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## The 21st Century Role of the State Machinery in Resource Control; Imperatives for Good Governance in Nigeria

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### **Abstract**

*The state is a significant institution in the management of natural wealth belonging to a particular people occupying a particular geography. The state harmonizes and organizes the domestic machinery and institutions needed to mobilize efforts towards the exploration, management and allocation of resources belonging to the state. This sole responsibility performed by the state is by every sense statutory as hypothesized by the Social Contract Theory of Thomas Hobbes. The research seeks to examine the relevance of resource control (being a sole responsibility of the state) in the attainment of good governance in Nigeria in the 21st century. Extant literature are consulted from the academic and professional archives and analyzed with simple polemics. The findings of this paper disclosed that resource control and good governance are factors of state-determinism. Thus, it is practically impossible to achieve good governance when the state lacks the requisite strategies to effectively manage its resources to the interest of a wide-range of citizens. This paper recommends that the intuitions and mechanisms in the state which perform the tripartite activities involved in resource control viz: resource exploration, management and allocation should be fully fixed in order to effectively allocate resources in line with statutory provisions and achieve good governance for the Nigerian state in the 21st century.*

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**Keywords:** Good Governance, Resource Control, 21st Century, Nigeria, Africa, Third World, Resource Conflict

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### **Introduction**

Post-World War II era has featured successive calls for citizen-inclusive governance, social advocacy for good governance and agitation for a legitimate and democratic order within states and the globe at large. Also, there has been constant demand for political accountability and liberal democracy from citizens. These demands reflect the basic aspirations of the citizens on issues regarding their all-round welfare, peace and security. These aspirations are borne out of lessons extrapolated from historic experiences which democrats, patriots and citizens have had under the leadership of despotic leaders who plunged the democratic states into genocidal and authoritarian regimes. Thus, the demand for better living and egalitarian society became topical in most political and social debates in order to embellish the oddities of governance with good will, equity and justice.

In recent years, the welfare of citizens has enjoyed the attention of the government both locally and internationally. This has led to strategic moves being made by the government of most states towards the actualization of social and economic satisfaction for the citizens. If the government defaults in this task, the citizens have been consciously motivated and empowered by international laws and policies to press for their rights even when they are being infringed by the state. This is the platform upon which most pro-choice movements and apprehensions

against the state are predicated. The citizens form civil society organizations, groups and coalitions to question, challenge and hold the government to accountability. This was recorded by Goldstone (2001) as an effort to transform the political institutions and establish justification for governance. Also, these actions “create major turning points in a country’s history”, (Ojukwu, Ukatu, Ohuoha & Nnakwue 2016). Example of this pro-citizen movement was recorded in the protest for civil rights which resulted to the landmark civil and voting rights legislation in the United States. Another is the protest against the war in Vietnam which led to the withdrawal of reelection bid of a sitting US President. Also, there is the protest against environmental degradation at Washington on Earth Day which led to a landmark environmental protection regulations at the United States, (Phillips Shively, 1997); the Aba women riot (1929) which led to a reduction in the tax being levied against market women in Aba and Calabar area, (Evans, Marissa, n.d) is equally on record.

While most of these affirmative movements and actions have birthed reasonable and positive legislations in favor of the agitators (just like the recent LGBT-rights movements in US, the establishment of Facist authority in Italy under the leadership of Mussolini, the rise of Hitler to power in Germany, the recent movement for the resignation of President Robert Mugabe of Zimbabwe etc), others have been greeted with a frontal opposition and subsequent neglect by the government. In any case, the activities of groups and coalitions aimed at influencing government policies are usually targeted at the state machinery.

This becomes a quick pointer to the fact that the state is as important as the citizens and both are consequential to each other. In ensuring social stability, equality, development and good governance, the instrumentality and relevance of the state should not be ignored.

Understanding the concept, role and existential benefits associated with the state (as being distributed and exhibited by the institutions of the state) is key to this academic exercise. Regardless of the heralding indices of state’s inefficiency and systemic failures witnessed in some modern states (especially in the third world), it is however important to exhaustively appreciate some few contextual scholarly assertions which justify the essence of the state and it’s reasonableness in the 21st century.

