

Delta State Oil Producing Areas Development Commission (Desopadec) Provision of Skill Acquisition Programmes and Self Employment in Oil Host Communities in Delta State

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Abstract

The study investigated the Delta State Oil Producing Areas Development Commission (DESOPADEC) provision of skill acquisitions programmes and self employment in oil host communities in Delta State. The specific objectives of the study is to examine the extent to which DESOPADEC provision of Skill acquisition programmes have brought self employment to better enhance the living of oil host communities in Delta State. In other to carry out the study, one research question was raised, and one hypothesis formulated. Review of related literature was based on both theoretical and empirical studies on development. Descriptive survey research design was adopted for the study. The sample for the study was 366. The proportionate stratified sampling technique was adopted in selecting the respondents. To ascertain the reliability of the instrument, the test-re-test method using the Pearson Product Moment Correlation Coefficient was adopted, and the reliability r 0.75 was obtained. The data generated for the study was analyzed using descriptive statistics of frequency counts, percentages, mean and charts. Criteria mean was placed at and 2.50 for decision taking when answering the research question. The chi square analysis was used at 0.05 levels of significance to test the hypotheses. The mean response from the study reveals that skill acquisition programmes of DESOPADEC is positively influencing self employment that results in the development of the oil host communities. The null hypothesis of no significant association between DESOPADEC provisions of skill acquisition programmes and self employment for the better enhancement of the living of the oil host communities in Delta State tested was rejected. This implies that there is a significant association between DESOPADEC provision of skill acquisition programmes and self-employment Based on the results, it was suggested that the commission shouldn't relent on the mandate of setting it.

1.1. Introduction

The Delta State Oil Producing Area Development Commission is an establishment meant to cater for oil producing states within the country. Delta state being one of the oil producing states in Nigeria is privileged to have the commission established to cater for the development of the state.

According to the pointer newspaper of March 14th 2017, The Delta State Oil Producing Areas Development Commission (DESOPADEC), was established by the Delta state government since

1999, and it is for all practical purposes, an agency set up to ameliorate the sufferings encountered due to Oil and Gas explorations in oil and gas producing communities in the state. Issues like oil spillages and the general under development were to be taken care of, with the provision in the constitution of at least 13 per cent of the federal revenue to be shared among the oil producing states. The problems of infrastructures like hospitals and pipe- borne water and schools should take care of these local demands which hitherto state governments hardly addressed in their budgeting processes.

The Board of Delta State Oil Producing Areas Development Commission (DESOPADEC) was set up in July, 2007, to execute a clear and critical mandate; to rehabilitate, rejuvenate and resuscitate the peoples and communities of the oil producing areas of Delta State. This mandate is stated unequivocally in Section 13 (i) of the enabling law which set up DESOPADEC and states that the Commission shall "receive and administer exclusively the fifty percent (50%) of the thirteen percent (13%) Oil Derivation Fund accruing to the Delta State Government for:

- a. The rehabilitation and development of Oil Producing Areas in the State. and
- b. Other development projects as may be determined from time to time by the Commission.

The law establishing the Commission in Section 14 empowers it to:

- i. Manage and supervise the affairs of the Commission:
- ii. Enter into contract as may be necessary or expedient for the discharge of its functions and ensure the efficient performance of the functions of the Commission in accordance with government financial regulations;
- iii. Establish and maintain such number of departments as it may deem fit for the effective discharge of its functions:
- iv. Pay the staff of the Commission such remunerations and allowances as appropriate:
- v. Make rules and regulations for carrying out the functions of the Commission; and
- vi. Do other such things as are necessary and expedient for the efficient performance of the functions of the Commission.

