

THE POLITICAL ECONOMY OF STATE CREATION AND SOCIOECONOMIC DEVELOPMENT IN NIGERIA

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ABSTRACT

The study is a longitudinal historical analysis of state creation exercise and its potentials for jumpstarting socioeconomic development among the people of benefiting areas in Nigeria. From the perception of both the government and agitators for creation of states in Nigeria, the exercise is perceived as a conveyor belt of development to the hitherto underdeveloped areas of the country. It is also expected that the exercise was capable of promoting even development and could facilitate the spread of socioeconomic amenities and opportunities to the new states particularly the capital cities, urban towns and rural areas in that order. It has been proven, however, that the state creation exercises of the past had led to the rural-urban drift because developmental attentions are concentrated on the urban centres to the neglect and disadvantage of the rural areas. The notion that state creation is an agent of socioeconomic development must have catalyzed the virulent and incessant agitation and demands for states by the sections of the country.

Keywords: State Creation, Development, rural-urban, Underdevelopment.

INTRODUCTION

Viewed from the angle of economic development, dominant views in the literature aver that the major driving motive which has sustained the quest for state creation is the general impression that development will necessarily follow the exercise. Succinctly put, this school of thought is of the opinion that, with state creation, rural communities would experience automatic growth and development. Development in the notion of pundits of this school refers to the expansion of opportunities for communal and individual advancement, particularly in the provision of more schools, roads, electricity, hospitals, water and industries. This notion is also predicated on the belief that states are instruments of resource allocation and development. This is evidenced in the practice whereby the bulk of funds available to all states and local governments in the country are sourced from and come from oil revenues controlled by federal government and it's through the state structure in the federation that these funds are share, hence the interminable demands for creation of states by prospective beneficiaries. Paradoxically, the mushrooming of the states had diminished their operational capacity and capabilities, hence only a very few out of the 36 states so far created are self sufficient as allocations to them from federal revenue are grossly inadequate and as such rapid development remains a mirage.

Promotion of even development

From the perspective and perception of the government, one official reason why states are created in Nigeria is the expectation that the exercise was capable of promoting even development and could facilitate the spread of socio-economic amenities and opportunities to the new States particularly the capital cities. It has been proven however that the state creation exercises of the past had led to the rural-urban drifts because developmental attentions are concentrated on the urban cities. The 1976 Murtala Mohammed administrations

state reorganization was done on the basis of the recommendation of Justice Ayo Irikefe Panel. The panel supported creation of additional states because, in its opinion, it was capable of promoting even development (FGN, 1976:10)

The notion that state creation is an agent of socio-economic development must have catalyzed the spurious agitation and demands for states by the sections of the country. As stated earlier in this study, development, to state agitators, take the form of increase in opportunities for communal and individual advancement and provision of infrastructures, like portable water, electricity, roads, industries etc.

The need to bring government nearer to the people

It is also believed that effective and efficient service delivery cannot be achieved in the country because of the distance between the seat of government and the communities at the grassroots. With creation of additional states however, it is hoped that nearer government would appreciate and understand the peculiar problems of the populace and therefore formulate and implement relevant policies. The observations of the Irikefe Panel and Panter-Brick are both illustrative and instructive here. According to the Irikefe Panel:

Extensive government penetration in itself has a political value. Government representative would be capable of transmitting and disseminating government intentions in the field. If government penetrates to all remote areas in the country, its presence and its activities would make people become aware of the existence of the government (FGN, 1976: 64).

On his own part, Panter-Brick surmised that the proximity between government and the people entails:

Making access to resources more direct and their distributors less contentious. It also means more because of the way in which revenue is allocated among states (Panter-Brick, 1980:121).

With 36 states, created already, it is doubtful if people at the grassroots feel nearer to government than before because complaints of government neglect by the rural people have been on the increase and the clamour for more local governments and states are on the rise. This is occasioned by corruption and paucity of ideas on the part of the leadership that emerged after the creation of such states.

State creation and development

What is development? The term has generated a lot of debate in the literature among social scientists, particularly, political scientists and economists. For the purpose of this study, we shall attempt a conceptual clarification. Way back in history, man has been known to improve his living condition in concert with others according to their understanding of the natural laws operating in their environment. Man has ever since then been saddled with the problem and responsibility to explore and exploit the meaning, dimension, content, and strategies for attaining development.

Taking the individual as a unit of analysis, development is seen as “increased skill and capacity, greater freedom, creativity, self-discipline, responsibility and material well-

being.”(Rodney, 1972: 3). An individual’s development, however, depends largely on certain variables among which are; the milieu, one’s class origins and one’s ethics and morals (Rodney, 1972: 3). Nonetheless, the state of development of an individual determines the level of the development of the state or society as a whole. At the level of the society as a level of analysis, development as a concept or subject has generated a lot of intellectual controversy. But one conceptual thread runs through these differing positions and it is that there is a consensus among the various perspectives and persuasions that development-economic, social, cultural, spiritual, or political- describes profound changes or transformation in the *status quo*.