There is however no gainsaying the fact that the state is significantly relevant in the administration of good governance in the 21st century just as it is principally responsible for the control of the resources located within its territory.

Far from the classic understanding of the state as an agency which acts as a means of holding control over a particular territory (Zahri, 2012), there is every need to address a deeper understanding regarding the state with a view of what the state can actually do to not only stabilize the governing apparatus and machineries, but to also strategically position the social welfare and human existence for a promising future.

Administration of good governance is a state-driven factor and can only be performed by the state. This fact is unarguably real in the 21st century when capitalists’ forces are tearing the domestic economy, liberalizing trade and every single sector in the society. It is the responsibility of the state to administer good governance with the utility of extant laws, legislations and policies, activated through institutions and agencies and also provide development in the state.

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It is true that development has become a disturbing global issue. Modern states have engaged in consistent exploration of organic methods to not only broaden their development plans but also to meet up with the trending challenges of the time, to provide solution which are needed in governance.

To achieve development, Surbhi (2015) argues that developed countries consistently harness their resources to specifically broaden their income alternatives and enlarge their market and exports materials. This exercise is expressed in the ability to manage the resources of the state by means of exploration, control and allocation of privileges to various sectors of the country.

It is however assumed that countries with more natural resources will witness reasonable level of development. But this assumption contradicts with reality especially in the case of third world countries as can be recorded in Africa, Latin America as well as some Asian states.

Various theses have been advanced to address this grievous disorder one of which is the Resource-Curse Thesis. The African countries, so blessed with abundant natural resources and rich population are yet to have a relatively rich record of development in governance, infrastructure, health, education etc. Thus, the resources of these countries, juxtaposed with their development records may not find a point of reasonable reconciliation.

The study aims at addressing the challenge of good governance in Nigeria, contrasted with resource control strategies of the Nigerian state. It examines the issues of resource control and good governance in Nigeria with reference to how it currently is, and how it ought to be. It further reveals that both factors are intertwined as well as fundamental in the development of Nigeria and their effective application is subject to how efficient the state machinery is. It is true that various theories, theses, antitheses, claims and counter-claims have trailed debates around this academic reasoning. But, additional to these academic points of view is the fact that this research builds a new knowledge within the bounds of constructive engagement of the state towards resource control and good governance in the 21st century.

By and large, the paper argues that good governance is tangential to how well the state manages its resources and effectively allocates the proceeds therefrom to evenly benefit the members of the larger society as well as all the tiers of government. This informs the fact that the state provides direction for development which according to Abdullahii (2014) is its primary responsibility. When effective resource management is achieved, good governance is achieved which by extension energizes the system of rules in the administration of resources. It follows that the continuous cycle of resource management and good governance ensure that the wheel of the state does not grind dry.

### **The Problem of Study**

Constant agitations within the Niger Delta area are presumably traceable to the shady deals in resource control activated by the Nigerian state evident in the inaccessibility of basic welfare by the people, bad road network, upscaling cases of corruption, high rate of crime, unemployment, high rate of illiteracy among others. As a consequence, however, there is a huge threat to the great potential of Nigeria which can inhibit sustainable development and environmental degradation and exposure of the country to worsening economic conditions, (Akpan and Akpabio, 2003).

In extension however, the exploration of mineral resources has further threatened aquatic life in the rural areas, frustrating business and investment of the locals. Environmental degradation

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is also an extant consequence of poor resource control mechanism which of course necessitates some basic questions regarding how well the state performs its functions in making use of the resources of the land to ensue good governance.

In view of the foregoing deformations which plague the social structure of Nigeria; in view of the corresponding negative experiences of governance: Is there any connection between resource control and the governance of the state? What factors are directly involved in the management of states resources? If the state is both the manager of the resources and the controller of the governance machinery, can the cycles of bad governance be broken when the resources are properly managed?

**Social Contract Theory: The State's Superiority in Resource Control and Governance**

In order to effectively address the superiority of the state in providing good governance as well as establish the relationship between the state, governance and resource control in line with our cardinal points of analysis, we shall adopt the Social Contract theory.