According to DESOPADEC bulleting (2015). the funds so far received by DESOPADEC from July 2007 to 2015. have been spent on the core areas and DESOPADEC can proudly state that the total number of projects so far awarded is 1,210, which includes the execution of 308 projects inherited from the defunct 13% Derivation Fund Committee and the award of contracts for 902 new projects. Of the 308 13% projects, 198 have been completed and 110 are on-going. So far, over 450 of the 902 new projects have been completed while 452 are at various stages of completion. The grand total of completed projects is a whopping 648 projects. DESOPADEC has also attracted foreign and international interest for partnerships and investments from countries like Cuba, the United States of America, China, Germany and other European Union countries. One of the mandate of DESOPADEC was to ensure adequate provision of skill acquisition programmes that will make the people of the oil host communities to be self employed. Hence the present study tends to find out if the said mandate is been accomplished.

1.2. Aim and Objectives of the Study

The aim of the study is to investigate the impact of DESOPADEC in the area of skill acquisition programmes for self employment of oil host communities in Delta State.

The specific objectives of the study is to examine the extent to which DESOPADEC provision of Skill acquisition programmes have brought self employment to better enhance the living of oil host communities in Delta State

1.3. Research Question

Does DESOPADEC provision of skill acquisition programmes bring about self employment to better enhance the living of oil host communities in Delta state?

1.4. Hypothesis

There is no significant association between DESOPADEC provisions of skill acquisition programmes and self employment for the better enhancement of the living of the oil host communities in Delta State

1.5. Review of Literature

For decades, developmental economics have commented on indices for sustainable development. Anikpo (1996) sees Development as the efforts and results of transforming the physical and social environments within which human beings operate for the purpose of enhancing their standard of living. Meieir (1970) sees development as an increase in per capital income, reduction of absolute poverty and equal distribution of income.

Development efforts according to Akuodu (2011) are connected and it includes those directed at deliberately eliminating obstacles that militate against the desire of individuals and corporate groups to free themselves from all natural and artificial obstacles. They also include the advancement of human capacity to exploit, annex, and utilize the historical- cultural and environmental based resources in order for man to achieve a more fulfilling life.

Economic performance according to Jaffee (1998) is measured by an annual increase in gross national product (GNP) [an alternative measure is gross domestic product (GDP)]. For the purpose of comparability, GNP is expressed in a common currency, usually US dollars, and reported in per-capita terms to take into account the size of a nation's population. According to Dang and Pheng (2015), the World Bank defines GNI as the sum of value added by all resident producers plus any product taxes (less subsidies) not included in the valuation of output plus net receive of primary income (compensation of employees and property income) from abroad. Meanwhile, the World Bank still uses GDP in many other featured economic indicators (World Bank, 2011). However, the indicator is a measure of well – being and development exclusively based on material wealth. Improvements in welfare such as better health care, education and more housing for large parts of the poor population have not been captured. According to Todaro and Smith (2003) the experience of the 1950s and 1960s has shown that GNP growth would necessarily result in a better life for a nation's population. The narrow goal of development (economic growth) induced nations to focus their energies narrowly on the rapid growth of national incomes.

Another area considered by Dang and Pheng (2015) on the goals of economic development was the quality of life. According to them during the 1970s, the concern of millions of people living subsistence lives in poverty turned the attention of development economists to people's lives rather than their incomes. Similarly, many developing countries have experienced high growth rates of per-capita income but little change in the living conditions of a large part of the population. Economic development defines economic growth in the context of declining poverty, declining unemployment and underemployment and declining inflation (Okowa, 2017)

A broader perspective of development goals according to World Bank developmental Report (1991) is "to improve the quality of life. Especially, in the world's poor countries, a better quality of life generally calls for higher incomes— but it involves much more. It encompasses as ends in themselves better education, higher standards of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom, and a richer cultural life." According to Sen (1985), the ultimate goal of development is to enhance human capabilities, which is defined as "the freedom that a person has in terms of the choice of functioning, given his personal features (conversion of characteristics into functioning) and his command over commodities. In the views of Dang and Pheng (2015) higher income is necessary but not sufficient in terms of quality of life. Under his approach, goals of economic development change from promotion of growth to promotion of well-being.