Other terms often confused or interchanged with development are growth, modernization, and westernization. Development, conceptually speaking, is different but descriptive or symptomatic of either of modernization or westernization. We make this assertion on the strength of Eisenstaedt’s cited in Sanda (1992:9) view that modernization is self and same with westernization, or the adoption of the development paradigms of the west by the new nations (pejoratively referred to as traditional or transitional societies), especially in the realm of socio-economic, cultural and political transformation. This notion however depicts the difference between the process of modernization and the process of development. The conceptual confusion between modernization and development has been clarified that “development represents the economic dimensions of the social process for which modernization represents the social environment which ensures higher level of productivity” (Sanda, 1992: 10). And according to Weinberg (1972:10), modernization is the “experience of social change in the new nations that have recently emerged from the yoke of colonialism.” Development, therefore, becomes a symbol of modernization. Modernization then assumes the marker for countries geographically located or otherwise, in the western hemisphere that had passed through the social process described above.

Growth, another term often confused with development, indicates increase in the size of infrastructures. It is possible for a society to experience an increase in its GDP or general population while the quality of lives of its citizenry is very low or faced with abject poverty. An increase in infrastructural facilities without the commensurate technology to maintain it cannot pass for development. What then is development?

According to Ihonvbere (1986: 6), development entails “a dynamic process of structural change and capital accumulation which moves a society close to meeting the basic needs of the majority in society, that is, for shelter, clothing, education, health, food, etc.” For Walter Rodney (1972), a society is developed to the extent that its members increase jointly their capacity for dealing with the environment.” This is, however, predicated on the level of such society’s conception and perception of the laws of nature and the state of development of its productive forces, that is, science and technology and their role in the production process. In his own attempt at operationalizing term, Seers (1977) posed some questions that could help us classify developed societies from an undeveloped one. His checklist includes such questions as

The questions to ask about a country’s development are therefore: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high levels, then beyond doubts, this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all the three have, it

would be strange to call the result “development” even if per capital income doubled.

Flowing from Seers checklist as quoted above, development, essentially, is all about a process, a multidimensional process involving a transformation that impinges on concrete improvements in the economic, political, socio-cultural and spiritual lives of the majority of the citizenry of that society. This was succinctly captured by Sanda’s thesis that development describes a positive transformation

...in both economic and non-economic components of societal life. Concerns with issues of development policy can therefore not be restricted to either the constitutional reviews or promotion of sustained increase in nation’s national income. Additionally, such concerns with development must also entail planned and coordinated policies on the human capital- the people-as assets in the development process. This means that any study in the development process must be concerned with a peculiar type of social change with numerous dimensions, all of which are oriented towards making life better for all the citizens of a social and political community.(Sanda, 1992: 10)

From the foregoing, it is doubtful if the conception of development demonstrated above is what agitators of state creation in Nigeria have in mind. For one, and viewed against the backdrop of the definition of the concept, multiplicity of states in Nigeria has not achieved development.

Viewed from the angle of economic development, dominant views in the literature aver that the major driving motive which has sustained the quest for state creation is the general impression that development will necessarily follow the exercise. Succinctly put, this school of thought is of the opinion that, with state creation, the rural communities would experience an automatic growth and development. Development, in the notion of pundits of this school, refers to the expansion of opportunities for communal and individual advancement, particularly, in the provision of more schools, roads, electricity, hospitals, water, industry, etc. This notion is predicated on the belief that states are instruments of resource allocation and development. This is evidenced in the practice whereby the bulk of funds available to all the states and local governments in the country are sourced and come from oil revenues controlled by the federal government. Most times, allocations to these levels of government are grossly inadequate and as such rapid economic development remains a mirage at this level.

Ojo, commenting on creation of states in Nigeria from the angle of economic viability, observes that

From economic viability consideration...there appears to be no justification for the creation of more states in Nigeria in the foreseeable future as virtually all the existing 36 states in Nigeria are not economically viable. Apart from Lagos State, which has tried to balance its budget since its creation, all other states have had to depend on the federal government for survival...Nigerians are saddled with unviable states which cannot muster the least economic muscle required for autonomous political units (Ojo, 2009).

In the same vein, Ayoade (1997:11) concluded that the creation of state beyond a certain level is neither in the interest of the states nor the country. He reiterated that the diminution in the size of the states resulted in the diminution of resources and consequently their operational capability. The effect of this according to him is the dependence of these states on the central government and that very few states in existence today can generate enough revenue to pay even the salaries of their workers.