The Social Contract is a classic theory of the state propounded by the trio of Thomas Hobbes, John Locke, and Jean Jack-Rousseau. From various accounts, these scholars conceded to a common submission about the state and resource control that the state is a product of consensus among men whose collective loyalty make up the sovereignty. Thomas Hobbes (cited in Elahi, 2005) noted that man was living by nature prior to the emergence of state. This 'state of nature' featured animalistic tendencies by men, to their fellow men which was of course brutish and penal. The highpoint of the Social Contract Theory however in respect to this study is the submission that men entered into a contract to end insecurity, and nasty brutish life style which was the primary state of being.

As a consequence, men unitedly established the state, and made the state the anchor of men for achieving their ultimate goals in life. As pointed by Hobbes (cited in Elahi, 2005), "men surrendered their rights and freedoms, to the mightiest authority to protect and preserve their lives and property".

The above submission was primarily an agreement for security among human race. But, by extension, it is an agreement among people and citizens of a particular region to establish a platform whereupon every other economic, social, essences of life can exist. This essencism of life (Kalayna Colibri, 2016) however aims at achieving a point of full satisfaction in terms of adequate provision of social welfare and basic needs of man.

Man, controlled by the distinct of pleasure and pain, seeks for preservation of his basic needs (food, shelter and clothing) according to Abraham Maslow. This can only be possible upon the platform of security. This further suggests that the state is established to secure the socio-economic needs through the instrumentalities of Government being the cardinal of state operations.

Government hence, is charged (by virtue of collective sovereignty and loyalty of the people) to provide through policies, rules, constitution and programs, the dividends for its establishment, having the power to control and or administer the state. It is in line with this observation that Aristotle (cited in Zahri 2012) defined a state as a body of citizens sufficing for purpose of good life.

As a matter of fact and within the reasoning and logics of this theory, the state is in-charge and in control over its territory (including air, land and sea) and by implication, all the resources

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accruing to its territory, with which it administers the state for the benefit of all within its territory.

From the perspective of this theory, the state is positioned as the principal actor in resource control. The state expands its institutional and administrative algorithms to achieve a broad-spectrum pleasure and convenience for the people who created it.

### **Nigerian State and Resource Control; 21st Century in Perspective**

Resource control is not a novelty in Nigeria. Resource control has been the business of the state since 1956 when oil was first unearthed in the soils of Oloibiri, in present day Bayelsa state. “The main reservoirs of oil are located in and around the Niger Delta, in both on-shore mangroves and shallow off-shore basins, and since 1990 exploration has increasingly moved to deep, offshore areas”, (Emmanuel M. Akpabio and Nseabasi S. Akpan, 2010). Even though Nigeria and Cameroon lay claim to the ownership of Bakkassi Peninsular (the boundary between Nigeria and Cameroon) which has high concentration of crude oil reserve and unexplored (Wunder (2003), it is still a fact that Nigeria tops the list and the highest exporter of crude oil in Africa and the sight is largest in the world. The disturbing issue however is the management of resources, dividends and income which are made out of the sale of these resources. The question however goes down to how resources are managed and whether proper management can give way for good governance.

This paper features triple-fold paradigm which is a set of three dominant activities that take place in resource control system in Nigeria which include: Resource exploration, resource control and resource allocation

Resource exploration is the very first stage of resource control. This stage involves issuance of licenses to companies for oil prospection. From Nigeria’s experience, the first attempt to this was done in 1923 when D’Arcy Exploration Company and Whitehall Petroleum were issued licenses to engage in oil inspection in the creeks of Niger Delta, (Frynas, J. G. (1999). Huge sums of money was spent at the novel stage of oil exploration by prospecting companies. Drilling activities got into full swing at Owerri in the year 1951. It was not until 1950s were licenses issued to non-British company’s like Mobil in the year 1955, Tenneco in the year 1960, Gulf Oil and Chevron in the year 1961, Agip in the year 1962, and Elf in the year 1962.

These events took place at the earlier stages of resource exploration business in Nigeria. In resource exploration, the state gives free access (though with some returns) from private of semi-private bodies to engage in resource hunt in the state.