According to Ndem (2008) anti- poverty programmes should consider the provision for technology acquisition and development particularly for agriculture and industry, providing capacity building for existing skills acquisition and training centres, providing for the provision of agriculture and industrial extension services to rural areas, providing for integrated schemes for youth empowerment, development of infrastructure, and provision of social welfare services and exploitation of natural resources. In an empirical study carried out by Oruonye (2011) on the socioeconomic impact of resettlement at Lake Chad, Nigeria. Oruonye explained that infrastructural facilities like good school, modern health centres, market stores, boreholes, viewing centres and police office to enhance their security, have to a large extent help in the development of the communities that were once neglected. Although in the study, Oruonye (2011) stated that the people were not totally satisfied because they preferred the restoration of their farmlands for their farming, canals to enhance their easy transportation and enough shelter.

1.6. Methodology

The descriptive survey research design was used for the study. A total of 400 questionnaires were administered and 366 representing 91.5% was returned. The sample for the study was 366. It comprises of staff of DESOPADEC. Traditional leaders, Community Youth Leaders, heads of tertiary institutions, secondary, and primary schools, medical personnel in hospitals and health centre, from various ethnic nationalities of Urhobos, Itsekiri, Ijaws, Isokos, and Ndokwa areas of Delta state that are the oil producing areas. The proportionate stratified random sampling technique was adopted for the selection of the sample for the study. Each of the ethnic nationalities formed a stratum from where respondents were drawn. With the aid of twelve trained research assistants, the researcher visited all five ethnic nationalities and the instrument that was self constructed and

validated by experts with a reliability of r.075 were administered and retrieved. The data generated for the study was analyzed using the frequency count, percentages, means and charts. Criterion mean was placed at 2.50.

1.7. Results and Discussions

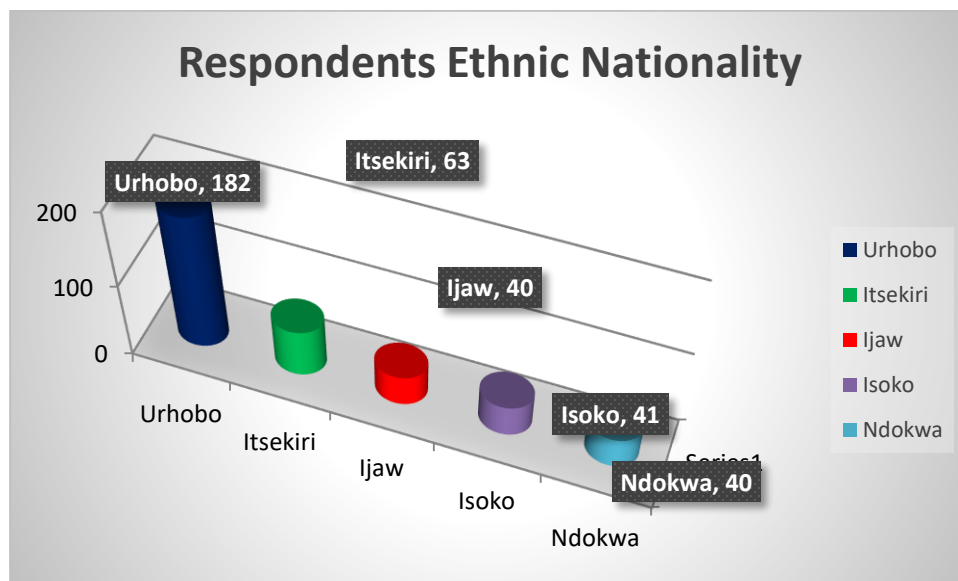


Fig 1: Representation of the five ethnic Nationalities that was used for the study.

