iron Ore	Kogi, Delta, Kogi, Anambra, Benue, Kwara, Edo, asarawa, Plateau
Marble	Oyo, Benue, Benue, Abuja, Edo, Kastina, Kogi, Kwara, Rivers, Plateau, Delta
Lead/Zinc	Cross River, Benue, Ebonyi, Kano, Abia, Abuja, Akwa Ibom, Anambra, Bayelsa, Plateau, Taraba
Coal	Enugu, Ondo, Coal, Plateau, Zamfara
Salt	Cross River, Ebonyi, Abia, Akwa Ibom, Benue
Limestone	Ogun, Sokoto, Bayelsa, Benue, Borno, Ebonyi, Abia, Anambra, Bauchi, Enugu, Ondo,
Gold	Oyo, Ebonyi, Kaduna, Edo, Abia, Abuja, Bauchi, Kebbi, Kwara, Niger, Osun
Lignite	Cross River, Delta, Bayelsa, Akwa Ibom, Anambra, Edo, Imo, Rivers
Tin	Jos, Bauchi
Bitumen	Edo, Ogun, Ondo, Lagos
Gypsum	Adamawa, Anambra, Bauchi, Borno, Delta, Edo, Gombe, Ondo, Sokoto
Clay	Abuja, Akwa Ibom, Anambra, Borno, Delta, Edo, Oyo, Ondo, Plateau
Columbite	Nasarawa, Kwara, Bauchi, Osun

Source: Research Survey 2024.

Agricultural Product and their Locations in Nigeria

Groundnut	Taraba, Kano, Katsina, Niger, Sokoto, Jigawa, Bauchi, Zamfara, Kaduna, Adamawa, Gombe
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Cotton	Kano, Katsina, Kwara, Niger, Sokoto, Zamfara,
Rubber	Kebbi, Jigawa, Kaduna, Ondo
Coffee	Edo, Ogun, Delta, Cross River, Abia, Anambra,
Timber	Akwa Ibom, Rivers, Ebonyi
Kolanut	Bauchi, Kwara, Osun
Tobacco	Delta, Edo, Ogun, Cross River, Ondo, Oyo, Ekiti,
Hides and Skin	Kwara, Ogun, Osun, Oyo
Sugarcane	Kwara, Osun, Oyo, Sokoto
Plantain	Kano, Adamawa, Bauchi, Gombe, Niger, Kaduna,
Rice	Zamfara, Borno, Taraba, Kebbi
Yam	Sokoto, Taraba, Niger, Kogi, Kwara
Cassava	Oyo, Ogun, Osun, Ekiti, Edo, Delta, Imo, Bayelsa,
Maize	Abia, Ebonyi
Cashew	Kebbi, Kano, Ebonyi, Anambra, Niger, Taraba
Tomato	Taraba, Benue, Niger, Nasarawa
	Imo, Ondo, Anambra, Kogi, Taraba, Ogun, Cross
	River, Ogun, Enugu, Benue, Edo
	Niger, Kaduna, Taraba, Plateau, Adamawa
	Enugu, Oyo, Anambra, Kogi, Osun, Abia, Imo,
	Benue, Ebonyi, Kwara, Nassarawa
	Jigawa, Kastina, Zamfara, Kano, Kaduna, Bauchi,
	Gombe, Taraba

Source: Research Survey 2024.

Conceptual Review

Poverty

Poverty like most concepts does not have a single or universally accepted definition. However, as Odey argues, poverty “can be easily recognized (Odey, 2007). The following response from a “poor man” in Kenya, who was requested to define poverty, bears out the easily recognizable quality of poverty. According to him: Don’t ask me what poverty is because you have met it outside my house. Look at the house and count the number of holes, look at my utensils and the clothes that I am wearing. Look at everything and write what you see. What you see is poverty (in Jimada, 2008). Poverty can be defined from different perspectives. Indeed, scholars are agreed that poverty is multi- dimensional in nature (Odey, 2007, Jimada, 2008, Mambe, 2009, UNDP, HDR Nigeria, 2008).

