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POVERTY REDUCTION AND EMPLOYMENT CREATION IN AFRICA

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Managing Editor
Dr. Bassey E. Anam
Institute of Public Policy and Administration
University of Calabar, Cross River State
Nigeria - West Africa
iiprdsoffice@gmail.com
Tel: +234 817 438 0445

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Dedicated to the International Institute for Policy Review & Development Strategies for providing a platform that supports Institutional and Collaborative Research for Sustainable Development.

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INTRODUCTION

REDUCING POVERTY, EMPLOYMENT CREATION FOR SUSTAINABLE LIVELIHOOD IN AFRICA

[1]Bassey E. Anam & [2]Anuli Regina Ogbuagu
[1]Institute of Public Policy & Administration, University of Calabar,
[2]Department of Economics and Development Studies
Federal University, Ndifu Alike Ikwo, Ebonyi State

According to the World Bank Organization, "Poverty is hunger. Poverty is a lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, fear for the future, and living one day at a time. Poverty has many faces, changing from place to place and across time, and has been described in many ways. Most often, poverty is a situation people want to escape. So poverty is a call to action for the poor and the wealthy alike; a call to change the world so that many more may have enough to eat, adequate shelter, access to education and health, protection from violence, and a voice in what happens in their communities."

According to the United Nations, Poverty entails more than the lack of income and productive resources to ensure sustainable livelihoods. Its manifestations include hunger and malnutrition, limited access to education and other basic services, social discrimination and exclusion, as well as the lack of participation in decision-making. In 2015, more than 736 million people lived below the international poverty line. Around 10 percent of the world population (pre-pandemic) was living in extreme poverty and struggling to fulfill the most basic needs like health, education, and access to water and sanitation, to name a few. There were 122 women aged 25 to 34 living in poverty for every 100 men of the same age group, and more than 160 million children were at risk of continuing to live in extreme poverty by 2030. Despite the many definitions of poverty, one thing is certain; poverty is a complex societal issue that calls for urgent intervention. All members of society must work together to provide opportunities that will foster the realization of the nation's full potential and further eradicate poverty.

Poverty has various manifestations: hunger, unemployment, malnutrition, ill health, limited or lack of access to education and other basic services, increased morbidity

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and mortality from illness, homelessness, inadequate housing, unsafe environments, and social discrimination. It is also characterized by a lack of participation in decision-making and civil and socio-cultural life by the masses. All these can be eradicated if the government and the masses play their part in achieving poverty eradication.

The United Nations has gone on to identify the following as major poverty indicators in Africa;

1. Growth of population: Population growth on the African continent is rapid, despite numerous prevention and education campaigns. Developmental success and economic growth cannot keep pace with this. The result: more and more Africans live in poverty. According to a recent study by UNICEF, the population of Africa will double by 2050 to two billion people.

2. War and Crises: Of the world's 20 war-related conflicts in 2013, 11 alone were fought on the African continent - all in sub-Saharan Africa. This includes the wars in Sudan and South Sudan, Somalia, Nigeria, Mali, the Democratic Republic of Congo, and the Central African Republic. In crisis regions, agricultural production usually comes to a standstill. Many people flee, are forcibly expelled from their homes, and are dependent on outside help. Poverty in Africa is increasing as a result of these wars.

3. Climatic Conditions: The African continent has been suffering more and more from climate change in recent decades: devastating floods and extraordinary drought periods lead to crop failures. The consequences are regular hunger crises and famine in Africa. Particularly affected are East Africa and the Sahel region.

4. Illnesses: Diseases such as AIDS, malaria or Ebola are the cause but also the result of poverty in Africa. Lack of education and inadequate medical care in many regions means that diseases spread faster and cannot be treated. The average life expectancy of the population is decreasing and the number of orphans is increasing. Loss of labor is particularly noticeable in agriculture and leads to reduced food production.

5. Inadequate Agricultural Infrastructure: Roads, wells, irrigation systems, storage facilities, agricultural machinery - in many regions of Africa, agriculture lacks both infrastructure and expertise. That's why local self-help is so important in helping to fight poverty in Africa.

6. Unjust Trade Structures: Rich countries create unjust trading structures by

shielding their markets with high agricultural tariffs and heavily subsidizing their agriculture. This slows down the development of agriculture on the African continent, causing it to suffer from the outset. The governments of the U.S., the countries of Europe, and other prosperous states thus contribute to poverty in Africa with their policies.

Like poverty, unemployment remains another key problem facing the African continent and Nigeria in particular. Unemployment is a social problem in Nigeria. It can be classified as frictional, seasonal, structural, and cyclical. Frictional unemployment occurs if there is a supply and demand mismatch. It is the waiting time between seeking and finding a job. Seasonal unemployment refers to periods firms have few jobs to offer, due to a slow down of the economy or season. Structural unemployment takes place when traits and location disqualify applicants and if there are no qualified applicants to fill vacant posts, and Cyclical unemployment refers to periods when firms are not hiring, due to the recurring economic downturn. Nigerians are faced with this trend at different levels.

The causes and impacts of poverty and unemployment are interrelated. In Nigeria and most African States, the following factors stand out. They are bad leadership, corruption, weak institutions, overpopulation, poor economic planning, increasing level of rural-urban migration with its attendant effect on agriculture, low industrial performance, weak foreign exchange to import raw materials, making industries operate at low capacity, and general economic recession. The situation is aggravated by the failing economic situation of the country. Experts say, "Nigeria's economic situation is in "its worst possible time", according to Finance Minister Kemi Adeosun. Millions of youths are indeed in critical economic conditions as the recession continues to bite harder and the unemployment rate increases daily. The National Bureau of Statistics has reported that the country's unemployment rate has risen from 12.1% in the first quarter of 2016 to 13.3% at the end of the second quarter. In the report, the bureau said the number of people that were unemployed or underemployed increased from 24.4 million at the end of the first quarter to 26.06 million persons in the second quarter of 2016".

With glaring economic hardship, young people have become very restive and extremely violent in conduct at the slightest provocation. Recent happenings in many parts of Nigeria – Niger Delta, North East, Lagos, Kaduna, Kano, and Katsina are clear indicators of violent extremism by young people. As youth unemployment continues to rise, kidnapping, armed robbery, and terrorism are entrenching themselves in the lives of restless youths who become both perpetrators and victims. Consequently, unemployment, economic hardship, poverty, drug-taking, and other crimes become the order of the day among these youths living in shanty slums. Bad friends and peer influence further lead to the escalation of youth involvement in criminal activities such as kidnapping, drug trafficking, illegal fuel bunkering, cultism, political thuggery, 419, child prostitution, gambling, and human trafficking. This condition necessitates research on the way forward.

Solutions for Addressing Poverty and Unemployment in Africa

However, the under-listed recommendations can be harnessed as a step in the right direction to achieving poverty eradication and employment creation in;

1. African governments should create employment for the masses. This had been overemphasized for years and it remains one of the surest ways to reduce poverty. The governments should strategize how to develop the various sectors that generate revenue and make these sectors enriching for people to be gainfully employed. The government should diversify the opportunities and not marginalize a portion of the citizens.

   a. Business and entrepreneurship training for all students: Irrespective of course of study, students should be enrolled for the 3 to 6month intensive training, probably in the final year in the tertiary institution. At the training, participants will be equipped with various business skills ranging from generating business ideas, feasibility studies, and writing business plans, to customer service, basic finance tools, personal development, etc.
   b. Practical internship with business mentors: After completing the entrepreneurship training, participants should be grouped/paired with business mentors in the same line of business for at least a year.
   c. Graduates' start-up capital: Graduates from tertiary institutions must receive start-up kits and/or cheques to start a new business or expand an existing one. This will reduce the level of dependence on the government for paid jobs.

2. Health Services and Facilities should be made adequate to both urban and rural areas equally: As already discussed, the lack of good medical facilities in the rural communities where a good number of the less privileged citizens have only prolonged the issue of poverty.

   a. Good medical services should be afforded and affordable to everyone, whether rich or poor.

   b. Government should take legislative actions to prohibit the restriction of child education: Education is paramount for a person to function in a civilized nation. The education of young ones must be considered necessary in the making of any national policy. It is also recommended that the government focuses on girl child education proscribing religious or traditional perspectives restraining them from being educated.

3. Furthermore, the government should strive to ensure equal pay for both male and female workers in the same capacity of labour. This will facilitate the interest of the women in the economic development of the country.

4. Strict measures should be executed against corrupt public/government officials: Mismanagement of resources will lead to an impoverished country. This can be avoided if the right actions can be meted out against those who are responsible for using the position to commit national theft.

5. More effective schemes and institutions should be created principally to reduce the rate of poverty in various countries. Each country should have potent orientation programmes, training schemes, and institutions to educate the masses on various vocational skills. Slowly but surely, the schemes will prove beneficial placing everyone on an equal scale of learning and development.

6. African Governments should uniformly share the revenues of the nation with the masses at all and sundry. Africa has the problem of closing the gap between the rich class and the poor class because of marginalising the class that cannot "provide enough" to the capital of the country. What most governments fail to realize is that the resources they have can be used to develop the underachieving areas. Those areas can be so developed that the country can rely heavily on the rural communities to generate revenue.

Addressing the challenges of poverty and unemployment in Africa will reduce criminality, violence, and insecurity. This must form the cardinal objectives of governance in Africa. The strategies for achieving this and other sustainable strategies are addressed by scholars in this edition of Interactive Knowledge, "Poverty Reduction and Employment Creation in Africa".

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EXECUTIVE SUMMARIES

TO END GLOBAL POVERTY, INVEST IN PEACE

Franck Bousquet

Senior Director, Fragility, Conflict, and Violence - World Bank

Introduction

Most of the world is experiencing a decrease in extreme poverty, but one group of countries is bucking this trend: Poverty is becoming concentrated in countries marked by conflict and fragility. New World Bank estimates show that on the current trajectory by 2030, up to two-thirds of the extreme poor worldwide will be living in these situations, though they account for just 10 percent of the global population. Fragility, conflict, and violence (FCV) would reverse the development gains in many developing countries. To stop this backsliding, the World Bank Group has significantly scaled up its efforts and launched its first strategy to more effectively support impacted countries across the globe. This paper summarizes what we are finding, and what the World Bank hopes to accomplish.

A Problem Twice That of Just A Decade Ago

The new estimates find that the number of people living near conflict has nearly doubled since 2007. One in five people in these countries suffers simultaneously from monetary, education, and basic infrastructure deprivations. This creates a vicious cycle that erodes human capital, lowers people's lifetime productivity and earnings, and reduces socioeconomic mobility. Half of the bottom fifth of countries in the World Bank's Human Capital Index are fragile and conflict-affected. And these challenges impact both low- and middle-income countries.

Traditionally, fragile and conflict-affected settings are seen as needing humanitarian interventions, while development efforts can wait until after peace is negotiated. Humanitarian help is, of course, urgent and essential, but situations of conflict have become increasingly more complex and protracted. This has stretched humanitarian operations—such as those by U.N. agencies and civil society organizations which are meant to operate in the short term. This has left millions of people facing uncertainty for years, or even decades. Given the concentration of poverty in such settings and the increasingly protracted nature of conflict, development agencies that care about rapid poverty reduction but who have traditionally worked on post-conflict reconstruction, have been trying to find ways to engage before, during, and after situations of FCV. Addressing immediate FCV challenges and setting the foundations for peace and stability are necessary to reduce poverty over the long term, but direct poverty reduction efforts cannot wait until later. Here's a telling fact: Countries chronically in fragility and conflict over the past two decades have seen their poverty rates stuck at over 40 percent, while countries that have escaped fragility during this same period have cut their poverty rates by more than half.

The 'Development Complement'

There are several ways in which a longer-term development-oriented approach could complement essential humanitarian relief efforts. One area is crisis prevention, namely proactively addressing the root causes that drive conflict before they turn into full-blown crises either in a country or in bigger neighborhoods, for example in the Sahel or the Horn of Africa. The causes of violent conflict could include social and economic exclusion, inequality, climate change, lack of transparency and accountability, and breakdowns in justice and the rule of law. Prevention is therefore a critical pillar of the World Bank's new strategy, because it saves both lives and resources. U.N. and World Bank estimates show that $1 invested in prevention saves $16 down the road. Conflict prevention is smart economics. The second area is to make medium-to-long-term investments in situations of protracted conflict, with the goal of preserving human capital and strengthening local institutions. Building social safety nets focused on the most vulnerable, for example, while investing in systems that can ensure access to basic services like health, water and sanitation, and education, provides an important complement to humanitarian response. Encouragingly, this is what is happening in Yemen. Third, in countries such as Somalia that are transitioning out of fragility and conflict, development support complementing humanitarian and peacekeeping efforts can lay the foundations for sustained and shared growth. A big part of this is to help create jobs by supporting micro, small-, and medium-sized enterprises. Coupled with building the capacity of governments to administer essential services, such investments can help restore trust in the community. And trust may be the cornerstone of all progress.

Finally, it is crucial to address the spillovers from conflict, particularly by helping refugees and the host communities. The rise in conflicts during the past decade has led to a record 25.9 million refugees across the world. About 85 percent of them are hosted by developing countries—for years and even for decades. Refugees invariably face challenges in access to legal rights, social services, and jobs, but it also puts great stress on host countries and communities. Countries like Ethiopia, Jordan, Turkey, and Uganda that host refugees are providing a global public good. Making investments to support refugees and impacted host communities, working with host governments on policy reforms that enable refugees' right to work and move, and addressing the long-term development needs of refugees, are an important part of international development.

Reconstructing Lives

Since its origin in the post-conflict reconstruction of Europe after World War II, the World Bank has been supporting development efforts of countries suffering from conflict, violence, and fragility. This experience informs the recently released FCV strategy. The strategy includes important changes to adapt the institution's approach to working in these settings: a big increase in the number of staff on the ground in the most challenging settings, new ways to leverage technology to supervise projects in insecure areas, and partnering with an ever broader range of stakeholders such as the United Nations, peacekeeping forces, and civil society organizations to maximize the collective impact. Equally importantly, these shifts are backed by increased financing under the recently replenished International Development Association (IDA), the World Bank Group's fund for low-income countries.

Conclusion

Forging and sustaining peace and inclusive development in fragile contexts can take decades, and progress is not guaranteed. Much of the work is still in uncharted territory, and the evolving development approach is risky also because of high levels of insecurity on the ground. But the risk of inaction is greater still.

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EXECUTIVE SUMMARY

ASSESSING PAST AND FUTURE STRATEGIES FOR REDUCING POVERTY IN AFRICA

Louise Fox

Global Economy and Development, Africa Growth Initiative

Introduction

When the Sustainable Development Goals (SDGs) were announced in 2015, it was clear that success on SDG1—eradication of extreme poverty depended on Africa's performance. Recent forecasts from the United Nations and the World Bank suggest that Africa is not going to make it. We should all be concerned, but what can be done? The recent World Bank study, *Accelerating Poverty Reduction in Africa*, offers governments and stakeholders both new suggestions as well as new takes on old recommendations, providing a clear if bumpy road map for future strategies and intervention designs. Despite its length, the report is well worth our time. I have no doubt that it will serve as a key reference volume in the coming years.

Why has Poverty in Africa Stayed So Stubbornly High Despite Record Economic Growth?

According to the report, three main reasons:

(i) Less of Africa's growth translates into poverty reduction because of high initial poverty, including low asset levels and limited access to public services, which prevent households from taking advantage of opportunities

(ii) Africa's increasing reliance on natural resources for income growth rather than agricultural and rural development excludes the 85 percent of the poor population living in rural areas

(iii) Africa's high fertility and resulting high population growth mean that even high growth translates into less income per person—a point too often ignored in discussions on the sub-continent and in Washington.

In addressing these worrying trends, the report singles out four areas for particular attention:

(i) Reduce fertility;

(ii) Increase agricultural productivity, especially for food crops (an African green revolution)

(iii) Address risk and conflict

(iv) Increase domestic resource mobilization and focus resources on the poor. These areas are certainly key for the livelihoods and welfare of the poor, and it is great to see a report that sets a few priorities as opposed to requiring African governments to undertake a laundry list of initiatives at once.

While I might have added a fifth urban governance for poverty reduction the focus on a few areas combined with an excellent synthesis of vast quantities of new research on what has worked in supporting economic development in Africa is both stimulating and refreshing.

Despite its importance to economic growth and poverty reduction throughout Asia and Latin America, agriculture remains a neglected sector in Africa**.** The report appropriately highlights this gap and calls for a focus on transforming the livelihoods of small-holder farm households. One reason for current neglect is the failure of many interventions in rural areas. The report clearly and cogently summarizes a large and recent literature on successes and failures of interventions and policies in Africa and elsewhere to argue for a renewed effort. Food crops are still the basis for the badly needed green revolution in Africa because of the large share of food that is imported; the fact that poorer farmers are more likely to produce staple crops; and, that low profit margins discourage the private sector from investing to develop the value chains in this sector the way that they do for vegetables, fruits, or sesame, for example. The report calls for public sector interventions throughout the staples value chain—in research and development, infrastructure, extension and marketing—noting that interventions that only address one constraint (e.g., input quality) often fail as other binding constraints (e.g., lack of rural roads) kick in. While arguing for an integrated approach, operating on multiple constraints throughout the value chain to improving farm livelihoods, the report admits in the chapter conclusion that this is much more difficult to execute and sustain—especially if external donors are in the driver's seat instead of domestic agencies and institutions. Although I agree with the admission, I found the chapter conclusion less than satisfactory. Is there a middle ground, addressing fewer issues with less complexity that has lower risks yet enough rewards? Also, the report ducked the genetically modified foods (GMO) controversy, even though this technology is the best hope for African agriculture (including staple crops).

Fortunately, the chapter on **“**mobilizing resources for the poor” is not the same old clarion call for African governments to raise taxes as a share of GDP**.** Though the authors do call for tax increases, they caution that expanding/increasing the value-added tax (VAT) is regressive unless complementary steps are taken (e.g., cash transfers to households), a point often missed by other experts. Introducing direct taxes on income and land (which would hit the rich) is an important recommendation that is not made often enough, especially by economists, who love the VAT despite the regressive impact. Getting more mineral extraction revenues (transparently) into the public finance system is an old chestnut showing up in this chapter. If only we could figure out how to do this in the face of massive governance failures.

New, and very welcome, is a forceful call for reducing or eliminating subsidies on agricultural inputs (especially fertilizer) and energy. The authors cite studies that show that eliminating these subsidies and sending the money directly to poor households would easily finance a basic income guarantee for poor households.[1] Since the World Bank has, in the past, supported fertilizer subsidies in agricultural projects in Africa, this new position is certainly welcome. The report gives short shrift, however, to the difficulty of improving the efficiency of spending in sectors which should be pro-poor, such as health, education, and water, sanitation, and hygiene. The last page notes that "[h]ow best to improve efficiency in spending remains an exigent space for further exploration and learning." Indeed.
The report's clear and unambiguous presentation of the negative effects of high population growth on poverty reduction efforts is an important addition to the discussion as this issue has been mostly absent from poverty reduction discussions. No country has successfully sustained economic growth and reduced poverty at the average fertility level of sub-Saharan Africa.[2] High fertility forces public and private expenditures on human capital development to focus on quantity rather than quality; it reduces public and private savings owing to high dependency ratios; and complicates efforts to improve livelihoods through rapid labor force growth. It is associated with low levels of female empowerment, in part because of the association with child marriage. Several authors (cited in the report) have argued that Africa's fertility rate will not fall on its own. I agree, and there is no doubt that a focused and targeted effort is needed to address the issue, including increasing supply and demand for contraception, reducing child marriage, as well as increasing female education. African countries can do this even at very low incomes, as both Ethiopia and Rwanda have shown.
A few quibbles.

The report mostly ignores the reasons why the policies and programs African countries implement are not pro-poor**.** One serious omission is how monopolistic arrangements among the economic elite—for example, high transportation costs caused by lack of competition in the trucking sector, or high fertilizer prices caused by a few authorized dealers who keep prices high, and benefit a lot from subsidy programs.[3] In small countries and underdeveloped markets, monopolistic arrangements are more common as competition is hard to achieve. Trade could possibly help, but this would mean removing the trade barriers that cause intra-African trade to be among the costliest in the world.[4] Another omission is a discussion of *why* African governments have neglected agriculture, especially staple foods. Yes, this sector is hard, but prejudice among urban elites against investing in small-holder agriculture unfortunately seems to persist and does not help generate the breakthroughs needed.

The report's special section on gender does discusses the usual intermediate causes and outcomes associated with women's inequality (lower school enrollment for girls, high maternal mortality and the disproportionate burden of HIV/AIDS, the burden of providing domestic services, limited legal rights such as owning or inheriting property), but the fundamental cause of the inequality—a specific view about the implications of women's childbearing role on responsibilities and acceptable behavior in economic, social, political, and private space—is not addressed. While gender norms differ across the continent, are often less binding for richer women than poorer, and certainly change over time, their importance as the underlying cause of gender inequality deserves mention.

Finally, while many argue the Africa's macroeconomic problems are mostly under control (e.g., years of low-ish inflation and flexible exchange rate regimes, in contrast to the 1980s and 1990s), other observers expect that high levels of external and internal debt will become unsustainable if the world economy experiences a recession, even a mild one. Africa's poor suffered a lot during the last African debt crisis. Can such negative impacts be averted this time? Maybe that will be the next report. Readable, technocratic, and fact-filled, this report shows the strength of the World Bank as an intellectual leader in economic development thinking. The length, at almost 300 pages, and the five years spent in preparation also show the Bank's weakness—over-thinking, over-programming, over-reviewing, and over-doing. If African thought leaders and policymakers can find a way to absorb all the facts and analysis in digestible bites, the report should have an impact on development thinking in Africa.

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EXTREME POVERTY IN THE TIME OF COVID-19

[1]**Homi Kharas** & [2]**Meagan Dooley**
[1&2]*Global Economy and Development, Center for Sustainable Development*

Introduction

The short-term economic and well-being costs of COVID-19 have been severe. Though we hope the pandemic will be a temporary shock, in the interim it has pushed many vulnerable households living at the margins back into poverty. Due to lockdowns and social distancing measures, people have lost jobs and livelihoods, leaving them unable to pay for housing and food. Schools have been closed and some children may not return, shutting off one of the main pathways out of poverty for low-income children. Women and girls have been especially impacted by these school closures. Mothers at all socio-economic levels have dropped out of the labor force to supervise online learning and care for children and older relatives, and many will not reenter. Even before the pandemic, women and girls of reproductive age were overrepresented among the poor, making these setbacks all the more concerning.

