

## STATE CENTERED ECONOMY AND ITS IMPLICATIONS FOR NATIONAL DEVELOPMENT

**Tyokase, Clement T. & Otumala Simon J.**

Department of Political Science  
Federal College of Education, Abeokuta

### **Abstract**

*This paper examines the impact of state centred economy as a panacea for a comprehensive development of the Nigerian state. It takes a look at the nature of development in a traditional federal state where resource allocation and development of the component unit is at the dictate of the central government as obtained in the present Nigerian state. The paper reviews issues that serve as impediment to the development of the Nigerian state in the midst of her numerous human and natural resources. The paper utilized as method of analyses secondary source of data gathering and content analysis. The paper adopts the state centred theory as propagated by Thomas Jefferson in its analyses. It recommends amongst other things that the Nigerian federalism should take a shift from its traditional distributive federalism and embrace the new position of convergence federalism where states and component units pay specified percentage of its earnings to the centre for the running of the federal-owned institutions and agencies thereby giving all states the opportunity of developing at individual and unprecedented pace.*

**Keywords:** Distributive Federalism, Convergence Federalism, National Development, State Economy

### **Introduction**

The greatest controversy in Nigeria today is how to attain meaningful and sustainable development in the midst of dwindling financial allocations and resources that accrue to states from the central government. States in a bid to attain meaningful development clamour for amongst other things the total control of all resources that is available within the borders of the state. This position according to its proponents will give states the leverage to utilize the available resources which will propel its development and on the other hand returns inform of remittance paid back to keep the centre going. State centred economy involves developing individual state without depending on the central government for allocation which is needed to run the institution of the state.

Sustainable development declares the Brundtland commission, is the “development that meets the needs of the present world without compromising the ability of future generations to meet their own need”, development in a general sense entails the transformation of an existing human order to a new state which is rooted in the growth and progress of all forces of the system in question. A state or country’s economy is said to be developed when the indices for measuring the variables is on

the positive side and in a more masses oriented situation; development is attained when it affects as a matter of state policy the overall well-being of the of people.

National development of a multicultural setting requires a decentralized appropriation of diverse contributions of various constituent subsets. Improvement of multicultural settings calls for social negotiation and economic merger, and compression of individual resources of the various units to enhance egalitarian level of advancement for all.

On the other hand, state autonomy implies the autonomous existences of the component unit that makes up the whole. This is a long standing position that is hinged on the premise that, powers are not only concentrated at the centre against the component units that makes up the country but considerable level of influence and power is within the purview of the component units. State centred economy entails the concentration of economic power at the hand of a state which enables her determine the pace to its development.

### **Statement of the Problem**

The greatest challenge of every human organisation is to attain a maximal level of progress in its entire endeavour which is only achievable in a system that gives room for individuals to use the resources at its disposal for developmental drives which in the long run help transform the society which they are members. From the forgoing position, this study is posed to unravel the problem associated with distributive federalism and establish the limitless gains that are inherent in the shift to a system of remittance federalism which is the bedrock of state autonomy.

The objectives of this study are therefore to examine the relationship exist between the centre and the component units in an ideal federal system; the progress made by states within the ambit of the resources that accrues to them from the federal allocations; analyse the quantity of resources available to states in Nigeria; establish the gains that the entire nation will achieve when individual states are given the right to explore its resources for its development and by implication national development and determine the gains of remittance federalism in place of distributive federalism.

### **Literature Review**

In all complex democracies, power is essentially divided to a large extent between the central government and the component unit, which depict the fundamentals of a majority democracy. To accommodate all section of the society, majority democracy advocates the imperative of an all inclusive government where power are to a great extent decentralized for effective functioning of the component unit which is the core of federalism.