Resource management is the second stage of the control process which involves little or no private hands. Here, according to Itse Sagary (n.d) the state has a higher and weighs in with its political control over the proceeds of the exploited and extracted resources. The state monitors and records the true and accurate quantities and volumes of natural resources extracted out of the lands and continental shelves by petroleum prospecting and exploiting companies. This task cannot be done on proxy but on the behest of the state or its regulatory representatives and agencies. On a wider scope, the government equally supervises its agents with a more superior body such as the parliament by conducting frequent auditing.

Resource allocation is the third element or stage involved in the entire resource control process. Here, the government sets out standards upon which the dividends of the resource are shared among the various tiers of government. However, these standards should reflect the general

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interests of the people. Most groups and corporate agents who field agitations against the government take their bases on the injustices in resource allocation stage claiming marginalization, mistreatment etc. so, it is the business of the state to ensure that allocation of resource dividends go rounds in an equitable measure. However, this research finds out that the previous stages of resource exploration and resource management do not create tensions in the polity like the resource allocation stage does. This therefore calls to question regarding the way in which the state can ensure that resources are duly allocated to every sector of the society without dissensions and frayed nerves. Only when this is done can good governance be guaranteed.

### **Good Governance and Resource Control**

Good governance as a concept remains largely elusive and hard to bear. Its magnificent and bulky nature bears from the fact that there are numerous and yet expository understanding which surround that single concept.

There are however conflicting and contradictory viewpoints with regards to what good governance means. In other words, what good governance means to the ruled is not what it means to the ruler. What it means to the democrat is not what it means to the dictator. The platform of one's social orientation about the business of governance can go a long way at influencing their understanding and grab of what the concept of good governance means and how it is applied.

But, generally, good governance is a deliberate process aimed at ensuring a stable state structure on one hand and provision of basic services to the people on another hand. This is however a novel dimension in good governance which particularly focuses on "a mutual interaction between the government and the people", (Fikret Toksoz, 2008).

This interaction between the government and the people signifies transformation from a type of relationship where one side governs the other to a set of relationship where mutual interaction takes place on the basis of established laws rules and regulation. This relationship according to Toksoz should be based on predictability, responsibility, accountability, fairness, transparency, participation, effectiveness and adherence to law as its core values. This informs the creation of a new citizenship consciousness building a bridge between the government and the people.

With a strong intention of managing resources, the government makes profit. This profit so made are transformed to the interest of the society by means of policies and programs. So, while the people give strength to the existence of the government, the government provides for all what is needed to sustain life and longevity.

Good governance births effective resource control. When the resources are effectively managed, it in turn gives room for good governance. This is a chain of reactionary movement where one is equals to another. Thus, the absence of good governance is the absence of effective resource control within the ranks of the state machinery.

### **Summary and Recommendation**

This research aims at establishing a rationale for state-centric management of resources. The government had witnessed consistent agitations and various degree responses from the masses on fundamental issues bothering on allocation of the resources of the state.

These agitations are based on the demand for inclusion in resource allocation formula on one hand and good governance on another hand. Agitations against the government is not out of place in the 21st century. This is in fact a vital component that adds value to the entire business of state administration as the people give the government reasons to make amends on certain policies.

The Nigerian state as a principal actor in resource administration and control plays three cardinal roles viz: resource exploration, management and allocation. In exploration, the government exercises its right to land ownership, gives licenses to private agents to prospect for resources and harness them. In resource management, the state, through its agents regulates the resources which are being explored to enquire information regarding the quantity and quality of the resources and adequately takes record of the transactions. In resource allocation, the state makes use of extant legislations and rules to give to each section of the state what belongs to it.

In general, it becomes the duty of the state to make impacts on the very core of the society with the dividends gotten from the three-fold activity of resource exploration, management and allocation. This impact which the government makes is known as good governance. The research emphasizes enhanced measures towards the administration of resources which belongs to the people through formally legislated and statutory measures.

More efforts should be put towards ensuring adequate and accountable exploration of resources to avoid likely leakages in the government coffers. The state which is the principal actor in resource control should emphasize on beefing up its regulatory potentials and institutions to ensure that good records are kept regarding the quantity and quality of resources which are being exploited.

That the state should set out and follow basic standards in the distribution of resources in an equitable manner. These standards should be properly legislated standards which bear out of parliamentary bills, focused on social security, distributed income and welfare development.

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