The Impact of COVID-19 on Poverty

We likely will not know the full impacts of COVID-19 on poverty for a few years, as most poverty data comes from household surveys, which have been difficult to carry out during the last year. However, we do know that economic growth is the largest driver of poverty reduction. Conversely, economic recessions drive a rise in poverty, other things being equal. In 2020, however, other things were not equal; national and local governments were able to mitigate the impact of COVID-19 on their poorest people to varying degrees and assessing the economy-wide impact of these measures cannot yet be done systematically. What can be done at this juncture is to use new estimates for economic growth through 2030 to capture the potential impact of COVID-19 on poverty in the long run. For example, some countries, like India, saw a substantial fall in economic activity in 2020, but are expected to see a strong economic recovery in 2021, despite the recent fresh wave of infections. India, in our view, will soon return to its pre-COVID-19 poverty trends. Other countries, like Nigeria and the Democratic Republic of the Congo, will likely be slow to recover, and could experience low growth for the next decade. As a result, they may see higher poverty headcounts in 2030 than in 2019.

Conclusion

While these facts are sobering, this long-term poverty stagnation is not inevitable. Countries have responded to the pandemic with a number of social protection measures to try and protect the most vulnerable. There has been a proliferation of mobile cash transfer programs, taking advantage of big data and machine learning to better target those in need. The needs are great, but not insurmountable; the amount needed to lift people out of extreme poverty is less than the current annual official development assistance (ODA) budget. Eliminating extreme poverty will increasingly depend on better targeting as well as greater resource mobilization. We believe that geographic targeting of specific people in specific places offers considerable potential.

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GLOBAL POVERTY REDUCTION HAS SLOWED DOWN AGAIN

[1]Homi Kharas, [2]Kristofer Hamel,
[3]Martin Hofer & [4]Baldwin Tong
[1&2]*Global Economy and Development,*
Center for Sustainable Development
[3]*Chief Operating Officer - World Data Lab*
[4]*Research Analyst - World Data Lab*

Research Analyst - World Data Lab
During the last year, a new poverty narrative gained acceptance across the world. The trends in our global poverty predictions—which we published on the World Poverty Clock—were confirmed by a number of other sources, including the World Bank, the Overseas Development Institute (ODI), and the Institute for Health Metrics and Evaluation (IHME). By and large, the overall message is a discouraging refrain: Global poverty reduction is slowing down, Africa is now home to the majority of the world's extremely poor (living on less than $1.90 per day in 2011 PPP), and Nigeria has become the most visible frontier in the fight against extreme poverty.

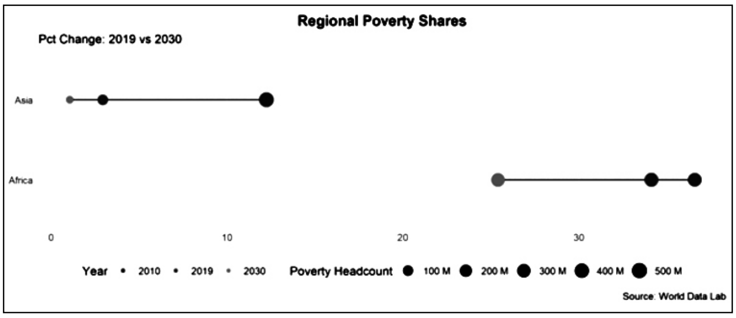
Following last month's World Bank and International Monetary Fund (IMF) Spring Meetings, the World Poverty Clock has been updated to reflect newly available and revised data related to income distribution, national accounts, and GDP forecasts for nearly every country in the world. The resulting new estimates and forecasts on the state of global poverty, released today, point to a depressing new dynamic.

The pace of poverty reduction is down by two-fifths since 2017
When the World Poverty Clock was launched exactly two years ago, on average, one person escaped poverty every second. Last year, the pace of poverty reduction slowed down to 0.8 people per second. Our latest projections show that the pace of poverty reduction has further slowed down to 0.6 people per second. This is a result of the slowdown in the global economy that is affecting several African countries negatively as well as the negative trends in important crisis countries such as

Venezuela and Yemen.
At the same time, there are several strongly performing Asian economies, especially

India, where lower than previously projected poverty estimates result in *a base effect* of lower absolute poverty levels. As these countries have fewer people in extreme poverty, the poverty escape rate also slows down. This means that—under a base case projection—in 2030, around 480 million people will still be living in extreme poverty, up 44 million from the previous estimate.

Figure 1: By 2030, Asia will end extreme poverty; Africa will progress slowly



Source: World Data Lab, latest projections.

With this update, World Data Lab projects that Africa has 427 million people living in extreme poverty. This means that the continent is expected to be home to almost three-quarters of global poverty by the end of 2019. Still, many parts of Africa, such as Ethiopia and Kenya, are making significant progress towards achieving Sustainable Development Goal 1—ending extreme poverty—by 2030 and this is the reason why Africa has now started to reduce poverty numbers overall. However, even with this progress, these countries are not expected to achieve SDG 1 by 2030.

In fact, almost all sub-Saharan countries are not on track to achieve SDG 1. Under current projections, almost 395 million Africans will still be living in extreme poverty by 2030. They would represent 82 percent of the global total. Conversely, the rest of the world is on track to end extreme poverty by 2030 with just a few exceptions, most notably Afghanistan, Venezuela, Haiti, North Korea, Papua New Guinea, and Yemen.

Extreme poverty in Yemen, Venezuela, and Tanzania has increased

Due to conflicts in Yemen and Venezuela and an economic slowdown in Tanzania, some of the biggest increases in poverty projections are in these three countries.

Following the release of new data, the number of Yemenis living in extreme poverty has been revised, with an increase of 8.4 million more people than previously estimated. Poor Yemenis now number 17.7 million, representing 57 percent of the country. For Venezuela, we forecast an increase of 2.4 million more people living in extreme poverty than previously estimated. We estimate 8.6 million Venezuelans, representing 26.5 percent of this upper middle-income country, are now indigent. In Tanzania, 6.1 million more people (23.5 million total) are estimated to be living in extreme poverty than previously forecasted, representing 41.5 percent of the country. There will be serious challenges ahead for East Africa's third-largest economy. While the country is still expected to significantly reduce poverty over the next decade, it is not expected to achieve SDG 1 by 2030 and is now even more off-track than previously estimated.

Time's almost up

Ten years remain for the global community to mobilize the support needed to achieve the Sustainable Development Goals. This task is going to be difficult, as it is now evident that the rate of global poverty reduction has slowed down to almost half its pace just a few years ago.

While achieving SDG 1 in every country of the world by 2030 seems increasingly unlikely, countries, policymakers, and development practitioners can and must focus on increasing the *rate* of poverty reduction. As the refreshed global poverty numbers indicate, even small changes in the pace of poverty alleviation result in sizeable changes in magnitudes at the national and international levels.

With the fate of so many hanging in the balance, the stakes could not be higher.

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PART 1 -
POVERTY REDUCTION INDICIES

As long as poverty, injustice and gross inequality exist in our world, none of us can truly rest

- Nelson Mandela

CHAPTER ONE

ENDING EXTREME POVERTY, FOCUS ON RURAL AREAS

[1]**Homi Kharas**, [2]**Constanza Di Nucci**,
[3]**Kristofer Hamel**, & [4]**Baldwin Tong**
World Data Lab, London

Abstract
The considerable gain made worldwide in poverty reduction over the last 10 years have been widely recognized. And indeed, in a year when China aspires to complete its 40-year project of lifting some 770 million people across the poverty line, it is clear that a greater proportion of the human population is wealthier today than at any other moment in history. But of course, further efforts are needed as today some 600 million people still live in extreme poverty, a number greater than the entire population of the European Union. In addition, in several countries, poverty is actually increasing, not decreasing, while in others, poverty levels are falling but not nearly fast enough to reach SDG1 by 2030. Thus, the year 2020 will not mark the end of the global fight against poverty. If anything, it can mark the beginning of a critical decade that will determine whether the global objective of eliminating poverty by 2030 will be reached or not.

Keywords: *Ending extreme poverty, Focus, Rural areas*

Introduction

A critical element for truly eradicating extreme poverty (meaning bringing it below 3 percent of the population in each country the tolerance level of our measurement systems) is understanding where poor people live and how to develop virtuous circles of market-led growth among cities, towns and rural areas. It is surprising to us that there is no official cross-country dataset that distinguishes between urban and rural poverty. The World Bank only provides such a breakdown for China, India, and Indonesia. This poses a challenge for policymaking as poverty is such a geographically-specific phenomenon, with drivers and potential solutions of poverty alleviation dependent on the context that surrounds and connects communities and markets. Rural poverty often stems from limited access to markets, education, quality

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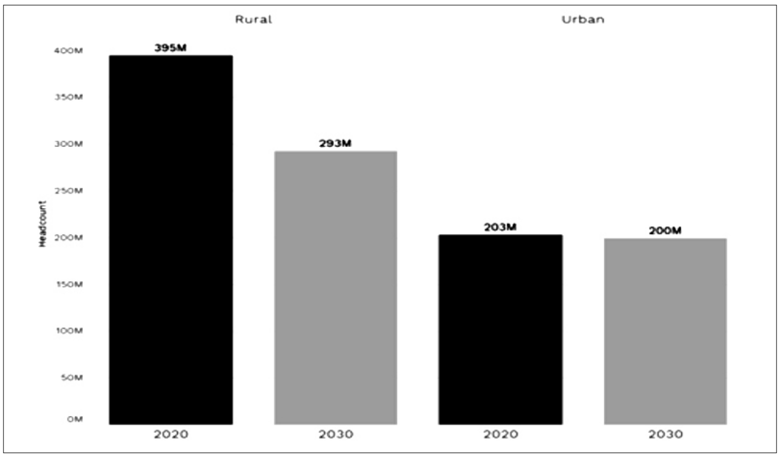
infrastructure, employment opportunities, health, and financial products. Urban poverty is often marred by weak or hazardous living conditions related to sanitation, employment, and personal security. Understanding the difference between the two is fundamental for a national poverty alleviation strategy.

Responding to this challenge, World Data Lab, with support from the International Fund for Agricultural Development (IFAD), has developed new rural and urban poverty data for all countries in the world. With this data now made publicly available on the World Poverty Clock, (see methodology section on that website for details) policymakers have a point of departure for quantifying, forecasting, and analyzing rural/urban poverty dynamics. The headline findings from the new dataset are presented below;

1. Most of the world's poorest live in rural areas**:** Roughly two out of three people living in extreme poverty live in rural settings. In total, some 400 million rural men and women live in extreme poverty, more than the populations of the United States and Canada combined. At the same time, roughly half that amount (approximately 200 million) live in cities.
2. Rural poverty is poised to decline, while urban poverty is likely to persist. According to the World Poverty Clock's projections, rural poverty is expected to decline by 100 million (or 26 percent) from 395 million to 293 million over the next decade, largely due to economic growth and rural-urban migration that is reducing the absolute size of the rural population in many countries. Urban poverty on the other hand is not expected to decline very much (from 203 million today to 200 million), due to the expected increase in urbanization over the next decade, especially in Africa.

Figure 1. Rural poverty is expected to decline faster than urban poverty



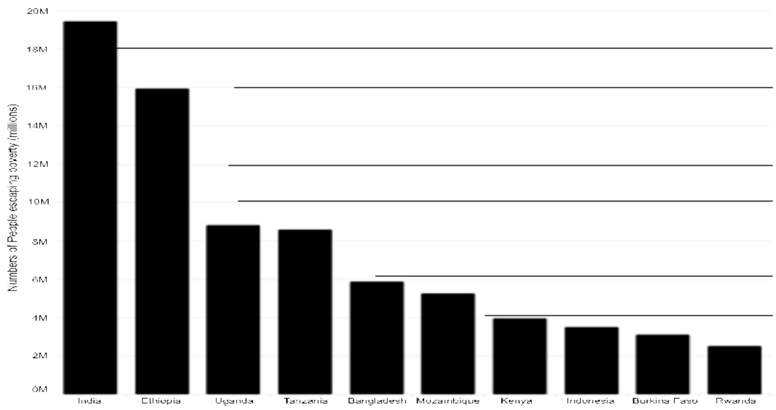
Source*: World Poverty Clock, World Data Lab, 2021*

1. **Rural poverty is largely an African phenomenon:** Seven out of 10 countries with the most people living in poverty in rural areas are in sub-Saharan Africa. Together they represent three-quarters (76 percent) of global rural poverty, or some 305 million people. While this number is expected to decline over the next decade to 245 million, Africa's share of global rural poverty is also expected to increase to 85 percent by 2030. A handful of countries drive this forecast. If current trends continue and significant actions are not taken, Nigeria and the Democratic Republic of Congo (DRC) may not make any gains in reducing rural poverty over the next decade. For instance, unless major actions are taken, projections indicate that rural poverty in Nigeria would increase by nearly 4 million people (7 percent) over the next 10 years. While we have previously reported Nigeria to be the country with the highest poverty numbers in the world, it is also one of the few places where poverty numbers are actually growing. Indeed, Nigeria tops the lists in terms of poverty numbers in both rural and urban areas.

2. **Rural poverty reduction will have a number of success stories over the next decade:** If they continue their rate of poverty reduction, several countries are expected to make significant progress before the end of the Sustainable Development Goals in 2030. Ethiopia is projected to lift nearly 16 million rural people out of poverty by 2030 while India is expected to reduce rural poverty by nearly 20 million. Projections also indicate that Tanzania and Uganda will

reduce rural poverty by nearly 9 million, roughly halving their total current rural poverty levels. Indeed, the top 10 countries in terms of rural poverty in 2030 are still expected to include eight countries from sub-Saharan Africa.

Figure 2. Top 10 expected reductions in rural poverty, 2020-2030



Source: World Poverty Clock, World Data Lab

There remain methodological issues in refining numbers for rural and urban poverty and some assumptions need to be made to derive order-of-magnitude estimates. But without such data, national governments, as well as international organizations like the International Fund for Agricultural Development (IFAD), are flying blind. We believe that they now can tailor their poverty reduction strategies and investments to take into account rural and urban differences, and can start to benchmark data against which to monitor progress.

Conclusion

We believe that although the policy instruments for reducing poverty may differ in urban and rural areas, there are commonalities that link the two agendas. Stronger integration and connectivity between rural and urban markets can reduce migration flows to cities and improve income levels in rural areas. They can improve food and nutrition security and build resilience to climate shocks. Commodity supply chains and integrated food systems need to be developed, complemented with a broader view of spatial development and targeting of public interventions to specific areas that are being left furthest behind. This could help reduce both rural and urban poverty.

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CHAPTER TWO

POVERTY IN AFRICA IS NOW FALLING - BUT NOT FAST ENOUGH

[1]**Homi Kharas,** [2]**Baldwin Tong,**
& [3]**Martin Hofer** - *World Data Lab, London*

Abstract
Africa is the world's last frontier in the fight against extreme poverty. Today, one in three Africans; 422 million people live below the global poverty line. They represent more than '70 percent of the worlds poorest poeple. However, there is light at the end of the tunnel. According to projections from the World Data Lab, Africa has now reached a milestone in the fight against poverty. As of March, 2019 and for the first time since the start of the SDGs more Africans are now escaping extreme poverty than are falling (or being born) below the poverty line (Figure 1). The pace of this net poverty reduction is currently very small: only 367 people per day. Nevertheless, by the end of this year, this rate will increase to over 3,000 people per day, resulting in a 1 million-person reduction in total African poverty in 2020.

Keywords*: Poverty, Falling, Africa*

Introduction
Approximately 377 million Africans will still be living on less than $1.90 a day and very few African countries will have ended poverty. The most significant challenges for reducing poverty in Africa are found in just two countries: Nigeria and the Democratic Republic of the Congo (DRC). Taken together, the 150 million citizens of these two countries represent more than one-quarter of total poverty in Africa today—and are expected to represent almost half of Africa's poor by 2030. Even though Nigeria is expected to lift nearly 10 million of its citizens up to the middle class (or beyond) over the next decade—relative poverty shares will decrease by almost 3 percent—the absolute number of poor people in Nigeria will still increase by some 20 million due to rapid population growth. In the DRC, relative poverty is projected to drop by as much as 15 percent but the absolute number will increase by almost 2 million, meaning over half the population will still be living in extreme poverty by 2030. By 2030, Africa will represent approximately 87 percent of the global poor—the

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main hotspots outside Africa will be Haiti, Papua New Guinea, Venezuela, Afghanistan, and North Korea.

However, many countries are making progress towards ending poverty, including in sub-Saharan Africa. Today, four countries already have poverty rates of below 3 percent: Equatorial Guinea, Gabon, Mauritius, and Seychelles. Currently, Mauritania and Gambia are projected to join this group by 2030. There are six additional countries whose poverty rates are expected to reach below 5 percent. With a slight acceleration of growth, these economies could also make extreme poverty history by 2030:

1. **Ethiopia,** Africa's second largest economy, is projected to lift 22 million people out of extreme poverty by 2030, reducing the percentage of Ethiopians living in extreme poverty from 25.6 percent today to 3.9 percent. If the poverty escape rate can be accelerated, the country will fulfill SDG 1 by 2030.

2. **Ghana** is projected to lift approximately 2 million people out of poverty by 2030 while its population grows around 24 percent to 36.1 million. Even with this demographic challenge, the country will reduce the percentage of its total population living in extreme poverty to 4.5 percent from 12.5 percent today.

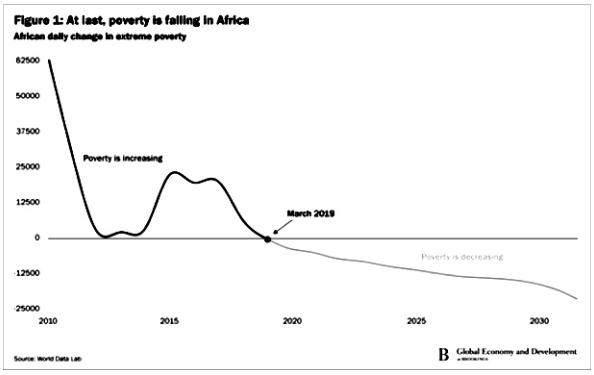
3. **Kenya** will make a leap forward and is projected to lift 3.5 million of its citizens out of poverty. By 2030, Kenya will reduce the percentage of Kenyans living in extreme poverty from 20.9 percent today to 4.3 percent. The country will be achieving this milestone even though its population is projected to add around 23 million people.

4. **Angola** is currently experiencing a short-lived period where poverty is rising. This began in September 2017. However, World Data Lab forecasts indicate that by 2021, extreme poverty will fall again and by 2030 it will be an estimated 3.5 percent. If this trend can be reversed sooner, then the country also stands a great chance of fulfilling SDG 1.

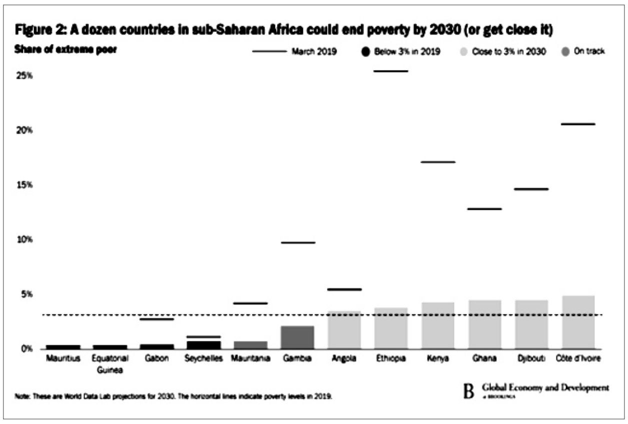
5. **Côte d'Ivoire** will also make substantial progress in poverty reduction. By 2030, 5.3 million of its citizens are projected to be lifted out of poverty, bringing down the percentage of citizens living in extreme poverty from 17.2 percent today to 4.9 percent.

6. **Djibouti**, the smallest country in this set of poverty-reducing economies, is projected to reduce relative poverty from 14.2 percent to 4.6 percent—lifting

over 80,000 of its citizens out of poverty by 2030.



If these broad trends continue, by 2030, Africa will reduce the ranks of its extremely poor by 45 million and relative poverty will decline from 33.5 percent today to 24 percent. However, this still means that the continent will fall short of achieving Sustainable Development Goal (SDG) 1, eradicating extreme poverty by 2030.



If current trends stay as they are, Ethiopia and Kenya are projected to achieve SDG 1 by 2032; Ghana, Angola, and Côte d'Ivoire in 2033; while Djibouti will follow a year later in 2034. As the global poverty narrative shifts towards Africa, including at this year's U.N. General Assembly, it seems clear that ending extreme poverty by 2030 seems almost impossible at this point. However, it is important to note that the continent has turned the corner and poverty levels could come down substantially over the next decade.

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CHAPTER THREE

UNCERTAINTY IN ENDING EXTREME POVERTY

Fabian Mendez Ramos
Corporate Risk Department, Wells Fargo, California

Abstract
Whereas sustained economic growth is considered the primary driver of poverty alleviation, the different ways in which growth interacts with changes in income inequality mean that the future of poverty reduction is highly uncertain. In a recently published working paper, I use historical (1980-2014) data to model and simulate future paths of income inequality and growth, which, in turn, enable us to quantify country-specific changes in poverty rates and income distribution. Our historical-based simulations estimate that the probability of alleviating extreme poverty below the 3 percent threshold by 2030 (Sustainable Development Goal 1) at the global level is small less than 2 percent. Our results indicate significant variation in future poverty outcomes. For instance, by 2030, the most favorable estimate of poverty headcount at the global level displays a median value of 4.6 percent, with a standard deviation of 0.5. Conversely, our most pessimistic result shows a median outcome of 8.9 percent with a standard deviation of 0.9. These median estimates represent approximately 370 and 720 million people around the world subsisting on less than $1.90 a day (2011, PPP).