From the foregoing, the effect of mushrooming of states in the country is obvious. Mini states can only make mini-impact because by their size and status, they are weak and vulnerable to the strong central government and therefore lacks the capability to check the wanton unconstitutional behaviour of the federal government. Like Ojo (2009) rightly observed only Lagos State can be said to be economically viable and this it has proven not only by the level of development in the state but the way and manner it survived financially and politically when ex-president Olusegun Obasanjo withheld the monthly allocations due to the state for several months even against the judgment of the courts to that effect.

One factor that contributes to the sorry state of these states is the political and bureaucratic elite of these states. Most of the time, the leaders that emerged to administer the states after their creation is inept and lack requisite character needed to move the states to the next level. These leaders, both military and civilian, are corrupt and lacked the vision required to develop these states. This is characteristic of Nigeria; the leadership that which determines the direction of policy making. Burns, cited in Otanez (1992: 64), offers a practical definition of leadership as

The reciprocal process of mobilizing by persons with certain motives and values, various economic, political and other resources, in a context of competition and conflict, in order to realize goals independently or mutually held by both leaders and followers.

Leaders in the states in Nigeria lack basic traits like strong moral character, firm societal understanding and sharp innovative ability. A survey of bureaucratic and political leadership in country has shown that the country lacks good leaders who could act for the good of the states and their people, and purposefully and deliberately to ensure the true mobilization of the creative energies of the broad masses of the people. Aspirations and suggestions from the masses are ignored by the ruling class because they lack compassion and do not appreciate nor understand what politics of development entails. This flows from the perception of the elite that agitated for such states. They believe that they, ideally, should be the major beneficiaries of such exercise, hence the state and its resources are appropriated. The rationale behind new states; to promote development and to minimize minority problems best encapsulates the intra-elite tension and subsequent consolidation over scarce state resources and patronage. Therefore, a factor which helped to sustain agitations for new states was the appearance of slew of benefits in the newly created states in the form of new hospitals, roads, and a flurry of political and economic activities around capitals which tantalizes Nigeria's upper classes where "accumulation and enrichment have become key words and the ultimate justification in the process of establishing new territorial entities" (Bach, 1989: 27). *This Day*, a national newspaper in Nigeria, in one of its editorial comment observed that:

The previous states creation exercises have hardly taken into account economic consideration. This has left Nigerians saddled with unviable states which cannot muster the least economic muscle required of autonomous political units...the rapid rise in the recent past has no doubt led to the multiplication of personnel

and administrative facilities in the public sector, to the extent, taken together, the entire public sector in the country is doing no more than the payment of salaries, allowances and vehicle maintenance(1996: 11).

The National Concord (February, 22 1996) a defunct Nigerian daily newspaper in its own view opines that “a federal structure cannot be said to be healthy when the federating units merely leech on the centre.” In an Article published by *African Concord Magazine* on Sept. 9, 1991, Tunji Bello agrees that creation of states could bring about growth, at least physically to the grassroots, but doubts if the exercise could transform the economy of most states. He concludes that, state creation as it is known has, in turn, created pockets of millionaires especially from within the civil service and among contractors whilst still creating a mass of poor people.

The question of development has become a facade used by agitators for new states. This argument is predicated on the phony belief that the more states Nigeria has, the better for the various constituent communities in the federation. In McMahon’s (1972:62) view however, the United States, which is the world’s greatest federal democracy, is still in a state of uneven development after 200 years of national development. McMahon observes further that the United States remains unevenly developed more in the area of the distribution of income among social groups.

Arguing in the same vein, Dudley (1973: 3) posits that in areas such as Ibo land and Yoruba land, which have been more developed than the rest of the country, state creation is therefore capable of fostering the emergence of new growth centres in relatively already overdeveloped areas at the expense of the periphery, thereby exacerbating rather than lessening the problem of underdevelopment. However, some *developmentalists* are also of the opinion that state creation has the potential of enhancing the process of development. For instance, in the views of Muhammadu (1986: 3), "at the root of the problem of state creation is the desire for development by each locality". He further opines that unless the people in the area control their own destiny they do not stand a chance of realizing their developmental potentials. Ayoade (1997), remarks that "apart from perpetuating the North-South imbalance, the creation of states has reduced the political power of the states..." According to him,

The diminution in the size of the states resulted in the diminution of resources and consequently their operational capability.

One of the consequences of this, according to Ayoade (1999: 105-6), is that

only very few states, today, generate enough revenue to pay even the salaries of their workers not to talk about financing capital project.