The United Nations Development Programme (UNDP) defines poverty as “a state of long-term deprivation of those essential and non-material attributes which are considered necessary for decent living” (UNDP, 2009). Ajakaiye and Olomola define poverty as; ...living condition in which an individual is faced with economic, social, mental, political, cultural and environmental deprivation and exclusion. It is a state of voluntary or circumstantial deprivation to which persons, households, communities or nations can be subjected to (in Mambe, 2009). Poverty may be classified in terms of absolute poverty, relative poverty and subjective poverty (Odey, 2007, Mambe, 2009, Alubo, 2005).

Absolute poverty refers to a situation where there is lack of resources to obtain and consume a certain bundle of goods and services. This bundle of good and service, is made up of an objective minimum of the basic necessities of life such as food, shelter, and clothing. This categorization has two main problems. One, what to include in this objective

minimum and two how to set minimum standards for basic needs like clothing and housing which often vary according to individual taste, cultural norms and the prevailing socio-economic conditions in society at a given period (Odusola, 1997).

Absolute poverty involves a judgment of basic human needs and is measured in terms of the resources required to survive and maintain health and physical efficiency. Most measures of absolute poverty are concerned with establishing the quality and amount of food, clothing and shelter deemed necessary for a healthy life. Absolute poverty is also known as subsistence poverty since it is based on gauging minimum subsistence requirements (Mambe, 2009; Bello, 2002).

Relative poverty- this is an attempt to conceptualize poverty with respect to the living standards that prevail in a particular society. The key merit in measuring poverty in this manner is that it reflects changing perceptions of acceptable minimum living standard. For example electricity, indoor plumbing and pipe-borne water considered essentials in the developed countries may be luxuries in developing countries (Odusola, 1997).

Relative poverty refers to a person or household whose provision with goods is lower than that of other persons or households. In this sense, relative poverty does not mean that the persons affected cannot lead a life that is worthy of human dignity. It only means that because of the distribution structures in a society, certain economic subjects are disadvantaged to an unacceptable extent. Relative poverty exists when the subjects concerned are poor in relation to others (Anyanwu, 1997).

The Poverty Situation in Nigeria

While indeed poverty is a global phenomenon and is all pervading, the situation in Nigeria is quite alarming because “in spite of the rich resource base of Nigeria, most Nigerians live below the poverty line, making them susceptible to hunger and disease (Adewumi, 2005). According to Farunkanmi, poverty; ...is visible on the faces of Nigerians, in the nature of our living conditions, in the decaying morphology of our towns which are over-congested and ragged, on the roads which are prone to erosion, untarred (with) imported junks referred to as motor vehicles, dearth of drugs in our clinics, ... collapse of tertiary education, dearth of employment opportunities for able-bodied and educated youths most of whom are, for want of gainful employment involved in armed robbery and in other unwholesome activities (Idada, 2003).

The long and short of the story is that poverty is a major challenge in Nigeria. The phenomenon manifests in both absolute and relative terms. Studies have shown that “the incidence of poverty in terms of those who live below one dollar per day is put at between 54% and 70%” (Adewumi, 2005). Indeed, the incidence of poverty has continued to elicit reactions. For example between September, 2008 and December 2009 five Nigerian newspapers dedicated their editorials to the issue of poverty. (*Nigerian Tribune* 25 January 2008, *National Life*, September 13, 2008, *Nigerian Tribune* 17, October 2008. *Nigerian*

Tribune 24 October, 2008, *Punch* March 11, 2009, *Nigerian Compass* March 23, 2009, *The Nation* December 11, 2009.)