Keywords: *Uncertainty, Extreme poverty, Poverty alleviation.*

Introduction

In terms of country groupings, in relative terms, extreme poverty is expected to decline in the period 2015-2030 in economies with low, middle, and high rates of per capita output growth. However, in low-output growth economies, the absolute number of poor is expected to increase. The model simulations also predict that high-output growth economies—countries with steady growth rates above 4 percent will reach poverty rates below a 3 percent level before 2030. Noticeably, the simulations display a low degree of uncertainty around the expected poverty rates in these high-output growth countries. Moreover, non-resource-output oriented or more

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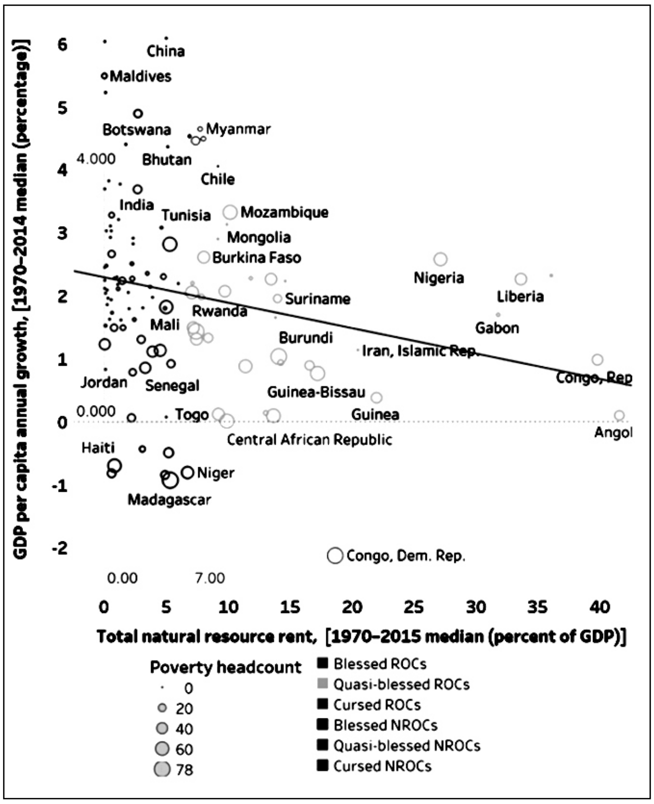
diversified economies, are predicted to achieve and go below the 3 percent poverty target by 2030. By contrast, several simulation exercises show resource-based economies witnessing an increase in absolute poverty during the period 2015-2030. We find significant dispersion in the estimated paths of poverty outcomes in these resource-based countries, implying that given recent history, it is hardly possible to predict precise estimates of poverty rates in these economies.

Resource-Based Economies

What is the current and future poverty situation in countries that rely heavily on natural resources? Figure 1 depicts two conditions. First, most countries with abundant natural resource rents in the period 1970-2015 have high rates of extreme poverty. Second, the majority of countries with high poverty headcounts had median annual growth rates of GDP per capita during 1970-2014 below the 4 percent threshold. In sum, it is quite likely that resource-based countries will keep elevated poverty rates by 2030: The most optimistic and pessimistic simulations show median poverty rates of 9 and 20 percent, respectively. What can resource-based countries do? The main goal in resource-based countries can be the same as for the majority of countries in the world with high poverty rates: to expand the economy more quickly. Because of the volatility of resource prices, the primary strategy could focus on providing more stable economic and financial conditions. This strategy can be reached by developing sustainable debt management frameworks, improving investment and business climates, as well as implementing more transparent and accountable rules to administer resource rents. Additionally, these economies can benefit from strengthening their institutions, including those involving risk management backgrounds. Potential reforms include fiscal rules (probably balanced budget designs) for commodity revenues, commodity price hedging, diversification strategies of the economic activities, among other actions.

Figure 1. Most resource-based countries currently face—and will likely keep by 2030—elevated poverty rates.
GDP per capita growth, natural resource rents, and extreme poverty



Source: Penn World Table 9.0, World Development Indicators, PovcalNet, United Nations, and the author's estimates. Note: Last available observations of poverty rates reported in PovcalNet. The figure is based on the $1.90 a day (2011 PPP) poverty line. ROCs stands for resource-based countries. NROCs means non-resource-output oriented (non-resource-based) countries.

Income Inequality

What do the simulations suggest about shifts in income inequality? Most changes in relative income inequality are predicted to be on the positive side. The Gini coefficient across the board is generally predicted to decrease on average over the period 2015-2030. Across this 2015-2030 horizon, our estimates of the Gini coefficient at the global level population-weighted averages are expected to decline between 0.7 and 1.9 Gini points (in the Gini scale of 0-100). However, some of our country-grouping estimates of the Gini coefficient display substantial uncertainty and downside risks that imply an increase in the level of inequality in the 2015-2030 period; these negative estimates are especially significant in more diversified countries, and in economies with historically high and low rates of output per capita growth.

Conclusion

In comparison with point predictions and perfect-foresight methods, our approach considers both the outcome precision of a multitude of historical-based scenarios and the uncertainty standard deviation of simulated outcomes embedded in the predictive fan chart generated for each situation. This multiplicity of results and the predictive fan chart and associated uncertainty provide strong incentives for the improved design of policies for poverty reduction and income redistribution. It is crucial to continue thinking in the design of hedging mechanisms against risks under variable economic environments affecting poverty and income distribution.

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CHAPTER FOUR

HIGH BRIDE PRICE AND THE BURDEN ON WOMEN AMONG THE MWAGHAVUL PEOPLE OF PLATEAU STATE

[1]Cinjel Nandes Dickson & [2]Oboromeni Weinoh
[1]Department of Public Administration, Federal University, Wukari, Nigeria
[2]Department of Public Administration, Federal University Lokoja, Kogi State

Abstract
The Mwaghavul people are substantially found in Mangu Local Government Area of Plateau State. A sumptuous number of them are also found among the Goemai and Kofyar people of Plateau State. They are also visible in places such as: Lafia, Gwantu, Saminaka, Pambegua, Zaria (A place such as Angwan Mangu was nick named after the Mwaghavul people and also due to their large number) Doma and Minna. The Mwaghavul people occupy a land of about 1,587sq kilometer. The land is bounded on the East by the Pyem and Bigym group; to the South by the Ngas and Mupun; to the West by the Ron, Kulere, Mushere and Berom in the North. This study dwelled on the high bride price and its burden on women among the Mwaghavul people of Plateau State. The study made a comparative analysis of the practice in the past and at the contemporary period. The study established that prostitution, giving birth to children out of wedlock, increasing cases of several mature unmarried women at home and spread of sexual transmitted infection as some of the dangers that were associated with the high bride price on women among the Mwaghavul people.

Keywords: *Bride price, Burden, Women, Mwaghavul people, Plateau state.*

Introduction
The Mwaghavul people are substantially found in Mangu Local Government Area of Plateau State. A sumptuous number of them are also found among the Goemai and Kofyar people of Plateau State (Tangman, 2013). They are also visible in places such as Lafia, Gwantu, Saminaka, Pambegua, Zaria (a place such as Angwan Mangu was named after the Mwaghavul people and also due to their large number), Doma, Mina, among others. The Mwaghavul people occupy a land of about 1,587.54 kilometers

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(Tangman, 2013). The Land is bounded on the East by the Pyem and Bigym group, to the South by the Ngas and Mupun, to the West by Ron, Kulere and Berom in the North (Cinjel, Chujor and Kachi, 2019). The Mwaghavul people are characteristically known by most people both within and outside the state for their disproportionate charges on bride prices. The practice varies among families and communities. What is discernable from practice is that the charges are highly exorbitant compared to other ethnic groups both within and outside the state (Pansat, 2001). Biko (2003) argued that the continues increase in the bride price among the Mwaghavul people are function of factors such as poverty, low level of literacy, ego and the quest to become rich. He went further to stressed that the introduction of items such as jerry cans of oil, bags of salt, packets of Maggi and other additives, Catton of beers, among others are alien things and the formation of modern time (Biko, 2003).

Pansat (2001) in his perception stressed that the schematic way of dramatizing issues appertain to bride price were new intrigues developed by most community in the Mwaghavul land to generate money under the cover of bride price. He cited instances where the family of suitors would be told to pay money for trivial issues such as money for the opening of conversation, money to call the attention of the proposed bride, money to bring out the proposed bride to the eye of the gathered crowd, money for the repair of the unknown and unseen broken fence, money for the opening of food which were brought to the family of the proposed bride, among others (Steven, 2010). The main price charged specifically on the proposed bride which the Mwaghavul called the Dyes Ka'a and the price which were main for the proposed bride family (Sar) are mostly high. He went further to challenge the tradition council for failing to create a uniform price on issues of bride price in the chiefdom (Cinjel, 2022).

The effect of this act has increase the spate of abnormal vices such as high incident of prostitution, increasing cases of having children out of wedlock, heat and carry type of marriage, loose and flirtatious behaviour among others. Women in the ethnic extraction often suffer the brunt of the vice. They are always at the receiving end and mostly found as the victim of the practice (Cinjel, Ibrahim and Danjuma, 2018). Moses (2010) on his part stressed that the practices gain wide recognition because traditional institution as well as religious institution play loose role in check mating the spread of the practice. He went further to subscribed that most communities hide under the umbrella of the loose traditional institution to strengthen the growth of the act. These in turn become a bad name than a blessing to the people. Most ethnic groups both within and outside the state often uses its as strong justification to avoid patronizing women in the Mwaghavul ethnic group (Saleh, 2011). In 2010 and in 2016, the Join Association of Traditional Institution (JATT) of the nation in collaboration with religious institutions attempted to design specify yardstick in order to serve as medium to checkmate the increasing cases of exorbitant prices which are mostly charged in relation to bride price in the Mwaghavul nation but all to the contrary (Cinjel, Ibrahim and Lawan, 2019). Their failure to create standardizes and acceptable uniform charges were due to the loose nature of implementation of the designed law which was established to check the menace (Moses, 2010). This study aimed at drawing stakeholders' attention to the high bride price and the burden among the womenfolk in the Mwaghavul ethnic group of Plateau State.

Conceptual Literature

(a) Concept of Bride Price and Dowry

The word *bride price* is a coinage of two English words –*Bride* and *price*. The word bride depicts a woman who is about to marry or who had just married and price on the other hand, is an estimate of what somebody or something is worth. Bride price according to Steven (2010) is the sum of money or quantity of goods given to a bride's family by that of a groom in primordial societies.

Bride price, best called bride wealth, and also known as bride token, is the money, property, or other form of wealth paid by a groom or his family to the parent of the woman he has just married or is just about to be married (https://en.m Wikipedia.org). In the same vein, American Heritage (2010) sees bride price as the payment in the form of money, property, or other valuable asset that is made by or on behalf of a prospective husband to the bride's family in certain cultures or societies. The above definitions restricted the term to only money and properties. The issue of right and service is ignored.

In a different direction, Collins (2012) defines bride price as money, properties or services given by a bride groom to the king men of his bride in order to establish his rights over the woman. In the same direction, Martin (2015) sees bride price as the worth often given to parents of the bride to justified their support and agreement with the marriage. From all this, it can be deduced that bride price or bride wealth is the amount of money, property, services and other worth that is normally given to the family of the bride by the groom or the family of the groom to validate the marriage.

Dowry on the other hand is the opposite of bride price. It is the derivation of the Latin word *dowered* which denote bride's family's gift to bride groom. It is an amount of money or property given in some societies by bride's family to her bride groom or to his family when she marries. Redmond (2009) defined dowry as property that a wife or wife's family gives to the husband upon marriage. The distinction between the two terms is that the former is paid to the husband or the husband's family while the latter is given to the husband, who has exclusive control and the administration of it during marriage, to the employed in defraying the expenses of the family. The dowry may also serve as insurance against bad treatment of the wife by the husband; it must be forfeited to the wife or wife family in case of divorce. The wife may not deprive the husband of the control, and he, on the other hand, is bound to protect the property that he received as dowry.

(b) Concept of Poverty and Women's Poverty

The Oxford Advance Learner Dictionary of Current English stressed that the word poverty was a coinage of a French word 'poverte' which denotes the state of being poor, the state of lacking in quality or amount. The term suffers from a lot of misconception, Poverty as a concept is multi-dimensional. It connotes inadequacy such as lack of money under social usage. It shows the inequality of persons in a given society, the relationship between those who “have” and they have not. It is a state of lack in which a person is unable to meet the basic minimum requirement for food, health, shelter, education and clothing. According to Akande (2003), it is a material and non – material deprivation, which is mainly characterized by food insecurity, lack of access to health services, poor and adequate education, lack of basic needs, physical, psychological experience of violence and insecurity. In the work of Taylor (1990), poverty means different things at different places. However, in a general term, he sees poverty as a state when a person in unable, for whatever reasons, to provide the basic essentials of life – food, clothing and shelter. Taylor goes ahead to emphasize that poverty can be brought about by any of one or combination of the following factors: old age, sickness, infirmity and total depression leading to unemployment, Laziness, low wages or high prices ,family circumstance such as choice/ separation.

Oyemosi (2004) advocates that poverty is a state where an individual is unable to provide adequately for his/ her needs of food, clothing and shelter i.e. the inability to meet social and economic obligations, lack of gainful employment, skills, assets, self – esteem and limited access to social and economic infrastructure such as education, health, portable water, sanitation and consequently, has limited chance of advancing in the welfare to the limit of his/ her capabilities. Poverty can either be in absolute or relative terms. Absolute poverty is a condition where a person or group of persons are unable to satisfy their human survival needs in terms of food, clothing, shelter, health, transport, education and recreation. Relative poverty is a complete state of lack and deprivation among individuals or groups. This tandem with the view of Babashola (1997) a resident representative of UNDP – who defines poverty as a condition of life characterized by malnutrition, disease, illiteracy, low life expectancy and high infant mortality beneath any national explanation of human decency.

The concept of women poverty is a nascent term in the social sciences and was first coined by Jane smith in 1989 when she attempted to create a nexus between societal values and how it impedes the growth of a woman in the third world countries. It was further developed by rural development scholars such as Zamani (2001), Todaro and smith (2003), among others. The term is used to describe situation where women are left in the state of lack or inadequacy as a result of societal norms and values. The mentioned some of the societal norms as bride price, negligence of girl-child education, early marriage, denial of inheritance and other religious practices which enervated women from socio-economic emancipation

Some contributors in the field like Donaldson (2010) advocated that women poverty are creation of the society and it includes all practices such as custom, religious belief, and tradition that engender the growth of the woman in the society. Stephenson (2010) stressed that women poverty are those lack or state of inadequacy of women that emanated from societal imposed factors such as custom, belief system, and traditional practices. It is common in the third world countries most especially countries in Asia and Africa.

Nature of Bride Price among the Mwaghavul Ethnic Group

The Mwaghavul people of Mangu Local Government Area of Plateau state have attached high premium to the bride price system. What make their own system more pronounced is the high charges that are attached to it. The suitor or groom and or his family is expected to settle every of the requested item before the marriage engagement; this can be traditional, church, Islamic or whatsoever (Pansat, 2001). It is mandated on all suitors to settle the required bride price before the marriage would be recognized and be legitimate. When the marriage is built on the hit and carry type of approach, the husband will never be treated with worth till the day he paid the required bride price (Cinjel and Kachi, 2018). The churches, mosques and traditional institutions in the society just like the family of the bride would also see the elopement as not valid because it fails to satisfy the custom of the land (Pansat, 2001).

Different families and communities have different ways of charging the bride price on their daughter. In the time past, what was given serious attention was the state of the virginity of the proposed bride. Later, emphasizes were laid on issues of training such as whether the proposed lady has attended school or learned a particular vacation (Nanpan, 2010). The costs of her schooling and or expenses inquired from learning a vocation are all charged on the bride price. With the increase in what is seen as civilization, no worth is attached to issue of virginity, school, vacation learned or whatsoever. Women at the start of the 21st century in Mwaghavul land are treated as equal when it comes to issues of bride price. The charges are the same and kept raising eye brow not only the native both to other people outside the Local Government Area (Sati, 2011).

What make the issue of bride price a subject of discussion and also an issue of astonishment on women among the Mwaghavul ethnic group is the exorbitant charges that are attached to it (Sati, 2011). The charges vary among families and communities but their point of concord is on the items that accompany the charged price and the monetary worth (Cinjel, Chujor and Soni-Uboh, 2017). A cross sectional survey of some communities in the Mwaghavul ethnic groups shows that money being charged as bride price are relative and depend on how the family wants to take. What are mostly uniform are the properties that are charged. The survey shows that the requested items comprise properties such as:

a. Seven bags of millet
b. 5 bags of maize
c. 5 gallons of red oil
d. 5 gallon of ground nut oil
e. 12 jerry can of gruel
f. 4 jerry can of local beer (Mos)
g. Rice (relative)
h. A bag of salt
i. Maggi-relative
j. Carton of bears (relative)
k. Crates of soft drinks (relative)
l. Firewood – relative
m. 7 goats and some (pigs and cow)
n. Firewood (relative)
o. Money for grinding

The aforesaid items must be brought to the family of the proposed bride before the wedding. It can be brought into two stages. The first of the stages is the engagement rite which most people also called it the introduction day. At the first meeting, the proposed groom is expected to come to the home of the proposed bride together with his parents and family men (Moses, 2010). The bride family together with the family of the proposed groom is to seek the service of someone who would be expected to serve as the link or go-between between the two families (Saleh, 2011). Most families sometimes demand that a token be paid before the real conservation began and at this stage, the groom's family would be asked to paid some amount which is normally equated to the ring (Kim) which is to be wore to the proposed bride. The feeding and expenses of the day are the responsibility of the groom or the groom's family (Cinjel, 2022).

The aforesaid list would be presented to the groom's family to keep him or the groom's family abreast before the second stage which is called the *se chagaat*. At this stage, the groom's family would come with the item which were given to them in the list and when it is satisfied by the bride family, the bride family would communicate the groom through the go-between and whenever there is dissatisfaction or disapproval in term of the item brought, the go-between would notify the groom so that the necessary things are done before the next proceeding (Cinjel et al, 2019)

Effects of Excessive Bride Price on Mwaghavul Women

The practice of charging high rates and properties as bride price among the Mwaghavul people has cause more problem than blessing in the society. These problems often manifested in the form affliction such as delay marriages, high number of grown-up female children at home, having children out of wedlock, bad names by outsiders, incidence of frustration among marriageable ladies who are still single, among others (Biko, 2010). This burden affects the psych of the female folk who are cut up in the web as some of them later remain single and independent women in the society. This situation has pushed a lot of them to venture into different anomalies in order to survive (Cinjel et al, 2019). The society on its own part ridicules most of the victims with abusive names. Some, as a result of the ridicule forced themselves into different act and some have fall as prey of dubious religious groups and native doctors who intriguingly deceive them under umbrella of providing succor. Biko (2010) stat that:

> *The Mwaghavul people are the cause of their own misfortune. They set trap which is now hunting them. They are mostly the victims and their women suffer it most. If you enter most of their churches, majority of them are not communicant members because they are still indebted to their supposed in-laws and also have failed the church by their own type of marriage which the churches equate it as immoral. There are members that end up in polygamous setting and the churches still see it as adultery. Among the adherer of Islam, the marriage is not in line with Islam injunction and children given birth through such scenario would never be recognized till the day the husband paid the recognized bride price and intimate the Islamic institution for the appropriate rite in tune with the rite of the religion.*

There is more to the issue of delay of marriageable women, societal ridicule, community abuses, exposures as menace culminated from the bride price. The women are also exposed to societal vices which often manifested into act such as prostitution, promiscuity, licentious behavior, flirtation, having children at home or out of wedlock, increasing cases and incidence of divorce, single parenting, and increasing cases of polygamy, abortion, baby's abandonment and a lot of other (Cinjel et al, 2019). It does not stop at this, most of the married women are exposed to violence and this is as a result of frustration accumulated from huge sum of money and property that were expended from the settlement of the bride price. Nanpan (2010) enthused:

> *The commoditization of women in Mwaghavul Land contributed to the suffering which the women mostly faced at their matrimonial home. Most of the husbands projected their frustration on them and defended the act as normal because they often hide under the huge money paid as alibi. Besides, they are seen as commodity which they have acquired.*

A cross sectional survey in the 13 district that made up the Mwaghavul Chiefdom also shows that women are not accorded with much status like their male counterpart. They are only used as tool when it comes to issues of bride price. The act continues to expose the women folk to a lot of societal encumbrances. In an interview, Saleh lamented that the challenges emanated from the exorbitance charges associated with bride price in Mwaghavul land is more of a curse than blessing. He enthused:

> *The habit of charging huge sum of money as bride price is an omen to the society. It has affected both the male and the female folk alike but the women folk suffer the severe blow. I have seen a lot of men and women whom were denied marriage because the charges required were not met. The go-between will also notify the bride's family of the date which the two families would fix to liaise on the wedding day, the amount which the groom's family would sent as transportation fare or the number of vehicle which would be sent to convey the family men and women of the bride. The expenses does not stop at this stage, the bride family will also have to organized a feast to send off the family women of the bride and this involve giving them a mature goat and monetary worth would also be presented.*

Bride Price: Ancient versus Modern Practice

In the olden days, bride price was uniform and the charges are relative less as compared to the present day's system. In the ancient time, traditional institution checkmate excesses and also ensures that the items brought are chiefly foods and drinks for the merriment of the people around (Nanpan, 2010). Monetary worth's are product of modern time and also play a role in increasing what is now charged as bride price. Biko (2003) stressed that the Mwaghavul people in the time past concentrated on few properties as against what is practiced in the modern time. He went further to stress that in the past, interest was mostly centred on the good relationship built with the in-laws than item and monetary worth which are demanded at the birth of modernization.

Saleh (2011) in his view stressed that there is a sharp relationship between the increase on the items and monetary worth which are demanded as bride wealth in Mwaghavul land and the incidence of poverty. He went further to stress that issues such as oil, carton of beers, Maggi, bags of salt, and monetary value are creation of the modern generation. In line with this perception, Moses (2014) stressed that the emphasis on monetary worth and properties which are watchword of the modern time has played a shape role in fading long established value such as worth of chastity, virginity and moral uprightness of the intended bride and groom.

A cross sectional interview in the 13 district that made up the ethnic group shows that most of the charges are product of modern time and their spread were influenced by the loose role of traditional institutions of the modern time. The survey also revealed that there is a semblance between amoralities which are common in the society and the incidences of disproportionate bride price in the society.