The figure indicates the distribution by ethnic nationalities, 50% of Urhobo ethnic nationalities were used for the study, 17% Itsekiri and 11% each for Ijaw, Isoko and Ndokwa ethnic nationalities

Table 1 provides answer the Research Question:

Does DESOPADEC provision of skill acquisition programmes bring about self employment to enhance better living of oil host communities in Delta State?

Table 1: item by item analysis of responses on DESOPADEC provision of Skill Acquisition programmes and self employment to enhance better living of oil host communities in Delta state

Skill Acquisition Programmes And Self Employment To Enhanced Better Living Oil Host Communities	SA	A	D	SD	Mean
DESOPADEC skill acquisition programme have help in self sustenance among oil host communities	43 11.7%	295 80.6%	19 5.2%	9 2.5%	3.02
DESOPADEC skill acquisition programme have enable many people of oil host communities in Delta State to be self employed	40 10.9%	298 81.4%	3 .8%	25 6.8%	2.96
DESOPADEC skill acquisition programme have created job opportunities to many people in Delta State	43 11.7%	295 80.6%	19 5.2%	9 2.5%	3.02

DESOPADEC skill acquisition programme have improve the social economic life of many people in Delta State	1	295	27	43	2.69
	.3%	80.6%	7.4%	11.7%	
DESOPADEC skill acquisition programme have made many youths in oil host communities in Delta State to be More Productive	9	294	20	43	2.74
	2.5%	80.3%	5.5%	11.7%	
DESOPADEC skill acquisition programme have reduce the level of poverty in oil host communities in Delta State	-	258	40	68	2.52
		70.5%	10.9%	18.6%	
DESOPADEC skill acquisition programme have reduced the level of youth restiveness in oil host communities in Delta State	2	261	85	18	2.67
	.5%	71.3%	23.2	4.9%	
DESOPADEC skill acquisition programme have made youths in oil host communities to be more useful in Delta State	50	285	30	1	3.05
	13.7%	77.9%	8.2%	.3%	

Aggregate Mean **2.83**

Criterion Mean **2.50**

The table revealed the percentage and mean responses on DESOPADEC provision of Skill Acquisition programmes and self employment to enhance better living of oil host communities in Delta state. It can be concluded that DESOPADEC provision of skill acquisition programmes has enhanced better living in the oil host communities by making the people self-employed, creation of job opportunities, reduction in youth restiveness and reducing poverty level of the oil host communities.

Table 2 Responses on Extent to which DESOPADEC provision of skill acquisition programmes brought about self employment to enhance better living of oil host communities in Delta State

Variable	Very great extent	Great extent	Moderate extent	Never	Total
Skill acquisition programmes and self employment for enhancement of better living	96 (26.2%)	204 (55.7%)	60 (16.4%)	6 (1.6%)	366 100%

The responses on the extent to which DESOPADEC provision of skill acquisition programmes and self employment to enhance better living in oil host communities as displayed on the table shows that 26.2% and 55.7% responded that the provision of skill acquisition programmes have to a very great extent enhance better living, while 16.4% indicated moderate extent and never 1.6%.