According to Williams (1975) "Federalism is a political organisation in which the activities of government are divided between regional governments and a central government in such a way that each kind of government has some activities it makes final decision". The thrust of federalism according to this definition is the non-concentration of power in the hand of one tie of government but the equitable distribution of power amongst the units that makes up the country which in a practical

sense creates an atmosphere of corporation rather than a master-servant relationship which limits the chance of development.

Corroborating the above, Elazar (1997) focuses on the non-centralization of power as the fulcrum of federalism when he asserts that “federalism is the fundamental distribution of power among multiple centres..., not the devolution of powers from a single centre or down a pyramid”. He further states that “the powers assigned to each of the multiple centres in federalism may be large or small”. Commenting on the foregoing position, Arend (1999) notes that “both of these federalism experts assume, however, that the fundamental purpose of guaranteeing a division of power is to ensure that a substantial portion of power will be exercised at the regional level or, to put it more succinctly, that the purpose of non-centralization of power is decentralization of power. These two elements are conceptually distinct, but they should both be regarded as primary characteristics of federalism”.

Bernard and Francois position is based amongst other things on the ability of the central government to ensure the equalization of sub-system in a federal system of government; to this end, they opine that “fiscal federalism refers to attempts within a federal, or at least a significantly decentralized system of government, to reduce fiscal disparities among sub-national jurisdictions by using transfers of monetary resources. This can be either explicitly identified as equalization transfers or linked to other types of grants or spending”.

Equalization is seen as by them as “vertical when the policy is conducted by central government and financed out of the central budget. It is horizontal when it intervenes between government units at the same level, through monetary transfer from units with ‘high’ to units with ‘low’ capacity”.

The point of emphasis in the above position is principally the task of the central government responsible for the financial needs of the component units who have the bulk of the resources extracted from their jurisdiction and the proceeds shared amongst the states of the federation even to those states who do not contribute sufficiently to the national purse. The ultimate centralization of a large share of effective political power amongst political unit in a federal system must be between those who desire to see maintain a truly decentralized political structure not just in terms of political power but also as regards economic power which includes powers to control states resources.

Observers of Nigeria’s federalism have always said that, while the underlying principles of federalism have often been ignored by successive Nigerian governments, efforts were made earlier to implement the policy of fiscal federalism based on the principles of derivation. The 1960 and 1963 constitutions not only granted greater fiscal autonomy to the regions, but also empowered them to compete with one another.

The current movement for better treatment of the people of the Niger Delta region has brought to fore the demand for resource control. This phenomenon has generally been misunderstood. According to Ebegbulem (2011), the advocacy for resource control does not seek the exclusive control and ownership of mineral and other resources by the states. The advocacy is, rather, built upon the philosophy of

justice that states should have a deeper stake in the exploration of mineral resources located in their territories. This view underlies the philosophy of federalism as a system of government where the component units of a political organization participate in sharing powers and functions in a cooperative manner. Control to the federal idea is granting financial autonomy to the different levels of government. Put differently, financial subordination makes mockery of federalism no matter how carefully the legal forms may be preserved. The states must not permanently remain dependent on the federal government for allocations.

In view of the relationship of the subject to Nigeria's continuous existence as an indivisible entity, it has become necessary to undertake a comprehensive study of the subject from an historical perspective. One major character of Nigeria's unity which was to remain for many years was that the three regions of the North, West and East retained control of their natural resources. Indeed it was one positive aspect of the practice of federalism in Nigeria.

### **Theoretical Framework**

Theories are meant to help us in putting facts into perspective and foreseeing what is to come. Kerlinger (Anaeto, et al 2008) defines theory as: "a set of inter-related construct, definitions and propositions that give a systemic view about phenomena by specifying relations among variables with the purpose of explaining and predicting such phenomena". This study is hinged on the state-centred theory, following the nature of this work which is aimed as accessing the prospects of active decentralization of powers especially of resource control in the hands of the component unit that makes up a federal system in order to achieve the agenda of a comprehensive national development in the Nigerian state which is currently suffering from the challenges of poverty, hunger and underdevelopment amongst states despite the abundance of natural resources in all states of the federation.