The charges often attached on the bride price continue to contribute to lose moral behavior in the society. Women who are expected to be treated with worth are rather monetized and treated like commodity as against the ancient practice which gives premium to mutual co-existence and inter-relationship (Nanpan, 2010). In an interview section, a title holder, Baba Haruna Kyahar disclosed his perception on the distinction between the bride price in the ancient time and nowadays. He lamented and expressed his dismay on the persistent rise in bride price among the ethnic group and the passive stand of the traditional institution on the menace. He enthused:

> *I as a person, I dislike and hate what is happening, the commoditization of our ladies is a very big problem in this land. We tried to use the religious institution to control the excesses of this charge but to no avail. I wonder what would later be the fate of a poor man in the future.*

There are drastic and specified things to what was practiced in the ancient time. A lot of things were substituted with money and there are a lot of issues which are introduced to raise unnecessary money to the bride's family at the expense of the groom's family (Pansat, 2001). The introduction of the payment of 5,000.00 in place of the ring called the Kim, the charges which are to be paid before the commencement of the introduction or engagement rite, the charges for the introduction of the groom's family and before the parents of the proposed bride would listen to the groom's family, charges before the proposed bride would be brought to the sight of the meeting and a lot of other are product of modern time and this has continued to augment unnecessary charges to the intended groom and his family (Cinjel et al, 2019).

The modern practices are often linked to societal exposure and civilization but some see it as a result of poverty which is ravaging in most communities. It is seen as a simplest medium to generate money at the expense of the proposed groom. This menace does not only contribute to the spread of amoral practices but has affected the mutual and good relation which the ethnic group was enjoying with other groups in the time past (Sati, 2010). In another interview with another title holder, Yenle criticized the loose nature of the traditional institution on issues appertain to bride price. He stressed:

> *I have seen a lot of times where some ladies suffer by anomaly such as pregnancy out of wedlock. I have seen plethora of cases where some of our female children gave birth out of wedlock. There several cases where innocent babies are aborted as a result of the challenges emanated from the menace of unwarranted bride price. I have equally seen number of cases where babies were abandoned. Even this very year some babies were found as a product of such circumstance and this unhealthy and barbaric practice is waxing stronger unabated.*

The effect of bride price in the Mwaghavul land have forced a lot of prospective husbands who were unable to meet up or do not have the buoyancy into the crook type of marriage which the society and custom of the people frown upon. There are also increasing cases of domestic violence (Biko, 2010). This is because women are reduced to commodity by the practice known as bride price.

Theoretical Underpinning

Social norm theory is adopted as the theoretical underpinning of the study. It was propounded by Berkowitz in 2004. The nut and bolt of the theory is that some societal input such as norm, culture or values implanted in a society can either impact positively or negatively on the people. The theory posits that individual behaviour is influenced by time's incorrect perception of how other members of other social group which can be ethnic, religious or profession affiliation think and see things. The theory further advocated that in most societies, values can either encourage or discourage the progression and development of the society. The theory also stressed that norms and value are mostly the creation of traditional institution and if they are the creation of time and change, tradition can also determine their growth (Collins, 2012). Another variant of the theory is that societal change can implant certain characteristic in a society and if inputs are not weighted before venturing into its act of practices, it can produce catastrophic and counteractive impact on the people

The theory has the following tenets:

a. Actions are based on societal inputs
b. Some societal norms are creation of time and some by customs and convention

c. Environment of an individual can enhance or mare its success
d. Most societal vices such as prostitution, alcoholism, drug abuse, divorce are straightened by the environment
e. The social norm theory is applicable to the study in this direction

A. **Societal input and value:** The high bride price which has now become a burden to Mwaghavul women of Mangu Local Government of Plateau State are input and value of the society. It is an act that was not practiced in the past but has now gained approval and recognition. Thus, it has become a value which most people uses whenever it comes to issue of bride price.
B. **Custom modify by time:** The practice of charging high bride price among Mwaghavul people was not practiced in the ancient time. Bride price for long was part and parcel of the Mwaghavul custom and tradition. The culture of excessive charging as against what was practiced in the ancient time was as a result of change in time in which some sees as civilization whereas it is the creation of social change sharpen by abnormalities such as ignorance, poverty, existence of the loose role of traditional institution and greed.
C. **Environment as a stimulant:** Environment play crucial role in uplifting challenges which influences the act of charging high sum and properties as bride price. The factors that often act as stimulant are from the environment. This has to do with custom which was later been shaped by time.
D. **Social value as a vice:** The culture of charging high or huge sum of bride price has caused more harm than good to the society. Its undesirable effect cut across both the male folk and the female folk. But women suffer enormous than men. Men can only be frustrated and be forced into illegitimate form of marriage while the women folk suffer in number of ways such as delay marriage, frustration, trauma disorder, prostitution, having children out of wedlock, victims of flirtation, and abortion among many others. This is not a good name to the ethic group rather it has portrayed the group in a whimsical non-affirmative direction.

Conclusion

The culture of charging disproportionate bride price on women among the Mwaghavul people has aided more ground for the growth of burdens than virtue on women in the society. The practice has encouraged the commoditization of women and societal ills such as incidence of divorce, broken homes, single parenting, prostitution, cases of having children out of wedlock, wide spread of prostitution, battering, spread of sexual transmitted diseases among many others. Apart from these ills, women tend to suffer from challenges such as delay marriages, increasing incident of being single and independent women, commonality of grown-up ladies and ladies without marriages, increases cases of illegitimate marriages, women poverty, frustration and a lot of others. This development is neither a pat on the back nor a commendation on the image of the ethnic extraction. It has become a bad name and a lot of ethnic groups both within and outside the state use the scene as a yardstick to avoid inter-marriage with the Mwaghavul people. Women are left as victims of the act. It has exposed a lot of them into poverty and ills such as prostitution in the society. There is also a linkage between the act and the increase in sexual infections. This is because the women folk are left vulnerable and wide open to societal ills. The traditional institution which is supposed to control the flow of the act in turn ignores it. This casualness and inattention has further encouraged its prevalence in the society.

Recommendations

The following sets of recommendations were proffered:

a. The traditional institution in Mwaghavul land should practically define channel that would help to control the unwarranted charges that are attached to bride price in the society. Communities and families found in such practices should be punished.

b. The Local Government Council in collaboration with traditional institution should sensitizes the society on the evil of commodifying women and the menace associated with excessive charges of bride price such as battering, separation, delay of grown-up ladies and marriageable ladies without matrimonial home and a lot of others.

c. The Local Government Council in conjunction with State Government, Non-governmental agencies, faith base organization should inject in the society poverty reduction schemes and programmes. This will help to check the culture where families or individual sees bride price as avenue to raise money as against values such as bond or relationship creation with in-laws.

d. The Ministry of Local Government and Chieftaincy Affairs in collaboration with tradition council of the Local Government Area should come out with template and standard in which issues appertain to custom, culture, beliefs and tradition should be modified so as to tally with modern time and conventional practices. Emphasis should be based on discouraging high bride price, encouraging girl-child education, and discouraging child-marriage, culture of marrying wives not in tandem with one's buoyancy and financial strength, male succession, male inheritance, women poverty, among others.

e. The Federal Ministry of Women Affairs in conjunction with traditional councils should also help in creating awareness on the ills of women commoditization. It should also preach against increasing incidence of bride price, women circumcision, and women stereotype as feeble. They should equally provide aids to affected victims such as child or children born out of wedlock, women who are victims of battering, V.V.F, broken homes, etc. There is equally the need for the rehabilitation and invocation of vocational training to women who are left and also exposed to ills such as prostitution.

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CHAPTER FIVE

PUBLIC DEBT AND ECONOMIC DEVELOPMENT IN NIGERIA

[1]Okafor Onwuagana Chukwuma & [2]Isibor Areghan
[1]Department of Government and Public Administration, Baze University, Nigeria
[2]Department of Banking and Finance, Covenant University, Nigeria

Abstract
One of the major sources of generating revenue for any country is public debt. This becomes necessary in the face of some unforeseen circumstances and persistent budget deficit, economic instability, implementation of development programmes and other needs that require huge funds beyond the financial capacity of the country. While the act of borrowing by the government is not totally bad, its effect on the economic development of the country has been a subject of discourse by scholars and other stakeholders. Studies conducted using different analytical techniques and statistical tools show mixed findings in the relationship between public debt and economic development. Thus, this paper examines the effect of public debt (from both external and domestic sources) on economic development (represented by GDP) of Nigeria for the civilian administration spanning 1999-2020. Secondary data was collected from Debt Management Office, Central Bank of Nigeria and Budget websites which were analysed using the Analysis of Variance regression. Findings showed that external public debt has significant negative impact on economic development, and reflected that public debts from domestic sources have a significant positive impact on economic development. The study therefore recommends that the central government should strategically consider alternative sources of raising revenue other than borrowing. Secondly, government should drastically reduce external public debt. Additionally, the government should utilise funds borrowed in a productive manner and to the benefit of the citizenry.

Keywords: *Domestic debt, Economic development, External debt, Nigeria, Revenue sources.*

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Introduction

What is the impact of government borrowings on the general wellbeing of the people? Do these borrowings create more employment opportunities, alleviate poverty, increase infrastructural development, or improve educational and health facilities in the country? These and many more are important policy questions, as well as the concerns of public managers, public administrationists and other scholars. Though, borrowing has been considered as a "second best alternative to capital formation" (Matthew and Mordecai, 2016:2), most especially in times of economic crises, it only becomes impactful on the citizenry when utilised for public services or projects and not private or public consumptions which do not benefit citizens (Ibietan and Ikeanyibe, 2017). Rais and Anwar (2012) posit that the act of borrowing by government is a worldwide phenomenon, and it is not often considered a problem per se, only if it is sustainable and promotes good management. Favour, Idenyi, Oge and Charity (2017) similarly argue that increasing public debt can be unfavorable to economic growth of the country if not effectively used. This implies that the economic influence of public debt is dependent on how the borrowed money is utilised. In other words, if the funds acquired through debt are adequately engaged for development purposes, it will definitely lead to national macroeconomic stability. Consequently, there will be significant economic growth that gives room for timely debt repayments (Tajudeen, 2012; Eze, Nweke and Emeka, 2019). Ujuru and Oboro (2017) corroborate that the accumulation of debt will only be advantageous if it results in economic growth and welfare of the citizens.

Whenever countries with low income are faced with the challenges of budget deficit and unfavorable balance of payments, they are usually left with no option than to resort to borrowing. Other issues such as corruption, mismanagement of funds and lack of initiative to diversify revenue sources limit the funds available to a developing country like Nigeria and often constrains the government to borrow externally. On acquiring such loans, the issue of debt servicing emerges and becomes endemic; and once this is not managed as expected, the economic growth of the country may not only be disrupted but have wider negative consequences (Soludo, 2003; Udeh, Ugwu and Onwuka, 2016; Ibietan et al, 2018; Omodero and Alpheaus, 2019; Efuntade, Adegboyo and Efuntade, 2020).

Nigeria's public debt was limited until 1978. Before this time, the government engaged in some long-term loans; these loans were acquired on soft terms, to mitigate national economic burden. More so, there was a large revenue base from oil since it was the oil boom period (1973-1976). Also, the nation's "benefits" from oil boom almost disappeared as oil prices slumped between 1980 and 1982 which reduced the oil revenues from US$ 25 billion in 1980 to US$12 billion in 1982 and US$6 billion in

1986. This led to several debt rescheduling and reduction strategies between 1986 and 1992, aimed at relieving the country of the burden of ballooned debt profile (Central Bank of Nigeria, 2013).

Between 1993 and 1998, the debt overhang inhibited the country from getting loan as before. Thus, by 1999, Nigeria embarked on a massive campaign for debt relief. This campaign yielded a positive result as the external debt was written off to a very great extent- from $35.9billion to $3.5billion (Central Bank of Nigeria, 2013:9). The drastic reduction during that period was also due to the efforts of President Obasanjo's administration that opted for debt negotiation in 2004 (he actually negotiated debt forgiveness with the Paris club), which resulted into a total outstanding of only $3.65 billion as at the time his administration ended (Akinsanmi, 2020). From same year (2007) when the late President Umaru Musa Yar'Adua took over as the President, the trend in public borrowing began to spiral upward again till 2010 when the debt profile had increased by 25% (to $4.57). Reports show that, during President Jonathan's administration, external debt rose from $5.66 billion in 2011 to $9.71billion in 2014. From then, the country's external borrowings have been gradually increasing, as shown in the DMO's records, from $10.71 billion in 2015; $11.40 billion in 2016; $18.91 billion in 2017; $25.27 billion in 2018; $27.67 billion in 2019; to $27.666 billion at the end of the first quarter of 2020. This reveals that the highest external debts were recorded during the present administration of President Buhari (Debt Management Office records, 2020; Akinsanmi, 2020).

On the other hand, the country's domestic debt has actually been fluctuating. It grew from $41.97 billion in 2012 to $58.02 billion in 2014 before it reduced to $45.99 in 2016, during President Buhari's first term. By 2017, his administration started borrowing more from domestic sources, making the outstanding domestic debt to be $52.08 billion as at the end of that year, $54.16 billion in 2018; and $56.38 billion at the end of 2019. By the end of March 2020, the total outstanding domestic debt stood at $51.64 billion (Debt Management Office records, 2020). These borrowings did not translate to tangible improvements in the lives of the citizenry due to lack of political will or robust leadership (Ibietan, 2019). It is noteworthy that the Gross Domestic Product (GDP), which is the total value of goods produced and services rendered in the country within a year, which experienced spasmodic growth for most parts of the Obasanjo presidency and took a downward plunge towards the end of his tenure; and thereafter, has been fluctuating (as shown in figure 1 below). More recently, in 2016 (during the first term of the incumbent president Buhari), the country's GDP which had declined into negative, rebounded from the 1.62% negative growth to 0.81% positive growth in 2017 (Akinsanmi, 2020); and had since then, been slowly and gradually growing again to 2.21% in 2019 as shown in the Figure.

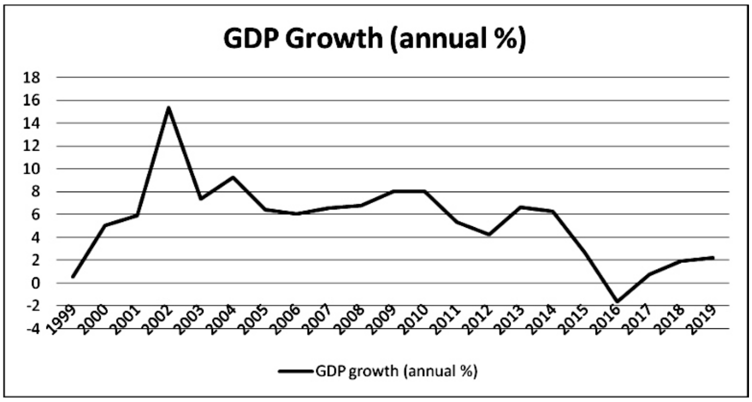

Figure 1 showing the annual % growth rate of Gross Domestic Product in Nigeria from the inception of democratic rule (in 1999); ***Source:*** *The World Bank Data Catalogue (2020)*

Although, this paper does not intend delving into the trajectory of Nigeria's public debt, the above overview shows that public debt has been on the increase for decades; and the Gross Domestic Product has also been fluctuating during the period under study. The paper investigates the impact of increasing public debt profile on the economic development of Nigeria since the re-emergence of civilian administration in 1999 till date.

Methodology

This study adopts mixed approach (qualitative and quantitative) to explore the impact of external and domestic debt (independent variables) on economic development (dependent variable). Data were collected from secondary sources- Debt Management Office website, BudgIT and Central Bank of Nigeria statistical bulletins which were analysed using statistical tools (measures of central tendency) and multiple linear regression to test the hypotheses stated for the research. From the linear model, the relationship between the two main variables was studied over the 22-year period spanning 1999 - 2020. The Linear Regression result was presented and discussed. SPSS version 21 and Microsoft Excel were used for the analyses. The hypotheses formulated for this research are examined using the p-values of the estimated coefficient. Herein, the accompanying p-value (***p***) of the variables is compared to the 0.05 significance level for each variable which is considered acceptable for the social sciences and humanities related studies.

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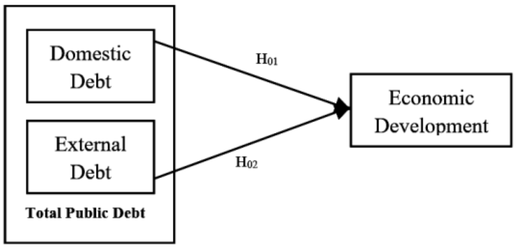

Literature Review

The concepts of public debt and economic development are explained in this section.

The Concept of Public Debt

Public debt has been explained by several authors and scholars. Favour, Idenyi, Oge and Charity (2017) provide one of the simplest definitions of the concept. They defined public debt as the total amount of money owed by the federal, state and local governments at any point in time. Rais and Anwar (2012) similarly infer that public debt is the liability created when government decides to borrow, as an alternative to increasing tax measures, in order to finance budget deficit. According to Nassir and Wani (2016) cited in Eze et al (2019), public debt is described as sum total of the debt by the national, state and local governments, reflected by public expenditure through borrowing in place of taxation. Public debt is, however, different from national debt (which is same as federal government debt). While the former is the sum of debt obtained by all the levels of government in a country, the latter specifically implies amounted borrowed by the federal government only. The Central Bank of Nigeria (2013) refers to public debt as borrowing by the government. The country's apex bank further posits that it occurs when the government decides to borrow to set off budget deficits or to aid economic development. This, translates to the debt obligation by all the tiers of government in a country. They are debts owed by the public sector- that is, the government and government agencies. In a nut shell, it is the total debt of the State (Chartered Accountants Australia and New Zealand, 2016; Szybowski, 2018).

Though, the government has alternative sources of income- such as: increasing tax and printing money, public debt is usually contracted to bridge budgetary gap

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Though, the government has alternative sources of income- such as: increasing tax and printing money, public debt is usually contracted to bridge budgetary gap (Institute of Chartered Accountants of Nigeria, 2014), for capital formation during economic depression (Matthew and Mordecai, 2016), to finance developmental projects (Akhanolu, Babajide, Akinjare, Oladeji, Osuma), and to finance such public goods that promote the welfare of the people and increase the growth of the country (Gill and Pinto, 2005). Soludo (2003) avers that there are two major reasons why countries borrow; these are: "macroeconomic reasons (higher investment, higher consumption (education and health) or to finance transitory balance of payments deficits [to lower nominal rates abroad, lack of domestic long-terms credit, or to circumvent hard budget constraints]" (cited in Central Bank of Nigeria, 2013:3).

Other reasons, generally advanced to justify the need for a country (or its government) to obtain loans or borrow are as follows:

i. Rapidly increasing population, especially in many developing countries; this results into government borrowing in order to expand public enterprise and public utilities to meet the need of the rising population;

ii. Outbreak of war/crisis and natural disasters, such as: flood, earthquake, sectarian violence and other natural catastrophe, could make the government borrow in order to embark on rehabilitation and reconstruction projects and provision of relief to victims;

iii. Fluctuations in government revenue, which may be due to sudden poor performance of a particular product in the international market, especially when the product seems to be the only export product for foreign exchange income (for countries with mono-cultural economies);

iv. Debt servicing may also be another justification for government to embark on borrowing. This can be with a view to mitigating the existing debt; especially when the new debt comes with favorable conditions;

v. Opting for public debt allows a more effective way in which country can leverage on opportunities of investment with long congestion periods;

vi. Government also borrows as an alternative to redundant dependence on printing of money which may result to peaked and capricious inflation;

vii. Excessive spending, that may be caused by the militarization of the economy, extensive administration or high social transfer (The Institute of Chartered Accountant of Nigeria, 2014; Gill and Pinto, 2005; Szybowski, 2018).

The effects of opting for public debt, instead of other sources of revenue available to the government, can be positive or adverse. Generally, however, the effect is a function of how the money borrowed is utilised. Rais and Anwar (2012) posit that embarking on borrowing will help the government fill the budgetary gaps between expenditures and revenues; as well as help prevent inflation rise, which comes with printing money. Also Bhatia (2009) cited in Akhanolu, et al, (2018) argues that variations in the volume, composition and yield rates of such debt can be used to regulate the economy. When the money is used appropriately, it will aid economic growth in the country. Butkus and Seputiene (2018) present the consequences of acquiring public debt based on the perspectives of different theorists and their theories. According to them, the Keynesian viewpoint shows that the "positive effect is expected mostly in the short-run;" on the other hand, neo-classical theory shows that public debts has harmful (crowding-out) effect, as the it can lead to "higher interest rates and thus reduce private investment and growth;" and the Ricardian theory argues that "public deficits and debt do not have influence on growth."

Eze, et al (2019) infer that, though public debt is seen as bad, countries cannot avoid it; thus, it is being described as a necessary evil. The net effect of this, comprise: imposing future obligation on tax payers; using public debt to fund excessive interest rate will deprive the country of necessary foreign exchange to get essential inputs; borrowing often comes with unbearable conditions of IMF which could negatively affect the citizens' standard of living (Institute of Chartered Accountants of Nigeria, 2014). Thus, as much as many factors exist to justify government borrowing, the adverse effects should make government have a rethink, or plan appropriately to utilise the borrowed funds in a way that will critically minimise these adverse effects.

Classifications of Public Debt

Public debt is most popularly and broadly classified into domestic (internal) and external debt (Eze, et al, 2019; Akhanolu, et al, 2018; Matthew and Mordecai, 2016; Central Bank of Nigeria, 2013). According to Favour et al (2017), it can also be categorized as long-term debts and short term debts.

Internal (domestic) and external debt: ***Internal or domestic debt*** simply refers to government borrowing from within the country. They are often collected from the CBN, discount houses, deposit money banks and other sources within the country. The internal sources of debt are treasury bills, certificate and bonds, development stocks, ways and means advances, among others (Matthew and Mordecai, 2016; CBN, 2013). The government of the country incurs them from domestic markets in order to fund domestic investments. In Nigeria, the Central Bank issues the debt instruments (expressed and denominated in local currency) on behalf of the Federal government (Gbosi, 1998 cited in Akhanolu, et al, 2018). ***External debt***: Public external debts are the external commitments and liabilities of some recognised maturity outstanding per time that can be paid in form of any commodity (Rais and Anwar, 2012). Favour, et al. (2017) uphold that external debt is any financial resources acquired from other countries or organisations. Thus, all money borrowed from foreign countries or government's issuing a Euro bond to finance capital projects are external debts. In Nigeria, external debt comprises all the debt from the different tiers of government as well as government agencies debt, refundable in currencies different from that of the country in debt. The sources of external debt, also known as foreign debt, are Multilateral, Paris and London clubs, Bilateral, Promissory notes, Euro bond, Diaspora bond and others (Akhanolu, et al, 2018; CBN, 2013; Institute of Chartered Accountants of Nigeria, 2014).