Contributing to this debate, Ihonvbere (1989: 47-48) berated the elite’s quest for the expansion of public sector to further their own interest, to the detriment of socio-economic development. He said :

The expansion of the public sector has largely been dysfunctional as far as the promotion of economic development is concerned. Its functionality lies primarily in bringing an increasingly larger sphere of the economy within the control of the dominant faction

of the ruling class. The proliferation of bureaucratic apparatuses and a parasitical class feeding on the limited surplus in the face of protracted stagnation has brought the state to the point of collapse.

This is not to say that creation of states does not bring with it improvement in the provision of infrastructural facilities. In Suberu's opinion, there are many dividends of state creation. He affirmed that:

the state creation process was, and continues to be an important instrument in the intra-elite struggles for bureaucratic placement, advancement and enrichment. ... establishment of a civil service, the distribution of contracts for the construction of a new secretariat with its roads and a new hospital, staff school and houses, possibly a university ... establishment of parastatals, of a television station and a newspaper(1995)."

Without any prejudice to these perceived benefits, it is not unusual to equate improvement in infrastructural facilities with development. The basic truth is that these facilities so provided are usually concentrated in the state capitals without any attempt to decentralize in order to develop the periphery. Apart from this, the proliferation of states inadvertently leads to a sharp rise in administrative overheads because of the lack of economies of scale. The more states are created, the more the funds gulped by the states' public services through emoluments payable to state commissioners, governors and other categories of political appointees (Suberu 1999). This point was emphasized by Bola Bolawole (2010: 8), a Journalist and Sunday Tribune Columnist. Commenting on the Senate President, David Mark's declaration that the National Assembly would create additional states, Bolawole opines that;

That must be cheery news for state agitators and such other professional politicians whose calculation is the political space that any such enterprise will accord them to further feather their nests. But it will never be in the interest of the people to create additional states when all but one of the states (ostensibly referring to Lagos) are able to stand on their own. New states would mean more governors, commissioners, special advisers and other aides, Houses of Assembly; in fact, more bureaucracy that will ensure that more resources are ploughed into salaries and perks of office than in capital projects that will benefit the people. The history that the National Assembly is overreaching itself to make is an inglorious one; it is also self-serving. It will benefit a few politicians and bureaucrats but will bring ruins on the nation as a whole.

In his opinion, Bolawole recommended that the states so far created should be collapsed and reverted back to regions and that the country should adopt unicameralism instead of bicameral legislature to save costs and embark on other measures to make funds and other resources, which at the moment go into salaries and allowances, available for infrastructural development(Bolawole, 2010:8).

The views of the Federal Government that states have been created to ensure even development throughout Nigeria, and that the local level, that is states and local government would receive

greater shares of federal resources to enable them develop more rapidly(FGN, 1976), are no longer tenable in the face of these facts.

State creation and Nigeria's intergovernmental economic relations

This study established that, in Nigeria, regional, state and local government economies are more linked to the capitalist metropolis than to one another and therefore conduce to the inevitable persistence of violent intra-class, zero-sum competition, lack of trust, and mutual suspicion among the various communal groups. My argument here is that if economic activities were encouraged to flourish horizontally among these groups, social and political integration might be achieved. Also, agitation for further creation of states engendered by rugged individualism would also pale into irrelevance.

The roots of the failure of economic development in Nigeria, especially successive failures in the realm of state creation, can also be traced to the country's model of development. This model holds that economic development concentrates primarily on economic growth as reflected by the increases in the gross domestic product, industrialization, capital formation, welfare services, and the development of infrastructure such as roads, electricity, transportation, and increased economic efficiency. The nature and character of the model, that is, outward looking, urban and industrial focused, and capital intensive, are ingrained in the nature of development in Nigeria (Otanez, 1992: 64-67).

Nigeria's "Western-oriented" model highlighted above and her pattern of development are rooted in the first colonial and subsequent development plans. The scheme of 1976 called "A Ten-Year of Development and Welfare in Nigeria" emphasized transportation to ensure the continued exploitation of the country's human and natural resources, rather than areas which could enhance the livelihood of Nigerians. The emergent development pattern supported the view that cities are the dominant "pole" of development and that planning is equivalent to a search for massive external loans and other forms of assistance. In the sphere of state creation, the pattern of development in Nigeria sustains the imperialist orientation as development process of state creation in Nigeria accrues to state capitals while the other parts of the new states serve the capital as the peripheral colonies. In Nigeria, therefore, the creation of new states has proved to be a meaningful exercise in meeting the needs of resource-starved elites, skillful at mobilizing support through ethnicity. Thus, while state creation exercises failed to contain the problems of ethnicity and economic underdevelopment, state reorganizations have continued to facilitate the successful development of capitalist class in Nigeria.

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