The proponents of the theory includes Thomas Jefferson and the Republican Party who opine that the "state itself can structure political life to some degree independently of the way power is distributed between classes and other groups at a given time". The theory holds that the national government represent a voluntary compact or agreement between the states, which retain a dominant position. Supporters of state centred federalism saw the constitution as an agreement among the states and the central government which gave them the ability to self-governance (Oatley, 2012). The theorist goes further to state that federalism is chiefly the division of power between a national government and local authorities. The constitution divides power between the national and the state government. They contend that "the national or federal government can exercise only those powers that are listed or implied by the constitution". Therefore, the power to control resources of the states which makes up the federation should as a matter of utmost requirement for comprehensive nation development decentralized to the component units for an all inclusive national development which is lacking in the present federal configuration of the Nigerian state.

The basic thrust of states-centred federalism theory is in the fact the chances of developing the component units in a federal system rest in the fact that states are given power to explore and market their resources for optimal national development as against the tradition of the central government who wields the power to control resources and redistribution made to the component units. Devolution of power as a basic condition for administering complex state structure which is evident in federalism advocates the essence of decongesting the centre and allowing for constructive engagement of the component units which will help collaborate with other states to help the country development at a fast pace.

Conclusively, the following points are worthy of note from the use of state-centred theory for the actualization of true federalism in Nigeria;

- 1) It will give state the capacity to concentrate on the need to use all resources at its disposal for its own development and by implication the nation's cumulative development.
- 2) It will reduce the burden at the centre where states look up to the central government to meet all its financial obligations, which has caused many state not to provide the expectation of the citizen including payment of salary.
- 3) It will avail states that do not have crude oil to look inwards and begin to develop the other natural resources which it has in the state and it can use to maximize development.
- 4) It will also help the Nigerian state change its status of mono-economy to a diversified economy where other resources are given attention thereby developing each states of the federation for self sufficiency.

### **States and Natural Resources**

Nigeria is a country blessed with abundant human and natural resources which places her as a good bride amongst comity of nations. From Gold in Abia, limestone in Benue, Diatomite and Clay in Borno, Uranium in Cross-Rivers, Coal in Enugu, Gold in Kebbi and Bitumen in Ondo State. These natural resources would have accounted for a large percentage of the nation's gross earnings if they have been adequately explored for its economic advantage. The availability of these resources in all states of federation would be an avenue for constructive national development when properly utilized especially when the policy of devolution of power is strictly adhered to considering the complexity of the Nigerian state system where divergent interest exist.

Apart from petroleum, Nigeria's other natural resources include natural gas, tin, iron ore, coal, limestone, niobium, lead, zinc and arable land. The oil and gas sector accounts for about 35 per cent of gross domestic product, and petroleum exports revenue represents over 90 per cent of total exports revenue.

The Nigerian government since discovering crude oil in commercial quantity in the 70's had shifted attention from the agricultural sector which accounted for a large percentage of the nation's earnings and determines to a very large extent the economic direction of the nation. But with the oil boom the economic advantage of the agricultural sector was jettison for the oil-money thereby placing the country on a

mono-economic path which distorts the pace of the country's development. The table below show the resources available in each state of Nigeria.