Short-term and long-term debt: The difference here is the maturity pattern of the debt. While short-term debts are to be settled within shorter periods of time (one year); long-term debts could take a longer period like 5 years and above (Favour, et al., 2017). However, the maturity of a public debt can also be on medium-term basis where debts may be mature for payment in two or three years (Institute of Chartered Accountants of Nigeria, 2014).

The Concept of Economic Development

The concept of "development" becomes more complex when used in economic terms. Ordinarily, economic development relates to the accomplishment by average people or developing countries of elevated levels of real per capital income and of improved standard of living for their people. However, to use the concept in a more technical sense, economic development relates to the method of growth in an economy, with primary objective of creating higher and rising real per capita income for that economy. Economic development is often perceived from a restricted sense of usage as an increase in GDP or income, but other processes must be considered too, such as: increased production capacity due to improved technology; the structure of the economy and enhanced living condition of the average members of a society (Ibietan, 2014).

Jhingan (2010) cited in Matthew and Modercai (2016) defined economic development as the increase in standard of living in a country's population with consistent growth from a simple, low-income economy to a modern high-income one. Shodhganga (n.d) refers to economic development as a multivariate concept, which in other words means there is no particular definition that is most satisfactory. Similar to Jhingan's (2010) definition, the concept suggested a process where low-income economies are changed into modern industrial economies. Unlike economic growth which tends toward quantitative improvements in the nation's economy, economic development involves both quantitative and qualitative overall improvement. Economic growth is often used interchangeably with economic development; however, they are fundamentally different (Rais and Anwar, 2012). According to them, economic growth is a function of average income of an economy, while economic development is a function of people's welfare in that economy. Haller (2012), comparing both concepts, noted that economic growth is simply an increase in the national income per capita. Moreover, economic growth implies an annual increase in material production which is expressed in value (mostly, the GDP or national income), but achieving such growth does not necessarily connote development of the economy. This is because economic development is not limited to only increase in material production but encompasses other socio-economic processes and changes caused by both economic and non-economic factors (Ivic, 2015). Despite the slight difference between the concepts, both entail continuous processes, with stimulating effects in economy; and they also improve the standard and quality of life (Galbraith, 1997).

Theoretical Framework: The Keynesian Theory of Public Debt

The Keynesian theory is applied in this study as framework of analysis. The Keynesian school of thought is characterised by the ideas of John Maynard Keynes, who was the main protagonist of public debt (Bilan, 2016; Efanga, Etim, and Jeremiah, 2020). Keynes had initially proposed that public borrowing will be a war financing strategy to England and that it would be useful. Thus, public borrowing became an effective and important source of financing for the states (Aybarc, 2019). The Keynesian theory of public debt believes that "government borrowing (including avowedly unproductive pubic projects) will stimulate output, especially in recessions, by absorbing excess savings and boosting aggregate demand" (Salsman, 2017:1). Efanga, Etim and Jeremiah (2020) submit further that Keynes asserts that increase in public borrowings through multiple effects will equally raise national income. The theorist established a relationship between public debt and deficit financing; and therefore recommends that the government should engage in more borrowings for every purpose so as to also increase effective demand in the economy, which would consequently trigger an increase in employment and output. Moreover, public debt as a source of fund for the country also has an indirect effect on investment. This is because the "transmission mechanism through which debts affect growth is its reduction on the resources available for investment by debt servicing" (Matthew and Mordecai, 2016:5). Also, the theory upheld that extra income produced by increase in debt to finance expenditure leads to the payment of taxes in lieu of the debt. The relevance of this theory to the study cannot be overemphasized as the theory stresses that public debt enhances development, thereby showing a relationship between government borrowings and the development of the country, even though Nigeria's experience has been quite gloomy and not encouraging.

Public Debt and Economic Development: Empirical Review

Tajudeen (2012) examined the impact of public debt on economic growth in Nigeria between 1970 and 2010. The study employed data from secondary sources. Variables used in the research were duly tested for stationarity and co-integration test was used to assess the existence of co-integration between the two main variables - public debt and economic growth. From the findings of the study, the paper ascertained that there is a long-term relationship between public debt and economic growth and they are positively connected, provided the government could be accountable for the money borrowed and the fund is utilised for the country's economic development rather than other egocentric uses. Keji, Omolade and Oguntuase's (2019) study on the relationship between external debt and economic growth in Nigeria (1980-2016) is also very relevant and instructive. The study sourced data from the World Bank, CBN statistical bulletin and International Financial Statistics. The research found that the relationship between external debt and economic growth in the country is significant but inverse, which implies that the two variables move in opposite direction. Thus, they recommend that funds obtained through borrowings should be purposefully invested into developmental projects. Also, there should be tax reforms to help improve on the country's revenue base.

Omodero and Alpheaus (2019) also assessed the impact of foreign debt on the economic growth of Nigeria. Among other objectives, the study sought to investigate the effect of foreign debt (and the associated debt servicing) on the nominal GDP between 1997 and 2017. Data gathered from the World Bank and CBN statistical bulletin using OLS regression technique for analysis shows that both the foreign debt and its associated interest payments increase in size year-on-year; and consequently suppresses the economy by the burden associated with the debts. Findings also show that a strong and significant relationship exist between foreign debt and economic growth; and confirmed that a proper use of accumulated foreign debt will improve the economy. The researchers recommended that public borrowings should be purposeful and should target development of infant industries as well as the creation of lucrative businesses in manufacturing and agribusiness industries. Efuntade, Olufemi and Efuntade (2020) investigated the impact of borrowings on economic growth in Nigeria (1981-2018). From the data analysed, the results reveal that relationship exists between the country's economic growth and external with domestic debt stocks. However, while both have statistically significant impact on economic growth, external debt has a positive effect and domestic debt has a negative impact on economic growth. The study therefore suggests that government can always resort to external borrowings as the need arises, but should take caution to prevent debt crises. Furthermore, it recommends proper utilisation of all funds borrowed internally and the government should service the debts promptly to avoid too much accumulation.

Model Specification

Multiple linear regression was used to test the hypotheses of the study and in estimating the linear relationship between dependent variable (economic development) and independent variables (external debt and domestic debt). The model was modified to capture the variables at once.

The statistical model is as follows; $Y = \alpha_0 + \beta_1 EPD + \beta_2 DPD + \varepsilon$;
Thus NED = f (NPD), where NED is Nigeria Economic Development and NPD stands for Nigerian Public Debts representing the independent variables. NPD is further broken into two as follows: NED = f (EPD, DPD) $NED = \alpha_0 + \beta_1 EPD + \beta_2 DPD + \varepsilon$
Where: NED is Nigerian Economic development, EPD: External Public Debt, DPD: Domestic Public Debt, α_0 is the estimate of true intercept of the dependent variables or regression constant; β_1 to β_2 is the estimate of parameters of independent variables or Regression Coefficient. ε is the error term.

Data Analysis, Results and Discussion
Descriptive Analysis
Table 1 Descriptive Analysis

Statistics	Real GDP	External public debt (EPD)	Domestic public debt (DPD)
Valid	22	22	22
Mean	47660.5782	3209.4114	6846.2618
Median	47934.3100	2636.2200	3889.9250
Std. Deviation	16241.35332	2809.16844	6371.48207
Minimum	22449.41	438.89	794.81
Maximum	69799.94	9987.30	18641.19
Sum	1048532.72	70607.05	150617.76

Source: SPSS version 21 Output

The table above reveals that GDP has the highest mean value of 47660.5782 while EPD has the lowest mean value of 3209.4114 in the data series. Also, GDP has the highest Standard Deviation of 16241.35332, which means it is the most volatile variable in the model. The median score shows the division of the variables by equal halves which are 47934.3100 for GDP, 2636.2200 for EPD and 3889.9250 for DPD. The minimum row also shows the lowest amount for the variables: 22449.41 for GDP, 438.89 for EPD and 794.81 for DPD; while the maximum shows the highest amount of the variables within the years: 69799.94 for GDP, 9987.30 for EPD and 18641.19 for DPD. Sum shows the overall total of the figures for each of the variables (GDP, EPB and DBD) for the 22 years (1999-2020).

Correlational Analysis
Table 2: Correlation Analysis between Nigeria Public Debts and Economic Development

	GDP (N'B)	*EPD (N'B)*	*DPD (N'B)*
REAL GDP (N'B)	1		
EPD (N'B)	-0.04653	1	
DPD (N'B)	0.665201	0.647368	1

Source: Microsoft Excel Result output

The results indicate that negative and weak correlations exist between GDP as a measure of Nigeria Economic Development (NED) and External Public Debt (EPD); while a strong and positive relationship exist between GDP and Domestic public debt. That is, EPD - r = -0.04653 4.7%), DPD - r = 0.665201, 66.5%).

Test of Hypotheses

H_0: External public debt and domestic public debt has no significant impact on the economic development

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913[a]	.834	.817	6947.62394

a. Predictors: (Constant), Domestic public debt, External public debt

Table 3 Model summary shows a strong impact on both variables, given an R (correlation coefficient) of 0.913. Also, the R-Square (coefficient of determination) reveals that the overall performance of the model in the table is satisfactory, given the R-square (R^2) of 0.834. In other words, 83.4% of the dependent variable (GDP) is explained by the independent variables (EPD, DPD). Similarly, the adjusted R Square (81.7%) attests to the good predictive value of the adopted model, and the error terms have little variance.

Table 4: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4622292622.447	2	2311146311.224	47.880	.000[b]
	Residual	917120088.615	19	48269478.348		
	Total	5539412711.062	21			

a. Dependent Variable: Real Gross domestic product

b. Predictors: (Constant), Domestic public debt, External public debt

Table 4 shows the result of the Analysis of variance test. While the F statistics is used to evaluate the collective impact of all the predictors on the dependent variable, the p-value also test the statistical significance of the impact of independent variable on the dependent variable. From the result in the table, given the p-value of 0.000 and the associated F-value of 47.880, while external public debt had significant negative impact on economic development as shown in Table 5 below.

Table 5: Coefficients [a]

Model		Unstandardised Coefficients		Standardised Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	42013.302	2374.463		17.694	.000
	External public debt	-4.749	.708	-.821	-6.707	.000
	Domestic public debt	3.051	.312	1.197	9.773	.000

a. Dependent Variable: Real Gross domestic product

Discussion

Findings show that Nigeria's public borrowing has been on the increase for parts of the period under consideration (1999-2020). This implies that borrowing (both internally and externally) has actually been one of the main sources of revenue for the country. However, Nigeria borrows more internally than from foreign sources. Also, GDP have always been fluctuating since the inception of the civilian dispensation in

1999, but in more recent times, the country witnessed stagnant growth between 2015 and 2018 before an eventual decrease in 2019. The regression analysis also reveals that there is a negative impact on external public debt and economic development; while a positive and strong impact exist on domestic public debt and economic development.

The first hypothesis shows that external public debt has a significant negative impact on economic development. This finding is in tandem with the following studies: Omodero and Alpheaus (2019); Keji, Omolade and Oguntuase (2019); Matthew and Mordecai (2016); Eze, Nweke and Atuma (2019); Favour, Idenyi, Oge and Charity (2017); Akhanolu, Babajide, Akinjare, Oladeji, Osuma (2018); but the finding disagrees with the study of Efuntade, Adegboyo and Efuntade (2020). This implies that the central government should be more judicious in the application of funds obtained from external sources. The second hypothesis testing shows that domestic public debt has a significant positive impact on economic development, which is in agreement with the findings of Matthew and Mordecai (2016); Akhanolu, Babajide, Akinjare, Oladeji, Osuma (2018); but conflicting with the findings by Efuntade, Adegboyo and Efuntade (2020); Eze, Nweke and Atuma (2019); Favour, Idenyi, Oge and Charity (2017). The current approach to the utilisation of domestic public debt for developmental purposes should be sustained by all tiers of government in Nigeria.

Conclusion and Recommendations

The study investigated the impact of borrowing internally and externally on rate at which the Nigeria's economy has been developing. Using multiple linear regression on the data collected from secondary sources, the study shows that funds borrowed from external sources have significant negative impact on Nigeria's economic development while funds borrowed internally have significant positive impact on the economic development of the country. Based on these findings, the study recommends that the government should strategically consider alternative sources of raising revenue other than borrowing (especially tax reforms). Secondly, government should be cautious on internal and external borrowing, and exhibit judicious use of loans with prudent management of financial resources for public goods.

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PART II - EMPLOYMENT CREATION IN AFRICA

We need economic growth, yes, but growth can be jobless, so sustainable development framework for employment must include a job creation strategy

-Sharan Burrow

CHAPTER SIX

STRATEGIES FOR JOBS IN AFRICA IN THE DIGITAL AGE

Brahima Sangafowa Coulibaly
University of Michigan

Abstract
Africa continues to face a major employment challenge: Put simply, countries are not creating enough jobs. By some estimates, the continent needs to create 15 million jobs annually to meet the demand of the burgeoning labor force. Many analysts are now arguing that the challenge of job creation might be exacerbated by the economic disruptions of the Fourth Industrial Revolution. So, in light of new technologies, the paper examines the challenges to and opportunities for job creation that they present, and it recommends policies for how countries can maximize the benefits of digitization while limiting risks in a recent African Development Bank report, "Creating decent jobs: Strategies, Policies and instruments."

Keywords*: Strategies, Jobs in Africa, Digital age.*

Introduction

Automation is a key pillar of the Fourth Industrial Revolution and a significant threat to Africa's need to create jobs. Historically, large-scale manufacturing has been an important step in the development process. Now though labor-saving technologies threaten Africa's comparative advantage in low wages, and recent evidence is already pointing to premature deindustrialization in developing countries. As wages in China rise, more firms are choosing to upgrade production technology rather than shift jobs to lower-wage countries, limiting opportunities for Africa to develop a large industrial base. Looking ahead, as robot costs fall, companies, including those in Africa, will also increasingly find it profitable to automate production.

Not all is lost: While automation is a challenge to the future of work in Africa, other aspects of the Fourth Industrial Revolution are creating tremendous opportunities for employment. As digital services expand, this sector has created jobs for agents and

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technology experts. Digitization in the financial sector has improved savings and expanded access to credit, improving financial inclusion and increasing women's financial empowerment. Digital platforms like Uber and Lynk (the technology platform for informal sector workers in Kenya) are boosting entrepreneurship and self-employment.

Recommendations for Harnessing Digitization for Job Creation and Growth

These innovations present tremendous opportunities for African countries to address development problems at scale and with greater efficiency. To fully harness the benefits, policymakers should understand the opportunities and challenges presented by new technologies. Governments must recognize digitization as a cross-cutting sector and develop an economy-wide strategy that is implemented by a well-funded and functioning Digitization Ministry. Policymakers should actively engage with the sector and adopt regulations appropriate to the rapidly changing environment. If regulation fails to keep up, it could slow or stall adjustment of the economy to the new technologies. In addition, African countries must continue to make progress on digital infrastructure and connectivity. As cited in the "Creating Decent Jobs" report, internet penetration currently averages 35 percent, well below the global average of 55 percent. Policymakers should continue to support investments to develop robust digital infrastructure and expand access. Affordability is also a concern in Africa where internet access costs $119 on average each month, compared to the global average of $73 dollars. Addressing both connectivity and affordability will help broaden the benefits of digitization.

At the same time, given that digital sector jobs will require a different skill set including soft skills such as cognitive ability, socio-behavioral ability, and critical thinking—education and training programs should be adapted and expanded to keep up with these new skill requirements. New digital technologies present opportunities to innovate and leapfrog in the education sector where the region's booming population is expected to strain education infrastructure and resources.

Given the ongoing challenges of premature deindustrialization and the increasing adoption of labor-saving technologies in manufacturing, countries must develop other sectors of the economy for structural transformation. Research by the Africa Growth Initiative and the United Nations University World Institute for Development Economics Research has identified "industries without smokestacks," sectors that share characteristics with manufacturing and could be development escalators for African countries. These industries include agribusiness, horticulture, tourism, and a growing number of service industries, including information and communication-based services.

Finally, governments must step up revenue mobilization efforts to finance the digitization agenda. Since 2000, African countries have made progress as non-resource tax revenues have increased steadily from 11 percent of GDP to an average 15 percent in 2015. According to a recent Africa Growth Initiative study, tax capacity in sub-Saharan African is estimated at about 20percent of GDP. In the short term, bridging the gap between the region's current revenues and its tax capacity by improving governance around taxation can mobilize an additional $110 billion annually, on average, over the next five years. Notably, digitization is also creating opportunities to increase domestic resource mobilization by streamlining revenues collection and sealing leakages. The time for action is now.

Conclusion

The digitization agenda should be carried out with greater urgency. The scale of the disruption associated with new technologies will only grow with time. While Africa has demonstrated the ability to innovate and be a leader in leapfrog development, the scale of the challenge will require a more concerted and coordinated effort led by African governments and civil societies with strong support from development partners and institutions and private sector participation. A successfully digitized Africa will yield tremendous socioeconomic benefits for Africa and the global economy.

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CHAPTER SEVEN

STEPPING UP JOB CREATION AND INCLUSIVE GROWTH IN AFRICA

Susan Lund
Stanford University

Abstract
Over the past decade, Africa has established itself as one of the world's fastest-growing regions. The next challenge is to ensure that economic growth benefits the majority of Africa's people. Job creation and the expansion of stable, wage-paying jobs is one way this happens. Jobs provide the ladder for income growth and economic opportunities, and they are the key to expanding the continent's emerging consuming class. To achieve this, Africa needs targeted jobs strategies to run in parallel with pro-growth policies.

Keywords: *Job creation, Inclusive growth, Africa*

Introduction
Today, the continent is not creating jobs fast enough to meet the needs of a labor force set to grow by 122 million over the next 10 years. Although we estimate that Africa has generated around 37 million stable wage-paying jobs over the past decade-a 50 percent increase-nearly two-thirds of the workforce remains in vulnerable subsistence agriculture or informal self-employment. Only 28 percent of Africans are in wage-paying jobs, as we explain in our recent report Africa at work: Job creation and inclusive growth.

Our research - which included considering the experience of other emerging economies as well as potential job growth within specific sectors in African economies suggests that Africa can accelerate job creation. First, consider the experience of other developing countries. We were able to obtain data over many decades for Thailand, South Korea, and Brazil. When they were at a similar level of per capita GDP as African countries are today, we find they were creating wage-paying jobs at double or

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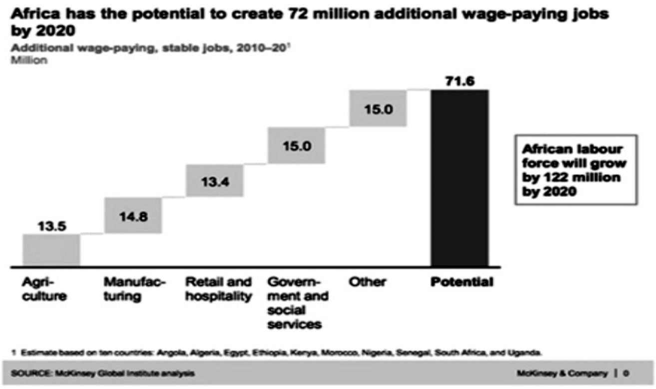
triple the rate. We also developed scenarios for job growth across some of Africa's largest-employment sectors: agriculture, manufacturing, and retail and hospitality. With the right policies in these areas, and assuming trend employment growth in the remainder of the economy, we find Africa has the potential to create up to 72 million new stable jobs over the next decade.



Why just these sectors? What about Africa's high-profile resources sectors? The fact is that some of the sectors that contribute most to GDP growth-mining and oil and gas included-are capital-intensive and don't create many jobs. We estimate that these directly employ less than 1 percent of Africans, and they have accounted for only one-quarter of the continent's GDP growth over the past decade.

Developing Targeted Jobs Strategies

To achieve the potential Africa has to accelerate job creation, governments need to develop targeted jobs strategies. These are not the industrial policies of the past, which focused on protectionism and reducing competition. Nor are they about creating "national champions" in trophy industries such as high-tech or automotive. Instead, a job creation strategy is about putting in place all the elements for private business growth in specific areas of the economy. Rather than spreading reforms across the economy, the idea is to focus on getting all the elements in place for a small number of target sectors to grow-and then to replicate any successes in other areas.

The first plank of any targeted jobs strategy needs to be identifying specific industries and service sub-sectors that are labor-intensive, and in which the country either enjoys strong domestic demand or could become globally competitive. Identifying the most appropriate sectors will require rigorous benchmarking and a clear view of a country's strengths and weaknesses. Morocco, for instance, assessed the potential of more than 600 automotive parts before selecting around 100 parts in which to compete.

Then governments need to provide the key elements for businesses to succeed in that sector. Our survey of businesses in five African countries, along with our experience working on the continent, reveal four areas that hamper business growth: access to finance, infrastructure, inappropriate regulations and a poor business climate, and lack of workforce skills. Bringing together all these elements for the target industry can unlock job creation and growth.

Providing for the Most Vulnerable

Even if Africa were to accelerate its rate of stable job creation, however, it will remain crucial for policies to address the needs of the growing number of people in vulnerable employment. By our calculations, Africa will see at least 50 million more people join the ranks of informal self-employment or subsistence agriculture over the next decade. Programs that extend education, health care, and entrepreneurship programs to these citizens will be vital.