In the same vein scholars and opinionists have variously discussed the issue of poverty (Amaechi 2008, Gulloma, 2008, Onyechere, 2008, Sobowale, 200C), Ekpu, 2009 Omoniyi, 2011; Yerima, 2011, Agodon, 2011, Osuji, 2011)). All these show that the issue of poverty poses a dilemma to many. In fact as the World Bank, report on Nigerian poignantly reports, the Nigerian situation is a case of “Poverty in the Midst of Plenty” (Egwu, 2007). This has had a telling effect on development efforts in the country.

Effects of Poverty

The failure of government’s fight against poverty has meant that poverty has continued to ravage and wreak havoc on the lives of many Nigerians. This will *ipso facto* mean that it has had very telling effects on the lives of these people. This has been more so in terms of the impact of poverty in frustrating development efforts. These effects of poverty may be summarized basically as manifestations of underdevelopment. Dagaci Mambe has summarized the views of some scholars on the effects of poverty as follows:

Less money is spent per pupil on schools attended by poor children who spend few years in school, do less while there and do not obtain a degree and diploma essential for later job success. Poor people have less-nourishing diets and more birth defects, accidents, disease and reported mental illness than others.

They are also more likely to be alcoholic and narcotic addicts. As a result, they have higher absenteeism at work and school, lower energy levels, lower productivity and shorter lives. There is high rate of mortality in the society of the poor especially women and children.

Violent crimes such as assault, rape, homicide, “thuggery” and armed robbery, are committed by and against the poor people and they are more likely to be arrested (falsely or rightfully), less likely to be released pending trial, and more likely to receive stiffer sentences than the non-poor. Due to poverty crisis in the Nigerian system, the socio-political space of the nation is riddled with the collapse of social values, “kleptocracy”, political corruption, transition crises, manipulation of electoral process unstable, weak and vulnerable structures, as well as brigandage.

Another effect of poverty in Nigeria is that poor people vote in much smaller numbers than the rest of society and they are poorly organized to influence any government policies and agencies. Poverty breeds inferiority complex in people and makes them aliens and slaves in societies in which they are ordinarily major stakeholders. The poor people pay higher prices and interest rates and are more frequently victimized in their purchase.

Poverty is dehumanizing and destabilizes the society and degrades the economy. It breeds other vices, because out of poverty, grows the greed and desperation to get rich at all cost through dubious exploitation and all sorts of illegalities, such as bribery, circulation of fake and adulterated products, prostitution, ethno-religious crises, ethnocentrism, vandalization of government properties, oil, telecommunication and electricity equipment. (Mambe, 2009).

Other effects of poverty may be enumerated as follows: Malnutrition, hunger and starvation; Infectious disease and exposure to the elements; Mental illness and drug dependence and increased suicide; Crime and violence; Depression; Homelessness; Lack of opportunities for employment; Low literacy; Social isolation; Increased discrimination; Lower life expectancy among others.

Having examined all the above, this paper is of the view that, the most serious effect of poverty is its dehumanizing component. When a man cannot as a consequence of poverty meet his basic needs such a man loses his dignity and we argue, with that, almost every other thing (Egwemi and Yunusa, 2011). All these effects of poverty directly and indirectly affect the development efforts of Nigeria. This is why the need for political will is advocated in this paper. It is the reasoned opinion of this paper that dealing with the scourge of poverty is a major step towards tackling the challenge of development in Nigeria.

Discussion

Though, the evidence on resource curse is inconclusive, many scholars have accepted the notion that wealth from natural resources endowments leads to negative economic results and have attempted to explain why such is the case, regionally or globally. Here, perspectives vary according to cause and the emphasis attached, but may be broadly being discussed under the following;

Radical perspective that emphasize the role of foreign actors: this group of scholars aligned with Marxist ideology that colonial exploitation of the periphery by the Centre, unequal terms of trade at international markets and connivance of local elites with multinational corporations are the major issues impeding progress in the resource rich countries and not resource abundance per se.