**Table 1: Natural Resources Available in Each State of Nigeria**

States of Federation	Mineral Resources in the Country
Abuja (FCT)	Mable, Clay, Cassiterite, Gold, Lead/Zinc, Tentulite, Dolomite
Abia State	Gold, Salt, Limestone, Lead/Zinc.
Adamawa State	Kaolin, Bentonite, Gypsum, Magnesite
Akwa Ibom State	Lead/Zinc, Clay, Limestone, Uranium (Traced), Salt, Lignite (Traced).
Anambra State	Lead/Zinc, Clay, Limestone, Iron-Ore, Lignite (Partially Investigated), Salt, Glass-Sand, Phosphate, Gypsum,
Bayela State	Clay, Limestone, Gypsum (Partially Investigated), Mangnise, Lignite, Lead/Zinc (Traces)
Bauch State	Amethyst (Violet), Gypsum, Lead/Zinc (Traces), Uranium (Partially Investigated)
Benue State	Lead/Zinc, Limestone, Iron-Ore, Coal, Clay, Marble, Sakt, Berytes (Traces), Gemstone, Gypsum
Borno State	Diatomite, Clay, Limestone, Hydro-Carbon (Oil and Gas), Gypsum, Kaolin, Bentomite
Cross River State	Limestone, Uranium, Manganese, Lignite, Lead/Zinc, Salt.
Delta State	Marble, Glass Sand, Gypsum, Lignite, Iron-Ore, Kaolin.
Ebonyi State	Lead, Gold, Salt.
Edo State	Marble, Lignite, Clay, Limestone, Iron-Ore, Gypsum, Glass-Sand, Gold, Dolomite, Bitumen.
Ekiti State	Kaolin, Feldsper, Tatium, Granite, Syenite
Enugu State	Coal, Lime-Stone, Lead/Zinc.
Imo State	Lead/Zinc, Lime-Stone, Lignite, Phosphate, Marcasite, Gypsum, Salt, Butytes
Kaduna State	Sapphire, Kaoline, Gold, Clay, Superntinite, Asbestos, Graphite (Partially Investigated), Silhnite, Mica (Traces), Aqua Marine, Ruby, Rock Crystal, Topaz, Flosper, Tourmaline, Gemstone, Tentlime
Kano State	Prrochinre, Cassiterite, Copper, Glass – Sand, Gemstone, Lead/Zinc, Tantalite.
Kebbi State	Gold
Kogi State	Iron-Ore, Kaolin, Gypsum Feldsper, Gold, Marble, Dolomite, Talc, Tantalite.
Kwara State	Gold, Marble, Iron-Ore, Cassiterite, Colubite, Tantalite, Feldspar (Traces), Mica (Traces).
Lagos State	Glass-Sand, Clay, Bitumen.
Nasarawa State	Beryl (emerald), Asquamirine and Haliodor), Dolomite/Marble, Sapphire, Tourmaline, Quartz- Amethyst (Topaz, gamet), Zireon, Tantalite, Cassiterite, Columbite, Limenite, Galena, Iron-Ore, Barytes, Feldspar, Limesstone, Mica, Cooking Coal, Talc.

Niger State	Gold, Talc, Lead/Zinc
Ogun State	Phosphate, Clay, Feldspar (traces), Kaolin, Limestone, Germstone, Bitumen.
Ondo State	Bitumen, Kaolin, Gemstone, Gypsum, Feldspar, Granite, Clay, Glass-sand, Dimension stones, Limestone and Coal.
Osun State	Gikd, Talc, Toumaline, Colimbite, Granite.
Oyo State	Kaoline, Marble, Clay, Sillimnote, Talc, Gold, Cassiterite, Aqua Marine, Dolomite, Gemstone, Tantalite.
Plateau State	Emerald, Tin, Marble, Granite, Tantalite/columbit Lead/Zinc Barytes, Iron-Ore, Kaolin, Belonite, Cassiterite, Phrochlore, Clay, Coal, Wolfam, Salt, Bismuth, Fluoride, Molybdenite, Gemstone.
River State	Glass-sand, Clay, Marble, Lignite (traces).
Sokoto State	Kaolin, Gold, Limestone, Phosphate, Gpsium, silica-sand, Clay, Laterrite, Potash, Flakes, Granite, Gold, Salt.
Taraba State	Kaoline, Lead/Zinc.
Yobe State	Tintomite, Soda Ash (partially Investigated)
Zamfara State	Coal, Cotton and Gold.