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CHAPTER EIGHT

BRINGING SMEs INTO THE SUSTAINABILITY PROCESS

Lise Kingo
Executive Director,
United Nations Global Compact

Abstract
One of the pivotal factors as the world takes up the challenge of the new Global Goals for Sustainable Development will be the engagement of small and medium-sized enterprises (SMEs). Estimated to constitute as much as 95% of the world's businesses and to employ more than half its workers, these firms range in size from two or three employees to 250 or more. They are the equivalent of the dark matter in the universe: they are omnipresent and constitute a huge portion of social and economic activity. Historically, however, SMEs have been largely overlooked in the global agenda (International Trade Forum, 2015). The traditional notion of business involvement in inter-governmentally defined goals is one of multinationals that contribute in formal public-private partnerships, often involving a multilateral agency. The realization is growing that if production and consumption practices are to be changed at the root (Global Goal 12), firms of all sizes will need to be part of the push. That includes SMEs ranging from small-scale agricultural enterprises or cooperatives to sophisticated, fast-moving Silicon Valley startups. The same goes for a more advanced role for women; for productive capacity in the developing world; for jobs that are decent and move people out of poverty; and so on. In fact, the Global Goals refer to SMEs within Goal 8 (sustainable economic growth with decent work for all) and under Goal 9 (inclusive and sustainable industrialization). Discussions in New York on 26 June-8 July during the High-level Political Forum on Sustainable Development – the body designated to provide political leadership for the Global Goals – included frequent references to these economic units. This paper aims to explore how to engage and involve companies that are heterogeneous to the extreme, widely scattered, generally preoccupied with the struggle for profitability and often overwhelmed with paper work.

Keywords: *SMEs, Sustainability, Process.*

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Self-Assessment

Companies can start by taking a close look in the mirror and making sure they are doing business responsibly and treating customers, employees, vendors, and neighbours with respect and consideration. They can follow up by taking action and making commitments linked to specific Global Goals. There is a long menu to choose from, including issues like climate, water, health and education. The United Nations Global Compact, the world's largest corporate sustainability initiative, provides a comprehensive platform for all companies to align their business operations and value chains with broader societal and sustainability goals. The initiative includes more than 8,000 corporate participants, of which 55% are SMEs. It is collaborating with UN entities such as the International Trade Centre (ITC) and the UN Industrial Organization (UNIDO) to bring SMEs into the sustainability fold. One example is working with ITC on inclusive supply-chains. Our Women's Empowerment Principles (WEPs) offer guidance on women in the workplace, marketplace and community. Principle 5 of the WEPs specifically encourages companies to expand their business relationships with women-run enterprises and women entrepreneurs. The ITC-led Women Vendors Exhibition and Forum provide Global Compact participants and WEPs signatories with an opportunity to implement Principle 5 of the WEPs while building relationships with competitive women-owned businesses from around the world (International Trade Forum, 2015).

Sustainable Participation

Additionally, ITC sector mapping of voluntary business standards has strengthened the capacity of producers, exporters, policymakers and buyers to participate in more sustainable production and trade. The UN Global Compact has widely featured ITC's Standards Map as a leading practice. More specifically, this mapping has been integral to creating practical and scalable solutions for the food sector. The UN Global Compact developed the Food and Agriculture Business Principles to serve as a guide to sustainable food systems. The Standards Map helps to translate these principles into operational processes. The UN Global Compact set out earlier this year to understand SME sentiment, or even awareness, of the new SDG agenda. Together with UNIDO and Sedex, a global consortium that helps more than 20,000 mostly small and medium-sized firms contend with sustainability reporting requirements, we surveyed SMEs globally. While familiarity with the past Millennium Development Goals and the new Global Goals was not high, a significant number of firms (roughly one out of five) indicated at least some knowledge. Willingness, along with some caution, was expressed about engaging with sustainability principles. A majority wished for local government support in defining and instituting sustainability standards, along with help from largescale multinationals in their supply chains. The greatest confidence was expressed in close-to-the ground collaboration and assistance provided by entities such as Sedex, the UN Global Compact, UNIDO and ITC. Bringing SMEs into the implementation process of the Global Goals be important. While challenging, the spirit on all sides appears more willing than might be expected.

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CHAPTER NINE

YOUTH EMPOWERMENT: A CATALYST FOR SUSTAINABLE NATIONAL DEVELOPMENT IN NIGERIA

[1]Uchechukwu Kizito Ogu, [2]Luka Shonbi Jadan and [3]Mohammed Tukur

[1&2]Department of Educational Foundations, College of Education, Zing Taraba State

[3]Department of Curriculum and Instructions, College of Education, Zing, Taraba State

Abstract

The field of youth development sits at the frontier of new opportunities for research and practice. Similarly, sustainability of development has remained an area of interest and attracted debates among academia. In advanced economies, development has been successfully sustained over a long period of time but in developing economies such as Nigeria, it has proved a lot more challenging and difficult. Though successive governments in Nigeria have formulated and implemented different strategies to empower youths, the desired results have not been achieved with poverty and unemployment rising by the day with Nigeria as recently as 2021 adjudged as the poverty capital of the world. Thus, there is the need to review the application of sustainable development concepts and its practicability in Nigeria. This paper therefore seeks to review youth empowerment programme in Nigeria with a view to identifying why the various programmes have not achieved the desired success. The paper found out that challenges such as poor implementation of policies, misappropriation of funds, non-involvement of the youth in decision making, lack of continuity of programmes and corruption among others have caused laudable empowerment programmes such as YOUWIN, SURE-P, GIS, N-POWER to fail. The paper reaffirms youth empowerment as a veritable tool for sustainable national development. The paper recommends that corruption in the system should be tackled and the youth be more involved in decision making.

Keywords: *Youth Empowerment, Sustainability, National Development, Nigeria.*

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Introduction

Babalola and Fashiku (2015) remarked that Nigeria has had a bitter and sweet taste of the British colonial rule many years before her independence in 1960. The country since independence faced many challenges on how to establish a truly democratic government. These challenges range from youth restiveness, unemployment, thuggery, political and religious violence, unequal distribution of wealth, corruption, instability, electoral abnormalities, politics of god fatherism, insecurity and insincerity on the part of the political gladiators, (Muhammed, 2013). The military have always capitalized on these challenges to truncate every most attempts made at enthroning democratic rule in the country since the First Republic. However, the country has been enjoying relative peace since the onset of the Fourth Republic in 1999. The concept of empowerment came to international limelight in the 1980s when it was embraced by community development specialists who saw the political and social roles of the citizens as critical ingredients for national development (IPG, 2003). Thus for them, once citizens are empowered to play their roles effectively, they can change their present and future conditions. Isibor (2011), points out that the total awareness on concept of values for self-sustenance and reliance is a necessary condition to every growing youth. To realize youth empowerment for sustainable future, the youth must be equipped with proper education for work and living with visual practical work. With appropriate skills and knowledge, youth can work with their hands. Youths who undergo training and studies are conceptualized in the transformation of known facts and accepted principles, skills and attributes into potentially profitable new applications for national development.

Using the 1991 population census as his yardstick, Bello (2004), analyzed and classified the population of Nigerian youth, between 15 and 34 years as forming one third of the country's population. That is a very significant proportion of the population, yet the youth remains the most vulnerable and marginalized segment of the population, socio-economically, politically, culturally, religiously, emotionally etc. they live peculiar and unmet needs and aspirations which lead them into a lot of social vices and problems. Some of these problems include but not limited to inadequate and poor parental care and support, poor and inadequate education, cult activities which has grown to a higher level of militancy, unemployment and underemployment, moral decadence, unhealthy and negative manipulation of youth organizations by politicians. According to Isibor (2011), about 33% of Nigerian youth have no access to formal education. The implication is that such youth take to the streets, unoccupied buildings wastelands, bus stops, abandoned vehicles, under bridges, etc. as their places of abodes as well as source of livelihood. The belief of the youth is that the nation has failed them and therefore, they are paying back to the country what they felt was given to them. Unfortunately, most of our tertiary institutions turn out graduates on yearly basis without a corresponding job creation to take care of them (Nnachi, 2012).

According to a report by a credit rating agency Agusto and Co., the unemployment rate of Nigeria for 2021 is 35%, this is according to the agency is a 6.06 percentage point jump from the 33.3 percent reported in 2020 when the impact of Covid-19 pandemic forced many businesses to lay off staff. The National Bureau of Statistics, however, puts the figure at 23.9%. With 60% of the country mostly youth, that translates to about 80 million youth in the country. While there are varying figures of youth unemployment in Nigeria, Trading Economics (2022) and Statista (2022) put the figures at 53.40% and 38.5% respectively as at the last quarter of 2020. This scourge of unemployment has deprived many Nigerian youths access to contributing their quota to national development. The result of the rising youth unemployment situation in the country has provided shrinking options to job seekers as those who find work are forced to be less selective about the type of job they settle for, including part-time work and temporary contracts because they are in desperate need for any income.

It is noteworthy that the incidence of militancy predates the 4th Republic. Nonetheless, the dismantling of military rule in 1999 has led to the proliferation of insurgent and rebellious groups that were previously suppressed by successive military regimes in the country. The civilian regimes in Nigeria have been confronted with consistent and sustained pressure and attacks from different ethnic militias such as Movement for the Survival of the Ogoni People (MOSOP), Movement for the Actualization of the Sovereign State of Biafra (MASSOB), Odua People's Congress (OPC), Arewa Youth Consultative Forum (AYCF), Movement for the Emancipation of the Niger Delta (MEND) and many other groups. Similar pressure and general insecurity has also accompanied the increasing spate of kidnappings in most parts of the country particularly in the North West, politically motivated killings by unscrupulous elements, ethno-religious uprisings in Jos, Kaduna, Bauchi, Taraba states, ritual killings and Yahoo Yahoo among the youth, as well as incessant and well-coordinated attacks by terrorists in some terrorism infested states of northern Nigeria by Boko Haram. It is therefore against this background that the paper examines the nexus between youth empowerment and sustainable national development.

Clarification of Concepts

Youth

The Second Nigerian National Youth Policy defines youth as comprising all young persons between the ages of 18 and 35 years who are citizens of the Federal Republic of Nigeria (Kolade, Towobola, Oresanya, Ayeni and Omodewu, 2014). According to the

United Nations (1985), youth is best understood as a period of transition from the dependence of childhood to adulthood's independence, which makes it more fluid than other fixed age groups. For statistical purposes, however, the UN defines 'youth' as those persons between the ages of 15 and 24 years and that is without prejudice to definitions set by member nations of the UN.

The International Labour Organization (ILO) in one of its report accepted the UN definition by considering youth as those between the ages of 18 and 35 years. However, it states that if the definition is considered merely from a sociological perspective and not just from an age specific perspective, then the youth stage could begin from age 10 and end at mid or late 30s. The report also notes that the transition from childhood to adulthood can take a longer time particularly in poor countries. The Commonwealth Youth Programme and African Youth Charter consider youth as those between 15 and 29 and 15 and 35 respectively. In Nigeria, the age classification of youth is between eighteen and thirty years as stipulated in the National Youth Development Policy. These groups of people are the able-bodied male and female who are intelligent and independently minded and can make an impact on every society by their will and independence of mind (Babalola and Fashiku, 2015).

Youth Empowerment

According to Babalola and Fashiku (2015), empowerment refers to increasing the economic, political, social, educational, gender, or spiritual strength of individuals and communities. The term covers a vast landscape of meanings, interpretations, definitions and discipline ranging from psychology and philosophy to the highly commercialized self-help industry and motivational sciences. Empowerment often addresses members of the society who have been excluded from mainstream decision-making processes through-for example discrimination based on disability race, ethnicity, religion, or gender.

Empowerment could therefore be seen as a means through which one is assisted or encouraged to be self-employed, self-reliant or self-sufficient. Youth empowerment is an initiative established with a view to re-engineering the potentials and energies of the youth for peace and stability to reduce poverty, un-employment and criminality. To buttress this view, Chikamnayo (2013) asserted that, self-employment is being driven to the zenith by training and equipping youths with both financial support and the asset base to enhance the growth of their businesses. The term youth empowerment is broadly employed to explain efforts aimed at providing the youth with skills and enabling environment that will enable them lead decent lives and contribute meaningfully to national development. The National Youth Policy (2009) stipulates the overall policy goal of youth empowerment thus “the overall policy goal is to provide an appropriate framework that will promote the enjoyment of fundamental human rights and protect the health, social, economic and political wellbeing of all young men and women in order to enhance their participation in the overall development process and improve their quality of life".

Vavrus and Feltcher (2006) see youth empowerment as an attitudinal, structural and cultural process whereby young people gain the ability, authority and agency to make decisions and implement change in their own lives and the lives of others. For Narayan (2005), empowerment and of course youth empowerment broadly refers to the expansion of the choices and actions of the youth to shape their own lives. It implies control over resources and decisions. For the youth and mostly the poor, that freedom is curtailed by their noiselessness and powerlessness in relation particularly to the state and markets. There are important gender inequalities, including within the household. Since powerlessness is embedded in a culture of unequal institutional relations, an institutional definition of empowerment in the context of poverty reduction is as follows: youth empowerment is the expansion of assets and capabilities of the youth to participate in, negotiate with, influence, control, and hold accountable institutions that affect their lives. Empowering the youth is like saving in bank that cannot be affected by any theft of any kind. The good outcome of the investment cannot all be consumed in totality. Youth empowerment is of good importance to both nations and the empowered. With youth empowerment, the future prosperity of nations is secured because these are the people that are and will take care of many offices and functions in the country. They are also those who are going to manage top offices in the future in accordance with the popular statement "the youth are the leaders of tomorrow.

Sustainable National Development

The concept of National Sustainable Development Strategy (NSDS) was first proposed in 1992 in Agenda 21 (§ 8.7) where countries were called upon to integrate economic, social and environmental objectives into one strategically focused blueprint for action at the national level. Before then, the emphasis was basically on the concept "Development". However, the Bruntland Commission shifted the attention by reshaping and modifying the concept to "Sustainable Development." The most interesting aspect of sustainable development is the fact that it puts in to consideration the present conditions of people as well as not compromising those that come later. Therefore, the concept of sustainable national Development remains the modern parameter of measuring development. The Bruntland Commission, (1987) defined sustainable Development as "the development that meets the needs of the present without compromising the ability of the future generations to meet their own needs." In another definition by Munasinghe (2004), sustainable national

Development is a process of improving the range of opportunities that will enable individual humans and communities to achieve their aspirations and full potential over a sustained period of time while maintaining the resilience of economic, social and environmental systems. Age (2005), identified some objectives which sustainable national development is expected to realize to include increase capital income and employment, promoting human welfare satisfying basic needs; protecting the environment. Considering the path of future generation, achieving equity between rich and poor and participation on a broad basis in development and decision making is important. All the above definitions share one common denominator that is prioritizing the development of the present generation without compromising the future generation.

Youth Empowerment Programmes in Nigeria.

Successive civilian governments in Nigeria since 1999 have established different programmes aimed at empowering the youth for effective contribution to national development. While some achieved relative success, others failed woefully due to systemic corruption and the inability of succeeding governments to continue with the programmes. The programmes include the following:

N-Power

This is a youth empowerment programme established in 2015 by the administration of President Muhammed Buhari. It provides a structure for the acquisition of skills as well as personal and career development thereby enabling the youth to work and earn money. One of its aims is to create and equitable distribution of resources to vulnerable youth with its beneficiaries getting job training and a monthly stipend of N30,000. It has two categories namely: the graduate category and the non-graduate category. The graduate category includes programmes like N-Agro, N-Power Teach, N-Power Health and Tax while the non-graduate category include N-Power Build and Knowledge.

Youth Enterprise with Innovation in Nigeria (YOUWIN)

The YOUWIN is a youth development/empowerment scheme established by the government of President Goodluck Jonathan in 2011 geared towards empowering Nigerian youth. It is a large scale national business plan competition for young entrepreneurs in Nigeria and is a collaboration between Nigeria's Ministry of Finance, the Ministry of Communication Technology and the Ministry of Youth Development with support from Department for International Development (DFID) and the World Bank. The programme's objective is to encourage innovation and job creation through the establishment of new business and expansion of already existing ones. The competition attracted almost 24,000 applicants. Random assignment was used to select some of the winners from a pool of semi-finalists, with US$36 million in randomly allocated grant funding providing each winner with an average of US$50,000. However, every beneficiary is expected to have a business plan for a company that has been registered with the Corporate Affairs Commission (CAC).

Graduate Internship Scheme (GIS)

This is an internship scheme that targets graduates who have difficulties securing a job after graduation from higher institutions of learning. It was established by the government of Goodluck Jonathan in 2012 and is fully funded by the Federal Government of Nigeria unlike the Youwin. Primarily, it seeks to provide un-employed graduate youths with job apprenticeship opportunities that would expose them to skills and experiences relevant to current labour market and enhance their employability (Anuforo, 2013). It offers employment to about 50,000 Nigerian graduates every year. The three major goals of GIS are to (1) empower the youth, (2) build up manpower for the country and (3) to provide young Nigerians with a bright future.

Youth Initiative for Sustainable Agriculture in Nigeria (YISA)

YISA recognises that agriculture is one of the most lucrative business people can engage in and wants to get the youths involved. Thus, the YISA scheme offers encouragement to youths who are venturing into the business of agricultural production. YISA empowers youths in the field of agriculture by giving them the basic things they need to get started in the agricultural business.

Presidential Youth Entrepreneurship Support (P-YES).

The Presidential Youth Entrepreneurship Support is another scheme set up to address unemployment in the country and support entrepreneurship amongst youths. The Bank of Industry (BOI) carries out this programme in collaboration with the minister of youth and student affairs. The programme trains youths and awards them loans to start-up small and medium enterprises. There is an age limit for enrollment into the P-YES programme. Beneficiaries must be between the ages of 18 and 35. You will need to provide a valid means of identification and an official endorsement letter, among other things.

Tony Elumelu Foundation Entrepreneurship Programme (TEF)

Unlike Youwin and N-Power, TEF is a privately owned empowerment program founded by one of the richest entrepreneurs in Nigeria- Tony Elumelu. Tony Elumelu is a popular business tycoon with a net worth of up to $700 million. He set up its multicycle empowerment scheme as a way to motivate young African entrepreneurs to come up with innovative business ideas. He goes further to offer them grants to bring those business ideas to life. After submitting business proposals, entrepreneurs who participated and got selected receive a seed fund of $5000 (approximately 2 million naira).

Relevance of Youth Empowerment in Nigeria

Reduction in Poverty Level: Youth empowerment can help reduce the poverty level of any nation. As observed by National Economic Empowerment and Development strategy (NEEDS), one of the causes of poverty is the lack of access to credit facilities. Therefore, empowering the youth financially will make them independent and self-sustaining and self-reliant. From the gains they make from their businesses, they may help set up their relatives who in turn will become self-reliant like them and poverty rate will reduce in the family. Also when the youth learn skills and are empowered financially to build on this, they can use the skills learnt to feed, assist others and even invest for future use. This in turn makes them to make meaningful and positive contribution to the society.

Crime Reduction and Improvement in National Security Crime is an offensive act against individuals or State. A lot of people indulge in “dirty” business because they lack empowerment when they were youths. Studies have shown a significant relationship between insecurity and youth unemployment. Crimes like armed robbery, kidnapping, ritual killings, banditry and terrorism are perpetrated by unemployed youth, some of whom are graduates. The saying that 'an idle mind is the devil's workshop' applies aptly here. A gainfully engaged youth will have no time for crimes. The government needs to understand that the surest way to end crime in the country is through youth empowerment. Any nation that wants to fight crime should start with youth empowerment morally, academically as well as financially. When youth are taught well fn the dangers and consequences of crimes such as armed robbery or drug trafficking, there is every possibility that they will not take part in them. In a nut shell, youth empowerment in any nation reduces social crime and improves national security.

Good Education Standard: one of the problems that many nations are facing in their education sector is because the youth are not empowered. But when the youths are empowered, they will support the educational facilities to primary, secondary and even to tertiary institutions. The challenges many tertiary institutions in Africa are having today is lack of practical background. The machines and other equipment needed for this practical can be provided by youths who were empowered by the government. They do this in appreciation to what the government did for them. Empowering the youths academically accelerates the spirit of patriotism in education.

Good Governance: good governance is attainable with youth empowerment. An empowered youth stands to empower the masses. Any youth who was empowered in his time of hardship will lead his people through the right path. He does anything possible to see that he meets up with the demands and aspirations of the nation. This is because he has been trained on how to lead people. A well empowered youth on leadership skill gives "first class" rule to his nation. With youth empowerment on leadership, corruption will disappear from the system.

National Growth: Biologically, growth is the irreversible increase in body size and weight of organism. This paper defines growth as the increase and improvement in many areas of the country. The infrastructures of many nations are built with the tax paid by the citizens. Workers who earn much because they were empowered contribute more of their money through tax payment. When the taxes are gathered, they are used for national development. The banking, educational, agricultural and industrial sectors are developed with the money generated from these empowered youths.

Technological Development: Youth empowerment increases and improves technological standards. Development in machines and other important discoveries could be made possible if the youth are empowered. Many inventions today are because the youth were empowered to take time to study science and make them real. They are encouraged to use their initiatives to bring out what will help the society.

Challenges of Youth Empowerment Programmes in Nigeria

Like other programs in Nigeria, the various youth empowerment schemes initiated by successive governments have been plagued by a number of challenges as observed by Waziri and Abu (2019), these include the followings:

1. Lack of government commitment: Many graduates in Nigeria roam the streets without any reasonable job to do for a living. The government is capable but unwilling to provide jobs for them or create enabling environment for their businesses to prosper, this leaves many highly qualified people in poverty as seemingly no one cares to know what they are capable of achieving in life. Most of the government policy frameworks on youth empowerment and poverty alleviation are not realistic and productive. The rates of unemployment have induced poverty in the country which has a tendency to increase the crime rate and violence among youth in the society. Statistics have shown that the country rate of unemployment from 2007 to 2014 is frightening, the record shows a rapid increase from 13.1 percent in 2000, rose to 19.7 percent in 2009 and 23.9 percent in 2011 to 28.5

percent in 2013 up to 30percent in 2014 respectively (NBS, 2014).

2. Corruption: Corruption is generally acknowledged as having adversely affected previous poverty alleviation efforts in Nigeria, it has eaten so deeply into the government, public funds that were earmarked for developmental projects are being misappropriated on a daily basis by the leaders, who always put their personal interest ahead of national interest. They mismanage and embezzle public funds that are meant for poverty-related programs.
3. Lack of continuity of Governmental Policies: frequent change of governmental policies has actually created more problems than solutions to youth empowerment programs in Nigeria. Particular changes on poverty alleviation policies which in no small measure affect the productivity outcomes of most of the government programs on youth development. Worthy of mention here is the abandonment of the Youwin programme established by the Jonathan's government by the Buhari's government once it assumed office in 2015. Lack of continuity among public authorities has significantly affected the success of youth empowerment programmes in Nigeria.