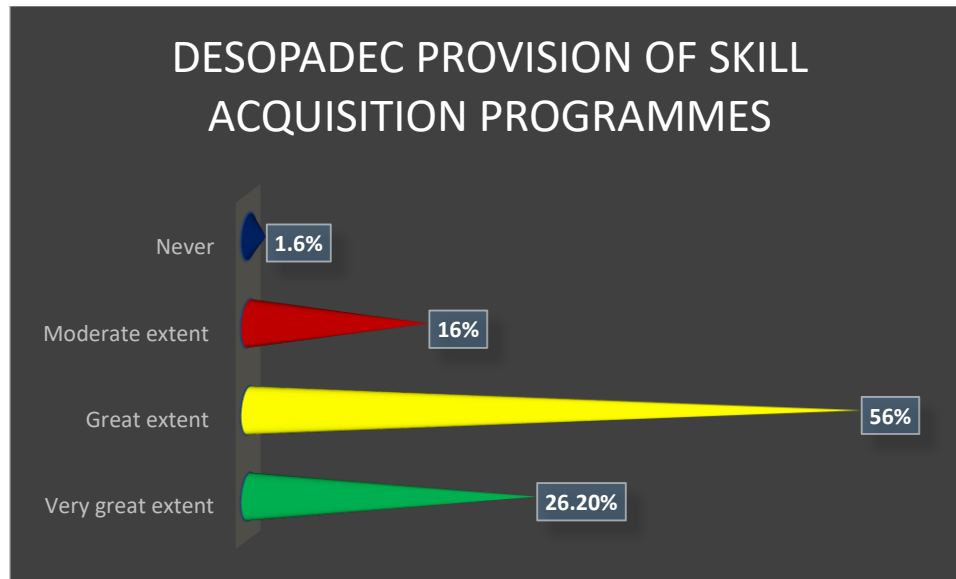


Fig 2 represents the Extent to which DESOPADEC provision of skill acquisition programmes has brought self employment to better enhance the living in the oil host communities. The chart revealed that to a great extent DESOPADEC provision of skill acquisition has brought self employment that has resulted to a better life in the oil host communities.

Hypothesis Testing

There is no significant association in the views of the respondents on DESOPADEC provision of skill acquisition programmes and self-employment in oil host communities in Delta State.

Table 2: Chi-square (X^2) Analysis of the Association in the Views of the Respondents on DESOPADEC provision of Skill Acquisition Programmes and Self-Employment

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	302.290^a	9	.000
Likelihood Ratio	282.603	9	.000
Linear-by-Linear Association	148.873	1	.000
N of Valid Cases	366		

Table 2 shows that a Chi-square test of independence was performed to examine the views of the respondents on DESOPADEC provision of skill acquisition programmes and self-employment. The relationship between the variables was statistically significant, X^2 (9, N= 366) = 302.290, $p < 0.05$. The null hypothesis of no significant association tested is rejected. This implies that there is a significant association between DESOPADEC provision of skill acquisition

programmes and self-employment. This can be interpreted to mean that DESOPADEC provision of skill acquisition programmes have increased self-employment in oil host communities in Delta State.

1.9. Conclusion

The findings of the study affirm DESOPADEC provision of skill acquisition programmes in the oil host communities. The mean response from the study reveals that skill acquisition programmes of DESOPADEC is positively influencing self employment that results in the development of the oil host communities. The null hypothesis of no significant association tested is rejected. This implies that there is a significant association between DESOPADEC provision of skill acquisition programmes and self-employment. This can be interpreted to mean that DESOPADEC provision of skill acquisition programmes has made majority of the people being self-employed, creation of job opportunities, making more productive youths, and reduction in youth restiveness and have reduced the poverty level of the oil host communities.

The study affirms the presence of skill acquisition programmes, which is one of the intervention areas/objectives of setting up the commission. According to Boye, Erhinyodavwe, Oroka and Atomatofa (2014), skill acquisition training led to self-employment and productive living. Similarly skill acquisition programmes is to create wealth, self sufficiency and economic growth which are indices of development (Dang & Pheng, Ebegbulem, Ekpe, and Adejumo 2013). According to Okowa (2017), economic development defines economic growth in the context of declining poverty, declining unemployment and underemployment and declining inflation. Skill acquisition is meant to reduce unemployment by meaningfully engaging the populace with skill for self employment. The outcome of the study is in consonant with Ebegbulem, Ekpe, and Adejumo (2013) and Okowa (2017).

1.10. Recommendations

- i. As long as funds are released to the commission, it should never comprise in the provision of services that will give rise to sustainable development in the oil host communities
- ii. The commission should provide a monitoring team to oversee the activities of staff posted to the skill acquisition centers in the oil host communities
- iii. Micro credit scheme should be well organized in such a way that soft loans are given to oil host communities to start sustainable business ventures after skill acquisition.

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