Source: [www.nairaland.com](http://www.nairaland.com)

Lastly, it is important to note the fact that, Crude oil can be found in Anambra, Imo, Abia, Lagos, Ondo, Bayelsa, cross river, Edo, Rivers state,

Despite the abundance of natural resources in Nigeria, the country has not been able to achieve its goal as regards development because of the problem of under-exploration which is as a result of the over concentration of powers at the centre against the position of devolution of power and resource control which is height of true and representative federalism which gives room for development within the states and by implication national development.

Given the resources available in each state of the country, when state are given the power to explore their natural and human resources and its commercialization, it will help them look inward and improve the usefulness of those resources especially for those who do not have crude oil and this situation will also help diversify the Nigerian economy from an oil dependent country, which will help improve all ills created by the prevalence of a mono-economic state.

### **Federal-State Relations in a Federal Structure**

For almost 200 years, the federal-state relationship has shifted more and more toward national supremacy. But some observers today believe that over the past twenty years, the balance of power is beginning to tilt back toward the states. Presidents Richard Nixon, Ronald Reagan, and George Bush tried to slow down the growth of the national government under the banner of new federalism. Richard Nixon declared an open attempt to reverse the flow of power to the federal government back to the states. In his winning campaign of 1980, Ronald Regan claimed that the federal government, in its attempts to improve society, was actually eroding individual freedoms. Then in 1994, when Republicans took control of both

houses of Congress, the leaders of the devolution revolution attempted to return many functions to the states. But the controversial task has not been easy, since so many national responsibilities are now shared with the states.

Traditional federalism advocates a structural relationship between the centre and the component unit where power and functions flow from the big whole through the units which serves as an important part of the whole. The truce of federalism is inherent in the position that the ability of government to meet the yearnings of the masses in a complex and heterogeneous society is almost impossible without the devolution of power and function to units which has a great degree of power and at the same time answerable to the centre as regards their use of power.

Therefore the relationship that exists between the centre and the component units in a federal structure supersedes a master-servant relationship but starts with equitable distribution of power to a functional cum structural co-existence which is meant to drive home the need for progress of the whole. It is therefore worthy to establish the fact that roles and functions in a traditional federal state is distributive; which starts from the centre through the component or federating units.

Comprehensively the task of developing the component unit is that of the government at the centre, which leaves it with enormous powers and responsibility because a larger percentages of the financial resources that accrue to the nations purse is shared to the centre as against the percentage given to the units that makes up the country. One principal function of the government at the centre in established federal systems in the world over is the allocation and distribution of resources to the component unit for the development of the unit and fundamentally to satisfy the immediate and long term needs of the populace.

The relationship between the centre and its component unit is aptly captured by Wheare's proposition when he posits that the federal principle essentially entails a legal division of powers and functions among levels of government with a written constitution guaranteeing and reflecting the division. Wheare's formulation of federalism is been drawn correctly from the United States of America which is regarded by him as the template of every federal government. Therefore federalism according to Wheare will be used as a template to determines Nigerian federalism and the extent to which Nigeria has fulfilled the basic tenets of federalism as regards the relationship between the centre and the states in terms of power sharing and resource allocation.

Analysing the relationship between the states and the centre, Irabor (2011) opines that "A system of government, federalism allows for the division of sovereignty between the central government and the federating units. The management of this dual sovereignty makes federalism a complex political option. Thus the two levels of government-the federal and state are independent and coordinates. It is vital that the division of power between the federal government and the federating units reflects the core interests of the respective federating units, without compromising the abilities of the federal government to effectively represent the federation".



From the forgoing perspective, the relationship between the centre and the federating units is hinged on the notion and goal of corporation which is aimed at archiving a common goal which is the appropriation of sovereign power to attain national development for the sole interest of all. Therefore, the relationship does not entail domination of one by the other but the ability to create a common front to fulfil a collective responsibility.