Conclusion and Recommendations

Youth empowerment programs involve different ways through which the youths could be empowered to achieve self-sustained development instead of depending on the government to provide them with job opportunities. In addition, the government should embark upon massive youth development programs in all state of the federation with entrepreneurship development as key intervening tools for youth empowerment. It is believed that exposing youth to different vocational skills acquisition will enhance sustainable income, as well as the socio-economic development of the country. This is possible when the culture of creative ideas is instilled into the youths to make them productive and self-reliant members of society. This is very important for the government to ensure that all policies and programs are in line with the people demands, and must be properly implemented. Similarly, public funds meant for any developmental programs must be properly monitored and entirely accounted for by the related agency involved in order to avoid misappropriation of public funds. Similarly, government across all levels must imbibe the culture of programme continuity for sustainable development. Discarding functional and progressive empowerment programme upon assumption of office by a new government will not argue for sustainable development.

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CHAPTER TEN

THE POLITICAL ECONOMY OF NIGERIA'S OIL WEALTH

[1]Ejor Michael Elgahm & [2]Abubakar Shehu Rufai
Department of Political Science and International Relations, University of Abuja, FCT-Abuja, Nigeria

Abstract
Natural resources are gift of nature, and their availability and prudent management should be to the benefit or betterment of mankind. This paper, therefore, analyzes the political economy of Nigeria's oil wealth and its consequences on the socio-political and economy of the Nigerian state. Rentier state and institutional theories were triangulated in analyzing the paper. The paper relied mainly on secondary data. This paper reveals that natural resource endowment in Nigeria is not a curse, but rather its management has been awfully and embarrassingly dismal and this has plunged the masses into abject poverty, unemployment, extreme hunger, lack of access to basic social amenities like schools, healthcare, portable water, good road, electricity, etc, thereby eroding development. Chiefly amongst the problem of oil wealth management in Nigeria is corruption perpetuated by the managers of the sector, political elites, their international collaborators, and international oil multinationals. The activities of the locals are not left out. It is, therefore, recommended that Nigeria's ambitions for a highly diversified post-oil economy must be knowledge-based and driven by scientific and technological innovation and capacity. Nigeria cannot wish its way to economic greatness; it must work very hard for it to be achieved.

Keywords: *Institution, Multinationals, Oil Wealth, Political Economy, Rentier State.*

Introduction
The discovery of oil in commercial quantity in Nigeria in the late 1950s and the oil boom of the 1970s were welcomed with high euphoria. The expectations then were that the Nigerian economy will flourish, and the welfare of the citizenry will improve considerably. Since then, oil has dominated the Nigerian economy and accounts for more than 90 percent of the country's export, 25 percent of the Gross Domestic

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Product (GDP), and 80 percent of government total revenues (Agbor, 2012). The oil boom of the 1970s for instance led to the neglection of the agricultural sector and other non-oil tax revenue sectors and the economy became characterized by the expansion of the public sector and deterioration in financial discipline and accountability. The over dependence of Nigeria on oil revenue had/has its consequences – the economy is substantially unstable and exposes Nigeria to the vagaries associated with oil price volatility at the international market which throws the country's public finance into disarray. Oil revenue has dominated Nigeria's Federation Account, and the existing relationship among the three tier of governments is characterized by the sharing of oil rents (Agbaeze, Udeh and Onwuka, 2015; Ejor, 2017). The management of Nigeria's oil wealth has been awfully and embarrassingly dismal and this has eroded development. Nigeria's resource endowment has been observed to cause lots of problems which include among others: long term decline in terms of trade, revenue volatility, devastating economy, health and environmental consequences, exceptionally poor governance, high level of corruption and a culture of rent-seeking. All of these are part of the problems promoting resource curse in Nigeria (Karl, 2007; Bugaje, 2015).

Evidence abounds that a country that mismanages its natural resources is the most economically, socially, and politically troubled - the most authoritarian, and the most conflict-ridden in the world (Karl, 2007). Some studies indicate the fact that these problems evolve from politics surrounding ownership, management, and control of natural resources. Recent developments in Nigeria have made a review of the health of the nation's economy rather compelling. Nigeria is endowed with abundant natural resources such as Natural Gas, Petroleum, Tin, Gold, Gemstones, Kaolin, Bitumen, Iron Ore, Coal, Limestone, Niobium, Lead, Zinc, Arable land, etc. These could be harnessed to earn foreign exchange for the nation, although oil and gas remain her main revenue base, which their management has caused more harm than good (Ejor, 2017).

Objective of the Study

The objective of this study is to analyze the political economy of Nigeria's oil wealth and its consequences on the socio-political and economy of the Nigerian state.

Theoretical Framework

Several theoretical frameworks could be used to explain the economic backwardness or prosperity of natural resource abundant countries. Such theories are rentier state, modernization, dependency, natural-resource-curse, big-push and institutional amongst others. These theories help to provoke a new way of thinking about the economic development of poor countries. These theories further provide explanation about the role of institutions in overcoming the natural-resource curse, thereby resulting in growing consensus on the basic relationship between resource dependence, economic development, and institutions. It is the postulation of this paper that there exists a strong link between institutions and economic development. It is on this premise that the rentier state theory and institutional theory were triangulated in explaining the economic backwardness in Nigeria.

Rentier State Theory

Rentier state theory is a sub-category of research into the wider study of resource curse. It is appropriate therefore to describe the "rentier state" as one of many potential manifestations of the resource curse. However, it is a vast field of research. Rentier state theory (RST) is a political economy theory that seeks to explain state-society relations in states that generate a large proportion of their income from rents, or externally derived, unproductively earned payments. A rentier state is a state that derives all or a substantial portion of its national revenues from the rent of indigenous resources to external clients. This theory was first postulated by Hossein Mahdavy in 1970. The theory of "rentier state" says that countries that receive substantial amounts of oil revenues from the outside world on a regular basis tend to become autonomous from their societies, unaccountable to their citizens and autocratic. The theory is used to help explain why Iran, the Gulf States, many African states (Nigeria, Gabon) and other countries (e.g., Netherlands) with abundant resource wealth perform less well than their resource-poor counterparts. How does this happen? According to rentier state theorists, the short answer is that a rentier state and rentier economy lead to a rentier mentality, which dooms a country's economy and long-term prospects (Yates, 1996).

Rentier state scholars include Hossein Mahdavy, Giacomo Luciani, Sadik, Hazem Beblawi, Anderson, Jensen and Wantchenkon, Terry Karl, Askari, Auty Ross, Yates D. A, amongst others. Rentier state theory is based on a rentier economy in which income from rents dominates the distribution of national income and thus rentier wields considerable political influence as the rents dominate significant part of national income. Rentier state is characterized by heavy reliance on oil revenue, mismanagement of resources, corruption, lack of specific macroeconomic policy direction, lack of sectoral linkages among sectors of the economy, rent-seeking, amongst others (Ross, 2001; Karl, 2006). Rents are typically generated from the exploitation of natural resources, not from production (labour), investment (interest), or management of risk (profit). Rentier states tend to be autonomous, because states with large natural resource endowments are more detached and less accountable. Thus, they do not need to levy taxes (Mahdavy, 1990; Luciani, 1990; Beblawi, 1990; Yates, 1996).

The experience of oil led development tends to be negative, including growth, blocks economic diversification, has poor social welfare performance, as well as high levels of poverty, inequality, and unemployment. In addition, rentier states are also characterized by exceptionally poor governance and high corruption, a culture of rent-seeking, often devastating economic, health and environmental consequences at the local level, and incidences of conflict and war (Karl, 2006). The dismal growth pattern of the oil economies in rentier states is believed to be inextricably linked to several characteristics of most of the economies, notably, their heavy dependence on oil; weak economic base; high population and un-employment rates; low rates of returns on investment in physical and human capital; weak integration in the world economy; under-development of market institutions and, with very few exceptions, the omnipresence of the state (Karl, 2006).

The theorists further state that, the conventional role of the state is also unique in the rentier system. There are virtually no taxes, so citizens make fewer political demands. This is mainly due to the oil industry, which allows governments to build large government coffers without imposing significant tax burdens on their citizens. Given the lack of taxation and the abundance of welfare services, citizens become disinclined to act on their own behalf to promote their interests. Challenges and criticisms of the state are unacceptable. Whether or not the lack of taxation negatively affects representation, governments in rentier states enjoy a high level of autonomy and are not necessarily kept in check. Given the state's financial independence, citizens pose few demands. The little discourse of the citizenry enables the ruling class to amend and reverse public policies when needed, choose their allies, and change their political loyalties with a high degree of flexibility. The high degree of autonomy also allows the state to create new classes and dismantle existing ones, often granting extra favours to those who can provide support and taking away privileges from those who pose a threat (Yates, 1996). Citizens depend on the state's distribution of income, which can be a healthy sum, provided the economy remains strong. The diminished need of the state to tax its citizens hinders the development of a strong state that legitimately represents its citizens. Thus, rentier state scholars and many political economists believe that rentier states have characteristics of a "weak state." Accordingly, a weak state can be defined as a country characterized by weak state capacity, weak legitimacy, or both, and thus fragile state institutions; hence the term fragile state is also used to describe the same concept. Such states or countries are at the juncture of underdevelopment, political crises and fail to realize political development (Sadik, 2011). Weak states are generally those that do not have the ability to actively infiltrate society, control societal relationships, to extract human and financial resources. "Where capacities are high, states possess infrastructural power; whereas if states are weak, they lack infrastructural power." Rentierism is

linked to the emergence of a weak state in several ways. It impedes democratic rule, prevents the state from adequately representing its citizens, and substitutes political rights for state-provided welfare. In a way, the exploitation of natural resources can itself be a curse that results in poor growth and increased conflict (Yates, 1996).
On the effect of rentierism, Bates (2000), neatly explains the rentier effect this way:

> I*t is useful to contrast the conduct of governments in resource rich nations with that of governments in nations less favourably endowed. In both, governments search for revenues; but they do so in different ways. Those in resource rich economies tend to secure revenues by extracting them; those in resource poor nations, promote the creation of wealth. Differences in endowments thus appear to shape the behaviour of government (Bates; 2000: 106).*

The core premise of rentier state assumes that "it matters whether a state relies on taxes from extractive industries, agricultural production, foreign aid, remittances, or international borrowing, because these different sources of revenues have powerful (and quite different) impact on the state's institutional development (Karl, 1997). The core argument of the rentier state theory is that oils are not only sources of valuable government revenues, but also, more significantly, essential sources of political power. Thus, the resource abundance not only generates tax revenues and royalties for government but also, more critically, creates a dependence of government's budget on natural rents in oil dependent states (Sadik, 2011). This is based on the assumption that not only the resource availability, but also states' methods to extract their resources (i.e. tax revenue versus oil contracts and foreign aid) have an impact on the political development of states. Authoritarianism prevails where profits from natural resource exports displace taxes in government revenue (Luciani, 1990).

The rentier characteristics of a state define its economic and political development. As Karl argues, "the economies and politics of countries dependent on oil are rapidly and relentlessly shaped by the influx of petrodollars in a manner that sets them apart from other states (Karl, 1999, 34)". Excessive reliance on rents - unearned state revenues - makes governments bloated and unaccountable to the citizenry. Such governments are rentier states. Rents classically come from hydrocarbon deposits or other natural resources. But, foreign aid, tourist dollars and the remittances of migrant workers are also classified as rents. There are three reasons why oil has harmed rentier economies. First, oil attracts outside powers to intervene in the political decisions of rentier countries and mostly the outside powers support autocratic rulers. Second, the oil rents lead to corruption, since in rent-seeking economic activities, money does not flow in a transparent way through the market, but relies on nonmarket, political means to maximize the returns. This flow of money creates government bureaucracies that institutionalize systemic corruption. Third, since the export of oil brings huge amounts of foreign earnings to the economy, imports become cheaper and domestic industries become less competitive in world markets. Thus, the production of non-oil goods will not create economic wealth for domestic market (Beblawi, 1990).

In rentier economies, the central role of oil has created a capital-intensive mode of development where the economy under the control of public and private sectors does not have the power to guide the direction of economic development. Through accumulating and distributing revenues, the state has become the distributor of privileges and transfers, instead of being a tax collector and/or redistributor. In these economies, the absence of income and property taxes block the development of market economy, and the state puts little or no priority on the manufacturing sector, investments, foreign trade, and entrepreneurship. The small private production is channeled to galvanize the survival of political power. As in other rentier economies, oil weakens certain old class(es) in Nigeria, such as merchants, because the state no longer needs their taxes and Nigerians no longer depend on them for employment. If oil wealth destroys certain social groups, it also creates a new one: a huge class of civil servants and bureaucrats who depend on the state for their existence. Another drawback of a rentier economy is that it is dependent on the outside world. Nigeria for instance, relies on other countries for food, and it consumes most of its consumer goods and raw materials. It relies on foreign markets and the price it is prepared to pay for oil; it also relies on foreign labour and imported goods (Ejor, 2017).

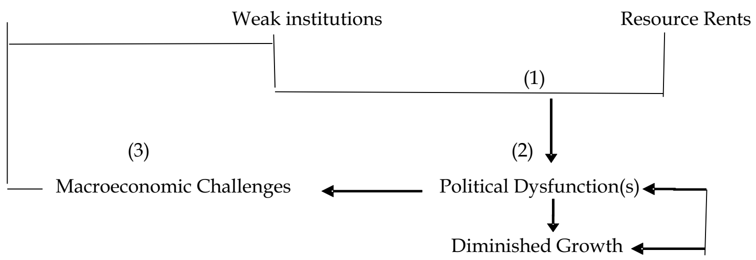
Institutional Theory

Institutional theory falls under the rubric of new institutional economics, a field that incorporates the theory of institutions into economics. Institutional economics is an extension of neoclassical theory, which results from cooperation between economists and political scientists studying the role of institutions in economic growth. Institutional theorists include North, Nuemayer, Dietz, Richter, Scott, Acemoglu, Rodrik, Pritchett, Limi, Larsen, Jones, Collier etc. The institutional theorists are of the view that institutions have proven to be vital for economic development. North (2005) notes how a particular country's political, legal, economic, and social institutions impact its economic growth rate. For natural resources and economic development, institutional theorists argue that weak governments and corruption are major factors for what is known as the natural resource curse. In part, this study posits that economic backwardness in resource-rich countries can be explained in the framework of institutional theory. Institutions "are made up of formal constraints (such as rules, laws, routines and constitutions), and informal constraints (such as norms of behavior, conventions, self–imposed codes of conduct), and their enforcement characteristics" (North; 1994, 360). Institutional theory points out that countries adopt and execute formal and informal constraints over time. This paper uses the tenets of institutional theory to identify how a well-established government, as well as the rules and regulations used by governments, can provide formal constraints. Countries increasingly need informal constraints, such as good social behavior, to build good institutions. In a recent analysis, North further argues, "institutional change can result from change in the formal rules, informal, norms or the enforcement of either of these" (North 2005, 6). Thus, the combination of the formal and informal cultural, political, and economic set up of a given country affects how policies are designed and implemented.

Scott (1995) notes that institutions typically have three forms: cognitive, normative, and regulative. In all three forms, "institutions are transported by various carrier-cultures, structures, and routines—and they operate at multiple levels of jurisdictions" (Scott, 1995: 33). Scott (2001) opines that regulative element focuses on setting rules and sanctions, whereas normative elements fulfill an obligatory role. Cognitive elements are developed through shared consumption and culturally supported ideas. In alignment with the focus of economists such as North (1990), this study will investigate how regulative elements are an important trait of institutions. Regulative elements are relevant to this paper, as some institutional theorists have suggested that the development of institutions in each country is often an outgrowth of that country's colonial experience (Acemoglu, Simon and James, 2002). Additionally, the main reason for failure to generate growth is lack of quality in government institutions (Acemoglu and James, 2012). Rodrik (1999) states that institutional quality is important for long-term economic growth. Therefore, it is not surprising that most people who live in resource-rich countries (like Nigeria) possess poor institutional quality. Instead, the governments of these countries are often riddled with corruption, thereby creating acute inequality for their citizens. Moreover, successful resource-rich countries share common traits related to institutions for economic growth and development. Sala-i-Martin and Subramanian (2003) argue that it is not the existence of natural resources per se that is causing resource-abundant countries to fail; instead, it is the quality of the institutions and public policies that result in low economic development. Mehlum, Karl and Ragnar (2005) argue that countries with abundant natural resources need not be affected by a resource curse if they have strong institutions. Using Sachs' and Warner's (1995) measure of natural-resource abundance, they found that the resource-curse effect depends on the quality of the institutions: for countries with weak institutions, natural resources are a curse but, for countries with strong institutions, resources are a "blessing," so that their economic growth is greater than that of resource poor nations.

Ideally, resources should be a source of wealth and development, and resource revenues can be a significant source for escaping the underdevelopment trap and attaining the major thrust needed for economic growth and development (Collier, 2010). Resource-rich countries like Malaysia, Botswana, Indonesia, and Thailand have proven that natural resource-rich countries can sustain economic growth and attain economic development, and that the abundance of natural resources does not necessarily preclude development. The success of these countries shows that reversing or preventing the resource curse is possible with strong, accountable, and transparent institutions. As noted above, strong institutions are key to reversing the resource curse and may be part of the solution for the ills of resource-rich Nigeria. Therefore, the nexus between strong institution and resource curse problem in Nigeria needs to be addressed, to determine the role of a very strong institution to resource curse problem. There is need therefore to study the role of strong institutions (Political, Economic, Legal and Social Institutions) in relation to economic growth and development in the country.

Figure 1: Triangulation of rentier state and its relations with institutions.



Source: (Jones, 2008).
Figure 1. Rentier State and Institutional Theories.

Weak institutions and resource rents create political dysfunction(s) (2) that will have (1) direct and indirect impacts on low economic growth. Political dysfunctions in turn create macroeconomic challenges (3), which feed into weak institutions. Similarly, political dysfunction will also contribute to low economic growth. This study contends that a *natural resource curse* exists because several developing countries have failed to expand their economies. Therefore, this theory will be under analysis for this study, making it possible to use the rentier state theory as an explanatory factor in this study. Rentier state theory in combination with institutional theory, best explain the Nigerian situation. This is because, it is not the mere abundance or existence of natural resources that hinders economic growth and development, rather, it is weak institutions that are largely responsible for the cause of resource curse in Nigeria.

Nigeria's Oil Wealth and Socio-Political and Economic Consequences

At the local level, the poor management of Nigeria's oil wealth constitutes a source of conflict with socio-political and economic consequences. At the global arena, global oil politics at the international oil market is also a source of tension. Although oil wealth is a gift of nature, however, it is not only a fading resource, but also a problematic resource. Oil prices resonate with international political crises, making the oil market more volatile than the market would suggest. Crude oil theft and bunkering have made it possible for terrorists and criminals alike to acquire small arms and light weapons through the sales of stolen and bunkered crude oil. The Niger Delta experience speaks volume in this regard! Furthermore, the Nigerian government and her citizenry, and foreigners are involved in rent-seeking. By rent-seeking, we mean efforts, both legal and illegal, to have access to or have a firm grip or control over opportunities for earning rents (Karl, 2007). The rent-seeking views assert that resource-dependence (especially oil) often leads to a vicious development cycle whereby all actors (public and private, domestic and foreign) have overwhelming incentives to seek links with the state in order to share in the resource pie (oil wealth). This incentive for rent-seeking paralyzes productive activities, distorts the entire economy and hinders economic growth and development. In a dynamic setting, this may produce a voracity effect.

Corruption or misappropriation of resources is one of the major features of an oil rich nation. The Nigerian state is a typical example! In 2013 for instance, the then CBN governor, Lamido Sanusi, wrote to President Goodluck Jonathan complaining of the non-remittance of $49.8 billion (N8 trillion) to the federation account by the NNPC. In 2015, an audited report or investigation carried out by PricewaterhouseCoopers alleged that $20 billion oil money was missing in the NNPC. In 1999, it was alleged that more than 100 million barrels of crude were unaccounted for by Nigeria's state oil company. In 2020, it was alleged that 48 million barrels of crude were missing. In March 2022, the Auditor General of the Federation alleged that 107.2 million barrels of crude were again missing or unaccounted for by the NNPC. The NNPC denied/denies each and all the allegations. It, therefore, goes to say that the NNPC has been a conduit pipe for a particular group or class in the Nigerian state since nobody has been brought to justice for these gross misappropriation and mismanagement of the oil wealth. Corruption diverts resources from productive activities and increases costs of investment, resulting in reduced economic growth and development. In countries where authoritarian governments (like Nigeria) control power, evidence substantiates that oil revenues are not reported or documented, ultimately existing as a theft from the population. In addition to weak institutional involvement in revenues, corruption in oil revenue heavily hinders growth and development. Corruption, although an internal problem, is linked to international factors, especially when addressing extractive international companies. These international players in resource-abundant countries get favourable advantage by partnering with local politicians who are equally guilty with international extractive companies and the elite community (Kabemba, Mutasah, Alice and Stuart, 2008). For example, a 2007 study shows that "at least one in every eight barrels of oil currently entering the United States has been stolen from its country of origin" and sold by local corrupt officials to international extractive industries (Wenar, 2008). Corruption has been established as a major obstacle for resource-rich countries in economic growth and development. Patronage and rent-seeking are ways corruption in resource-rich countries spreads (North, 1990). Resource rents coupled with corruption affect valuable decision-making abilities of those in power and result in low quality services with less benefit to the public. At the same time, oil revenue encourages patronage as government officials finance their supporters to cling to power. There is a strong tendency towards corruption in oil rich country and rent-seeking mentality on the part of the governing elites. As Agbor (2001) puts it, this debilitating miasma of corruption stultifies socio-political development.