Structuralist perspective that emphasizes the role of social groups or socio-economic structure: the opinion here shows that resource curse syndrome emanates mainly because of its effect on the relative influence of the various social groups or classes. This category of scholars view that resource abundance enriches powerful business elites, which tend to exert pressure on government to perform effectively (Broad 1995; Urrutia 1988). Some scholars argue that the main reason why East Asia develops more than Latin America in terms of economic growth and poverty reduction in recent years is the effect of resource endowments

in the two regions on their respective industrial policies. It is argued that in Latin America resource endowments led to political and social dominance of the business and landed elites with interest in Import-Substitution Industrialization (ISI), thus impeding the emergence of externally competitive industrial sector. While in East Asia, resource poverty implies that such elites did not exist, or are not as influential in the government, which makes it easier for adoption of export-oriented industrialization and the formulation of an externally competitive economy (Auty 1995; Mahun 1992).

Social Capital perspective that emphasizes the extent of social integration: this group views that the problem with resource abundance is that it hinders social unity and also restricts the ability of governments to absorb economic instability. Point-resource ownership, it argues is normally in the grips of few powerful individuals or groups, which tends to create friction in the society. Certain frictions may be masked during prosperity and may eventually surface during crisis. The outcome, arguably, consensus among members becomes difficult around reform strategy for dealing with the crisis. Thus, in such instance, elites win out and tangible reform is frustrated (Isham et al 2002).

State-Centred perspective: that emphasizes the nature of the state: this view argues that resource abundance leads to poor economic progress not by affecting the behaviour of political class or social actors but by inducing the state's ability to promote economic development. Certain theorists highlighted the defects related to the so-called 'rentier-states' - that is, those benefitting from enormous amounts of unearned income in form of royalties, taxes and rents (First 1974); Mahdary 1970; Skocpol 1982; Beblaws 1987; Luciani 1987; Tanter 1990; Chandry 1994. State-owned public enterprises are quite large in rentier states. According to Luuciani (1987:74) rentier states 'do not need to formulate anything deserving the appellation of economic policy; all they need is an expenditure policy'. Karl (1997:16) argues that dependence on oil revenues leads to the emergence of 'petro-states', those that solely survive on 'the political distribution of rents' and not promotion of economic growth, private investment and domestic production. Auty and Gelb (2001) and Auty (2001c, 2001d) opined that resource abundance tends to breed hostile and parochial oligarchic states and not developmental states due to the following factors: Land surplus and tolerance to inequality in income distribution, Resource-rich states tend to be more protective than developmental in terms of trade policies, Abundance of natural resource implies the support of inefficient, wasteful sectors of the economy, Most resource-rich economies are prone to cumulative policy error (Auty and Gelb 2001).

Rational-actor perspective that emphasizes the interests of political parties and groups: contrary to behavioralist, rationalists argue that political actor act to maximize utility rationally. Such that irrational behaviour is not the problem, rather, rent-seeking breeds corruption by idle politicians and policy-makers are the major problems. For instance, Ross (2001b) argues that windfalls during resource booms are literally squandered. Only rational political elites could seize the rent windfall and utilize it positively. Also, Ascher (1999)

viewed that resource curse or abuse became evident when political elites directs resources meant for overall economic development onto other parochial, sectional and controversial rent-seizing programmes. Robinson et al (2002) argues that rent-seizing tend to downgrade economic progress.

Behavioralist perspective that emphasizes emotional or irrational behaviour on the part of political actors: this view argues that resource abundance tends to breed variants of irrational and emotional behaviour on the part of the political class, which leads to inefficient decisions and policies. That is, it breeds short-sightedness, laziness and excessive exuberance among political class. Such views are are reflected in the works of Machiavelli, Montesquieu, Mill and Smith. As in the works of Levin (1960), Nurske (1958) and Wallace (1960).