It is however important to note that since the federal government exists because of the consensus of the federating units, the federating units decide how much power and authority they each would cede to the federal government. While for example, the federal government is responsible for national defence, foreign policy, international trade, currency, monetary and fiscal policies, citizenship, etc., the federating units exercise jurisdiction in education, natural resources, agriculture, culture etc.

It is essential that a balance be maintained between centralising and decentralising tendencies in order to ensure harmony in the federation. While a highly centralised central government is injurious to the federal polity as it could lead to a quasi federal (or unitary) system as it is found in present Nigeria federal system, a highly decentralized federalism, on the other hand, could destabilise the federal polity as it is capable of eroding the power of the central government and making the federating units too powerful. The current Nigeria federal system is highly centralised, hence its unitary characterisation as evidenced in the constitution of the Federal Republic of Nigeria, 1999.

### **Development: An All-Inclusive Process**

The term development has been subjected to various controversies especially as it affects its conceptualization and operationalization. This position is hinged on the fact that what development entails to the people in a general sense differs from what it stands for to the state and its institution. To the people, development involves provision of basic human material needs especially within the shortest time possible, while on the other hand, government and its agents measure development in terms of its policy formulation and implementation whether in the long or short run.

In line with the above position, Thomas (2004) argues, development is 'contested ... complex, and ambiguous'. Gore (2000) notes that development in the 1950s and 1960s involves a 'vision of the liberation of people and peoples' dominated, based on 'structural transformation'. This perception has tended to 'slip from view' for many contributors to the development literature.

A second perspective is the definition embraced by international development donor agencies that Thomas notes. This is a definition of development which is directly related to the achievement of poverty reduction and of the Millennium Development Goals (MDGs).

There is a third perspective from a group of writers that Hickey and Mohan (2003) broadly identify as 'post-modernists'. The 'post-modern' position is that 'development' is a 'discourse' (a set of ideas) that actually shapes and frames 'reality' and power relations. It does this because the 'discourse' values certain things over

others. For example, those who do not have economic assets are viewed as 'inferior' from a materialistic viewpoint. In terms of 'real development' there might be a new 'discourse' based on 'alternative value systems' which place a much higher value on spiritual or cultural assets, and within which those without significant economic assets would be regarded as having significant wealth.

A common theme within most definitions is that 'development' encompasses 'change' in a variety of aspects of the human condition. Indeed, one of the simplest definitions of 'development' is probably Chambers' (2004) notion of 'good change', although this raises all sorts of questions about what is 'good' and what sort of 'change' matters (as Chambers acknowledges), about the role of values, and whether 'bad change' is also viewed as a form of development.

Although the theme of 'change' may be overriding, what constitutes 'good change' is bound to be contested as Kanbur (2006:5) states, because 'there is no uniform or unique answer'. Views that may be prevalent in one part of the development community are not necessarily shared by other parts of that community, or in society more widely. The general perception about development is the fact that it has to do with the transformation of a particular cause of event which in a general sense seem unpleasant to a pleasant one. For a poor country, development means transforming to wealthy status, while on the other hand the wealthy sees development as a situation of abundance.

Development is not purely an economic phenomenon but rather a multi-dimensional process involving reorganization and reorientation of entire economic and social system. Development is process of improving the quality of all human lives with three equally important aspects. According to Todaro, the following are basic objective of development, "raising peoples' living levels, i.e. incomes and consumption, levels of food, medical services, education through relevant growth processes Creating conditions conducive to the growth of peoples' self-esteem through the establishment of social, political and economic systems and institutions which promote human dignity and respect increasing peoples' freedom to choose by enlarging the range of their choice variables, e.g. varieties of goods and services".

Therefore, the core objective of development is meant to above other things change the existing status quo and create an enabling atmosphere which will guarantee equal opportunity for every person irrespective of economic, social or political standing is availed the platform to archive its heart desire especially for meaning living.