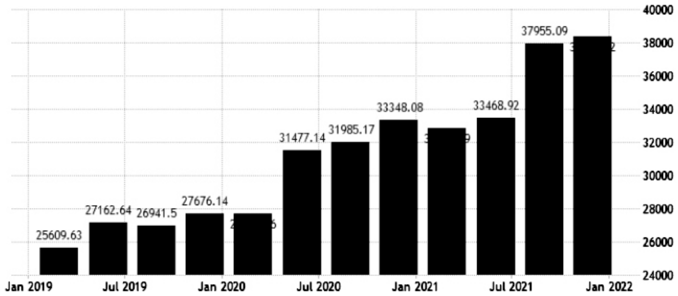
Though, the Nigerian economy is oil-based economy, it is, however, worrisome to note that the Nigerian government or indigenous companies do not participate in the upstream and downstream sectors either in the direct extraction of the crude or ownership of equipment. The extractive activities and ownership of equipment and other infrastructure are carried out and owned by oil multinationals respectively. This is neocolonialism. For instance, among the major oil companies in Nigeria - Shell, Chevron, Mobil, Elf, Agip and Texaco exploring the oil resources, none is an indigenous company. They are all foreign multinationals, and they engage in capital flight or repatriation of profits. The Royal Dutch/ Shell Group is the largest multinational oil company active in Nigeria. Having been in the country for more than 50 years, Shell produces more than 50% of Nigeria's oil and has over 100 oil fields at its disposal. Mobil and Chevron are the second and third largest multinational oil producers in Nigeria. Thus, these three companies account for more than 65% of Nigeria's oil, operate in a highly integrated manner globally in both upstream and downstream operations. Because of their economic strength and global cartelism, these multinationals have hijacked the oil sector thereby making the Nigerian government to lost control over its own oil economy. Any attempt by the oil multinationals to discontinue oil exploration in Nigeria will spell doom for the country. This is because for now, there are no mechanisms put in place by the Nigerian Government that could immediately replace oil revenues in the same proportion. Secondly, the country does not currently have the technological capacity to explore the 1.417m – 2m barrels per day of crude oil for export (OPEC, 2022).

The 'hot cash' associated with the oil sector alters the people's legitimate means of livelihood. For instance, the Nigerian agricultural sector has since been neglected or relegated to the background, leading to shortage of food and impoverishment of the populace. As it is generally noticed in Nigeria, some indigenes of the oil rich or producing areas prefer to take to oil bunkering or operate illegal refineries than engage in productive agricultural activities. Some of these bunkering activities are carried out with the connivance of security operatives. In 2022 alone, the Rivers State Governor, Nyesom Wike through the efforts of the special anti-bunkering task force identified and destroyed twenty-seven (27) illegal refinery sites in Rivers State. It is noteworthy to state that pipeline vandalism, oil bunkering and illegal oil refining pollute the water and air and destroy the aquatic and terrestrial ecosystems as always the case in the Niger Delta.

Oil revenues tend to displace more stable and sustainable revenue flows. For example, because of huge oil revenue flows, the Nigerian government over the years has de-emphasized income taxes as a source of government revenue. Besides, low tax ratios and high consumption expenditures (typically on imported goods) reinforce inflationary tendencies. Regarding expenditure, no use is made of openings for diversifying the economy, enhancing infrastructure, or expanding education systems (Yates, 1996). Furthermore, the problem of the “Dutch disease” effect of mineral resource production is also a consequence. On one hand, resource booms tend to cause real exchange rates to rise due to large inflows of foreign exchange generated by increased resource exports; on the other hand, labour and capital tend to migrate to the booming resource sector from other productive sectors. Together, these two effects result in higher costs and reduced competitiveness for domestically produced goods and services, thereby reducing agricultural and manufacturing exports (Brunschweiler, 2007). Volatility of oil prices makes planning difficult, hampers growth, aggravates investment conditions, income distribution and educational attainment (Karl, 2007; Auty, 2001).

Foreign debt accumulation is another economic consequence of oil rich country. After the oil boom in 1973, borrowing by many oil-exporting countries (Nigeria inclusive) rose dramatically to cover shortfalls from expected oil revenues. The non-resource tradable sectors in these countries (agriculture and manufacturing) were neglected during the resource boom period (Corden, 1982). For instance, Nigeria borrowed/borrows more money using oil resource as collateral, and when oil prices fell/fall, the country faced/faces unfavorable adjustments. As at January 2022, Nigeria's external debt stood at 38391.32 million USD. See figure 2.

Figure 2: Nigeria's External Debt Profile



Oil dependence has been linked with unusually high poverty rates, poor health care, high rates of child mortality, reduced expenditures on social services, poor educational performance. Besides, mineral dependence has strongly been correlated with income inequality. It has, however, been argued that these negative outcomes are not inevitable since they can be avoided or at least minimized when good governance, public accountability and transparent resource management, willingness of countries to transform oil revenues into positive development outcomes are prevalent (Karl, 2007).

Conclusion

Viewing through the political economic prism, Nigeria has failed to develop at least for the past six decades despite huge oil revenues that accrued to the country. It is unfortunate that the huge revenue from crude oil went/goes down the sinkhole created by corruption. The crux of the matter is that the researchers lament why Nigeria has failed to develop, after several years and billions of naira it derived from oil resources. It is unfortunate that despite the availability of other natural resources including oil, diamonds, gold, other base minerals, agricultural and tourism potential etc., coupled with a declared commitment to development and indubitable talent of its people, the country has failed to develop. This is largely attributed to the country's rentier economy, rentier mentality, policy summersaults, visionless political leadership, and institutional weakness. The plethora of reforms and policies are ineffective due to institutional failure.

Institutional theory, in combination with resource-curse theory, best explains the economic backwardness of Nigeria. This is because, it is not the mere abundance or existence of natural resources that hinders economic development, rather, it is weak institutions that are largely responsible for economic backwardness in Nigeria. The leadership of Nigeria appears good at prescribing solutions to economic problems without providing the institutional framework to make it grow (Acemoglu, 2003). And more often, their policies are hastily put together and poorly executed. The political landscape is littered with wreckage of unreasoned policies and those involved in such activities appear to enjoy the nation's underdeveloped status (Dike, 2006). Nigeria's problems are not from the "harshness and the niggardliness of nature" (Keynes 1932 in Dike), but corruption that prevents the society from investing in human capital development, particularly technological capability to drive the economy, create employment and put the nation's abundant resources into productive use.

The development problem facing Nigeria today requires common sense solutions, but others would involve sophisticated ideas and application of advanced technologies. As Albert Einstein has noted 'the specific problems we face today cannot be solved at the same level of thinking we were when we created them' (cited in Dike, 2006). To develop, Nigeria must educate and train its workforce and give them the skill and knowledge needed to perform their duties effectively and use their talents wisely. No society can build a modern economy with a poorly educated and unskilled workforce. For the economy to develop, and for businesses to strive, the institutions responsible for human capital development should be properly funded, equipped, and managed to enable them produce skilled manpower to manage the affairs of the state.

No society has become an industrialized nation without investment in human capital development, particularly technology education. The "Asian Tigers" could not have become what they are today without investment in technological development (Mohan, 2003). Nigeria needs a leader who has the political will and commitment to challenge the *status quo* and transform the country into a knowledge and progressive society. A 'knowledge society' is 'a society of mobility'- one 'in which many more people than ever before can be successful' (Drucker, 1994). The Nigerian Government should give more priority attention to the establishment of the strategic mineral projects through the joint venture operations being used for the exploitation of Nigerian's crude oil. Assistance should be given in areas of acquisition of modern mining equipment, technology and skills; provision of minerals development funds; updating mineral database; remediation of damaged and abandoned mining sites; etc. For all the minerals, the potentials are large and there is a lot to gain in investing in these minerals.

Recommendations

Whether the price of oil rebounds significantly, as the optimists hope or remains depressed over a long time, as the pessimists expect, it is time to plan for a highly diversified post-oil economy. Nigeria should now stop obsessing about its placement in the global economic ranking. Instead, it should articulate its economic ambitions around what it takes not only to grow the economy on a sustainable basis, but also share the fruits of growth and development among its people. Drawing on best practices in other emerging and frontier economies, the new economic policymakers must review or reaffirm the growth rate at which the economy needs to grow and development in no distant future. The most successful and dynamic economies share certain key attributes, such as high levels of investment in research and development, good educational system, and high number of inventions. Nigeria's ambitions for a highly diversified economy cannot be achieved by high dependence on oil revenue. It must be driven by scientific and technological capacity and knowledge-based economy. Change comes with challenges, but also opportunities. The opportunity of change should now be seized to chart a new course for the country to achieve its economic ambitions. Nigeria cannot wish its way to economic greatness; it must work very hard for it to be achieved.

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CHAPTER ELEVEN

METHODOLOGY A VITAL TOOL FOR SCIENTIFIC RESEARCH IN THE FIELD OF HISTORY

[1]Joseph Bonglo Kingsley, [2]Abubakar Ahmadu Adi, [3]Tanko Garba Audu & [4]Abubakar Mohammed
Department of History, Taraba State College of Education, Zing

Abstract
The debate on the importance of methodology as a tool for scientific research in History has attracted not only much attention but also diverse forms of reactions from various scholars. While on the one hand they are shades of views and criticisms against methodology as a tool for scientific research in History, on the other hand it is the opposite. This chapter focusses on methodology as a vital tool for scientific research in History by analysing the significant and relevant place of methodology. Furthermore, the work identifies and examines the views and criticisms held against methodology as a tool for scientific research in History, whether they were well rooted enough to do away with methodology. Similarly, it emphasises the importance of methodology as a tool for scientific research in History and its key necessity for the grooming of budding historiographers as well as its implications. The work adopts the historical method of research and also the use of secondary sources. In conclusion, the work reveals that methodology was a vital tool for scientific research in History and that the views and criticisms against it were not only naïve but also due to being ignorance of the philosophy of History.

***Keywords**: Methodology, Vital tool, Scientific research, History*

Introduction

The subject of methodology as an essential tool for scientific research in the field of History has not only attracted arguments from some scholars but confronted by diverse contentions and controversies from some Historians. This has resulted in different shades of views and criticisms in some quarters against methodology as a tool for scientific research in History by some scholars and students on the one hand,

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while on the other hand, departments of History have held to it and also emphasised the significance of methodology as a medium for enabling scientific research in History. This chapter however looks at the importance of methodology for scientific research in the field of History. It analyses the importance of methodology as a tool for scientific research in History by examining the cloudy contentions and controversies held against methodology. The chapter identifies and examines the views and criticisms against methodology in History, whether they were firm and sufficiently rooted enough to displace or put an end to scientific research in the field of History. Furthermore, it emphasises the imperativeness of methodology in History for the grooming of competent historiographers and the historical discipline and profession. It also looks at the implications of methodology as a tool for scientific research in History.

In looking at the importance of methodology in enabling scientific research in the field of history, it will be proper to begin by considering some of the views and criticisms that have tend to create misconception on this subject matter. Such views are not only misguided, stereotype and vague premise but largely due to ignorance of the philosophy of History. For instance, most of the assertions are born from the simple fact that they are ignorant of the difference between methodology as a tool for scientific research in History and historiography or the critical and speculative philosophy of History. To throw more light on this, methodology in History centers on aspect of the historical discipline or rudimentary components of History, while historiography majorly concentrates on the act of or process or practice of History writing and documentation. For example, the former dwells on matters or issues bordering on philosophy and method of History and problem of theories. The latter is mainly concern and dominated by the practice or act of writing or documentation of History by the historian. Therefore, the goal of this chapter is to analyse the significance of methodology in History as an essential element or mechanism for scientific research in History by closely examining the contrary views and criticisms against methodology. At the end the study reveals that the criticisms held against methodology were naïve and unable to do away with it, for methodology remains a major tool for scientific research in History and the grooming of budding historiographers among other importance.

Conceptual Clarification

The historical discipline from its early stage has evolved in to different phases namely the Ancient History, Medieval History and the Modern History. It is this transformation that has eventually resulted in the present phase of modern History. Due to this development some Historians consider the historical scholarship based on the modern type of methodology deemed it plausible that it has enable the critical or scientific approach to the study of History, hence scientific research in History.

However, the ancient History was dominated purely by the used of narrow gauged narrative approach in discussing events or phenomena of the past. Akombo (2015) stated that this was more common with the early Greek historians. In addition, he admitted that a turnaround came during the 5thCentury B.C when the developments of rationale science impacted on the historians who began to adopt critical dimension to History. It was this that brought about the emergence of Herodotus (who became the father of History) and Thucydides as pioneers and leading historians of that age (Carr, 1974).

Furthermore, the medieval (middle ages) History was another era which interpreted historical events from purely religious or Roman Catholic perspective. In other words, the theologians came up with historical theories which see every event and phenomenon to have been divinely ordained or predetermined (Drake, 1979). However, this type of approach to History resulted from the dominant role of Roman Catholic Church at the time in the Roman Empire from 476-1453A.D (Hanks, 1985). In other words, the theologian approach subjected historical analysis to mono causal interpretation and attributing everything that happened to divine ordinance only. Some of the leading historians during this age included: - St. Augustine (354-430A.D), William of Saint (1085-1148 A.D) and St. Anselm of Canterbury (1033-1109 A.D).

Moreover, the modern History is however based on the philosophy of History approach. According to Akombo (2015), he describes it as the critical historical scholarship associated with the use of scientific method in the study of History. This approach dwells on the evolution, nature, meaning, importance, historical evidence, objectivity, causation, historical facts etc. Importantly, modern History also takes to cognisance the two dimensions of philosophy of History namely (i) the critical philosophy and (ii) the speculative philosophy. The modern History is traced to the Renaissance and Enlightenment era during the 15th Century when historians shifted from the theologian approach to History and ensured a secular or critical approach to the study of History. The beginning of this period produced historians like Nicolo Machiavelli, Francesco Guicciarddini among others who documented the History of Florence and Italy using the secular approach (Jack, 2007).

It is however important to mention that the development received enormous input from Ranke von Voltaire (1695-1778) who first coined the concept “philosophy of history” and argued that the subject of History was neither the Church nor the State but the progress of human civilization. Similarly, a major advancement towards a more objective treatment of History was witnessed in 1914 and was in contrast to the Voltaire's speculative philosophy. Akombo (2015) noted that the benefits of this trend included: - the method employed by practicing historians were subjected to critical analysis, ever-growing specialization and emergence of various branches of History e.g. Histories of Ideas, economics, military, diplomacy, law, gender, environment etc. and History research and writing is now extended to all civilization and not only the western civilization as before. While this chapter agrees with the above views on methodology as a tool for scientific research in History, it chooses to look at it precisely as an essential medium for the acquisition of skills and rudimentary critical steps for historians which must be observe and apply in order to objectively attend and produce a historical documentation which concurs with the philosophy, general rules and principles which are demonstrated and acceptable in the field of History.

Some Views and Criticisms against Methodology for Scientific Research in the Field of History

According to Varvar (2010), he stated that there are views and criticisms against the importance of methodology. Similarly, they also constitute an opposition to the usefulness of methodology as a tool for scientific research in History. He identified some of these to include: - Theodore Mommsen's view, Max Weber's view, nature of methodology and the unpopularity of methodology among scholars and students of History.

Theodore Mommsen's view was made known during his inaugural lecture in University of Berlin, Germany in 1874. Mommsen looks at "history as one of those academic subjects which cannot be directly acquired through precept and learning" and that the elements of the discipline of History are such that "every man is already endowed with them" (Stein, 1956). He further stated that since the two key elements in historical discipline were the critical search for and study of sources and also the pragmatic writing of History, then every person in his daily dealing with others was involved in this process and is therefore a search after sources and pragmatic historian. Varvar (2010), pointed out that this perception by Mammsen saw no need for any methodology for scientific research in History and as a situation which is injurious to historical scholarship.

Similarly, this kind of thinking was also shared and directed towards social sciences by Max Weber. However, Weber was also critical about the importance of methodology for scientific research when he argued that:

> *"Sciences are founded and they are progressively developed only when substantive problems are discovered and solved. Purely, epistemological or methodological reflections have never yet made a decisive contribution to this project." (Oades, 1977, p. 45).*

Therefore, Weber considered methodology for scientific research in social sciences not only capable of bringing about errors in research but tended to continuously generate further arguments and divert attention from useful research work. To him this was irrelevant and time wasting.

Besides, the above views are also some criticisms directed towards the importance of methodology for scientific research in History because of the nature of methodology itself. Among History scholars, they are some who see methodology as conflicting with History proper. To others it involves a lot of rhetorical exercises and very little hard facts while another group consider methodology as a vague and ill-defined course (Hexter, 1968).

Another criticism against methodology for scientific research is the unpopularity of the course among students and lecturers. For instance, Varvar (2010) indicates that Herbst's survey conducted among American Universities revealed that while methodology was regarded by History departments as a field of major concern, yet they were not popular. He added that many students register for the course not out of interest and that his personal experience in teaching the course also revealed that students generally, consider methodology in scientific research as a hard area and would not register for it if they were not required by the departments. Similarly, a good number of lecturers were also not willing to handle such a course (Herbst, 1968). From the foregoing, it is clear that the above issues constitute some reaction to methodology for scientific research in History. But nevertheless, this does not invalidate the importance of methodology in historical scholarship. For it is by it that genuine and sound History and History scholars could be produced, hence the necessity of methodology for scientific research in History.

The Importance of Methodology for Scientific Research in theField of History

First and foremost, methodology for scientific research in History is immensely important because it is inseparable from History writing or documentation. Varvar (2010), argued that this at first would seem to be in agreement with Theodore Mammsen's earlier view on the matter but along the process of History writing, issues of methodology in scientific research were likely to be encountered. Some of the questions posed by this situation are: - (a) Are all issues on methodology for scientific research in History encountered by everyone at the process of History writing or documentation? (b) Are these issues easily noticeable to everybody involved in the process of historical documentation? Based on these questions the argument of Theodore Mammen that every thinking man generally is in a search after sources and therefore, a pragmatic historian is vehemently wrong and misleading. This is because he failed to take cognizance of the nature of History writing and other kinds of writing. Similarly, he erroneously assumed that History writing or documentation was everyday transactions of individuals. However, in departure from Theodore Mommsen's error Varvar (2010), noted that History as a body of knowledge undoubtedly has certain characteristics that put it apart from other forms of knowledge. According to him this informed the statement by Collinwood that the facts of history are not just actions to which human beings have been party in the course of their existence on earth. Rather they are facts established by historical research (Goldstein, 1970). This means that there is some form of logic, methods, and perspective peculiar to the historical discipline which is only preserve through the application of methodology in scientific research in the field of History. From the foregoing two issues examine above it is therefore clear that a historical account is not any kind of writing but a direct outcome of the application of methodology in scientific research and techniques in historical inquiry. This entails that such methods and techniques be acquired through methodology for scientific research in the field of History (Kingsley et. al, 2021).

Equally, very important for the emphasis of methodology for scientific research in History is that it deals with issues that are so apparent as to be easily comprehended by all those involved in History writing (Varvar, 2010). The issue of sources, especially the problem associated with them is one that may pose an obstacle to the growth of the profession if left to be learnt through practice (Olajide, 2014). It should also be emphasised that the sources for historical reconstruction, be they oral or written have their peculiar problems. Therefore, lack of proper understanding of such problems could not only be injurious to historical reconstruction, but also very frustrating to those involved in History writing of documentation. Another reason is that it provides historians with an idea of the past of their discipline without which they will be like a house without foundation (Logan, 1984). The application of methodology for scientific research in History help to highlights the errors of past History writings, which is essential in the training of historians as it enable them to avoid such errors and pitfalls in their own work. For example, studies of the classical period have shown that the History written during that period was essentially a narration of memorable events and glorious deeds which alone does not constitute History. Therefore, History as we now know deals with changes through time in human society, socio-economic, political and cultural life of man. It also deals with the factors that influenced such changes. Similarly, Obiegbu (1987), has pointed out in his work that methodology for scientific research in History is for the training of historians.

Furthermore, the problem of objectivity is historical reconstruction also makes methodology for scientific research in History very necessary (Logan, 1984). The problem of objectivity is very central to the writing of History. Although the difficulty and near impossibility of achieving truth in historical writing has been acknowledge by historian, the search for truth still remain the hallmark of historical reconstruction. But the term objectivity itself is one that does not attract the least controversy. Besides, the process of historical writing many factors pose genuine to the achievement of objectivity. Such factors range from the nature of sources, through ideologies, to idiosyncrasies. There are problems that cannot be identified by anybody in the process of historical writing. Also agreeing with this view, Logan stated that methodology for scientific research in History teaches that rarely is there instant truth (Logan, 1984). He added that having spent five decades of teaching and research "I am still seeking the truth and hoping with Thomas Paine that such is the irresistible nature of truth that all it asks, and all it wants is the liberty of appearing." This then indicates that scientific research in history is possibly the means or instrument by which the historian seeks the liberty of appearance of the truth.

It is also through the methodology for scientific research in History that it is known that something is wrong with some kind of History. For instance, something is wrong with the History written during the Medieval era being essentially a History from Monkish perspective and interpreted every event from mono-causal point i.e. attributing every occurrence to divine evidence. This type of History was not just uncritical but also marked by document being probably forced. This has informed the assertion by Logan that:

> *"we now know that a historian must necessarily reflect and also possess a strong analytical mind. A historian can't go beyond his evidence and must scrupulously document his sources."(Logan, 1984, p.87).*

The Implications of Methodology in Scientific Research in History to Historical Scholarship

Having examined the importance and significance of methodology for scientific research in the field of History, some of the implications this has on historical scholarship and discipline are highlighted below.

Gauging from the usefulness of methodology for scientific research in History as seen above, it therefore entails that scholars and students of History in universities and tertiary institutions should have a change of view about scientific research in History via methodology. They should go from pessimism to optimism since complains and wrong attitude would not wish away methodology for scientific research in History. Similarly, this will greatly assist historians in the practice of their discipline as this would enable them to acquire the right foundation before embarking on their task as historiographers. In addition, since methodology for scientific research in History has been accepted as the tool for the training of budding historians, this will greatly improve the quality of historical scholarship.

Another important effect of methodology for scientific research in History is the easing of difficulties during the writing or documentation of History for budding historians. Since methodology for scientific research handle complex issues associated with historical discipline and profession. Being equipped with profound understanding will definitely enable one to easily handle such problems when they crop up. As such this will ease the process of writing and even the handling of issues that are complex by the practitioners.

Furthermore, this implied that methodology for scientific research in History also equip historians with skills to assess and evaluate historical work and materials. For instance, it is this skill that have made historians to know that historical works during certain ages and periods were seriously lacking or inadequate. Such skill gives the historian the opportunity to revisit such issues as well as compare it with the present trend and make improvement where necessary in practicing the profession.

Conclusively, looking at the above discussion it is apt however to emphasised that although methodology for scientific research in History seems to have been misconstrued by some scholars and students through their views and criticisms; yet this instead provided an opportunity for the importance and significance of methodology in scientific research in the field of History to be examine based on its immense contributions to the improvement of historical scholarship. Similarly, methodology for scientific research in History is so far seen as the pivot for the grooming of historians and enhancing the quality and standard of the historical practice and profession.

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