Econometric perspective: that emphasize the role of economic mechanisms. Earlier studies of performance of resource endowed economies shows that causal relationship between abundance and performance were basically economic in principle. Prebisch (1950) and Singer (1950), for instance, opined that declining terms of trade suffered by resource-rich economies is the reason for their poor economic growth and development. Other researchers such as Levin (1960) and Nurske (1958) argued that instability in international commodity prices were the causes of poor economic growth in resource-rich economies. Hirschman (1958) argued that the issue was the 'enclave' nature of resource activities and multinational corporations in these sectors basically repatriate gains and not reinvesting them in the resource economy. This capital flight made the process of development very challenging. Also, the issue of 'Dutch Disease' has been attributed to be responsible for this woes – a situation in which a resource boom leads to appreciation of the real exchange rate which in turn harms manufacturing and industry in the resource-rich economies, (Bruno and Sachs, 1982) and (Corden and Neary, 1982).

Much of such views cannot be taken for granted. Recent studies on commodity prices show that though overall market prices nosedived during the twentieth century, this was attributed exclusively to fall in prices of goods exported by the rich countries. Some studies show that instability in export prices could be useful to exporters so long as it can encourage private investment because investors tend to shield self against future price volatility. Other scholars argue that instability in export prices does not harm exporters, though is not clearly shown that exporters of primary goods get harmed as well. For instance, Hirschman (1958), views the economic linkages of the resource curse and the 'Dutch Disease' hypothesis. However, Hirschman (1958) also shows that government could take full control of the situation if there exist a political will. Interestingly, this issues points that these negative effect prevails more through political than economic processes. Thus, most studies on nexus between natural resource abundance and economic performance (poverty) has given more consideration to political manipulation in handling the scenario. In certain instance, resource curse studies incorporate ideas from political scientists, especially neoclassical political economy and the new institutionalism (Auty 2001c, 2001d; Torvik,

2002). Also, debate on resource curse incorporates issues such as behavioralism, Marxism, Public Choice Theory, Structuralism/Dependency Theory and Fiscal Social Systems, most of which appreciates the power of political factors in moulding economic outcomes.

By and large, the consensus among scholars is that poor economic management and not resource abundance is the genesis of underdevelopment in most resource-rich economies (Mitra 1994, Karl 1997, Ascher 1999, Usui 1997).

These viewpoints shows that resource-abundant countries eventually got compelled into the global capitalist system, a phenomenon in which the interests of the less developed countries are relegated to the background and those of the rich countries are promoted, which in turn hinders real economic prosperity and genuine development in the poor countries. Perelman (2003) argues that resource abundance turns a poor country into a prey and a target for the rich nations. The outcome, according to dependency theorists, is that governments in resource-rich countries are allowed to perpetrate fraud and economic sabotage to their states so long as they give respect and obedience to the dominant nations, (Bellamy, 2004; Amin, 2001).

Conclusion

It has been established that resource abundance is not an automatic guarantee for prosperity and development. The duo of prosperity and development will continue to be elusive as long as the abundant resources are continually wasted. The inevitable reality is that resource wastage is antithetical to development.

Recommendations

The paper therefore proposes the following recommendations;

- i. The state must rise up to its responsibility in the proper harnessing and utilization of the abundant human and natural resources.
- ii. The state should aggressively pursue the diversification of the economy as a way of driving the country away from its current dependence on crude oil.
- iii. The political system should be restructured by the government with massive input from the civil society in a way that will provide avenue for the people to effectively interrogate mismanagement of the resources by the state.
- iv. The state through its apparatuses of government should pursue a process of reform that is targeted at restructuring and unbundling the Nigerian state to give room to the federating units to develop autonomously.
- v. The people should be disciplined enough to make necessary sacrifices and contribute in any way possible to liberate the Nigerian state from the current hold-up status.
- vi. Aggressive pursuit of electoral reform that will bring about transparency and credibility into the electoral system should be a priority of all the critical stakeholders. This will help to free the volume of money spent on vote buying during general

elections for developmental purpose and the improvement in the quality of life of the people.

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