In a more elaborate conceptualization, Rodney (1972) asserts that "development in human society is a many-sided process. At the level of the individual, it implies increased skill and capacity, greater freedom, creativity, self-discipline, responsibility and material well-being. Some of these are virtually moral categories and are difficult to evaluate-depending as they do on the age in which one lives, one's class origins, and one's personal code of what is right and what is wrong". He goes further to state that, "a society develops economically as its members increase jointly their capacity for dealing with the environment".

Development means the capacity of a group, society or an individual to attain independently the capacity and ability to live a more satisfactory life through making good and meaningful result out of the limitless resources nature avails human race especially for comfortable daily living.

The term development therefore encompasses the need and the means by which to provide better lives for people in poor countries. It includes not only economic growth, although that is crucial, but also human development – providing for health, nutrition, education, and a clean environment which are the basic precondition for meaningful human existence.

It is important to establish the fact that development must be conceptualized by its impact on the people, not only by changes in their income but more generally in terms of their choices, capabilities and freedoms; and we should be concerned about the distribution of these improvements, not just the simple average for a society.

The definition of development as an improvement in people's well-being does not do justice to what the term mean. Development also carries a connotation of lasting change, efforts to providing a person with a bed-net or a water pump can often be an excellent, cost-effective way to improve her well-being, but if the improvement goes away when we stop providing the bed-net or pump, we would not normally describe that as development. This suggests that development consists of more than improvements in the well-being of citizens, even broadly defined: it also conveys something about the capacity of economic, political and social systems to provide the circumstances for that well-being on a sustainable, long-term basis.

Development is generally seen as a process which encapsulates good change. That is transformation of the lives of the people who are the primary responsibility of every government whether military or democracy. Therefore, the measure of the actions or inaction of state institution and their agents is principally centred around its effect on the economic and socio-political life of the masses. Therefore, the goodness or otherwise of a government policy is determined amongst other things by how much effect it has on the lives of the masses.

### **National Development: Down-Up Pattern**

The function of government at all levels is to amongst other things ensure the development of the component units which will in a long run translate to the comprehensive development of the whole which is the end point of human organisation of man. Federalism as a system advocates an all inclusive national developmental plan which sees the centre feed the component unit with financial resources for the running of the business of governance which is the hallmark of agents of government.

The general conception of developmental drive in the Nigerian Federal system is up-down trend where resource allocation which drives states are determined by the centre, which predisposes state to the whims and caprices of the centre, states chance of attaining development is subjected to the amount given from the federation based on the quality and quantity of natural resources taken from the state and also

based on needs, population which in most situation does not help archive meaningful development by states.

Devaluation of power of resources control from the centre to the component units will amongst other advantage help state explore its abundant natural resources and will help state deconcentrate attention to proper use of its mineral resources to its advantage because without proper exploration of resources the component units will lack development in comparison to the states who would have made use of its resources for their development, this position will ensure speedy development of states and by implication the centre.

The exclusive power of the federal government as designated by the constitution impinges the quest and desire of the component units to make policies which are of immediate benefit for states cum central developments, therefore to attain a great level of development in complex ethnic state as Nigeria, constructive development should be fashioned along a line where states control the markets in terms of exploration and commercialization of its natural resources with returns given to the centre.

### **Conclusion**

This study has unravelled the inherent character of federalism as a traditional mode of governing a group with endless expanse of land and natural resources, with powers and functions dictated by the centre which in most situation stands as the master feeder of the component unit, which not only slows but impedes the chances of attaining meaning development of the federating units.

Consequently, it was discovered that development through state centred autonomy includes right to control and explore states resources to the benefit of the citizens of the state and also pay remittance to the centre for its own development. When states develop at individual pace, it will gives room for the centre to attain unprecedented growth and lay claim to prosperity.

When development comes from the component unit, it should be called convergence development. The anti-traditional way of attaining national growth, where state rather than the central government are the primary driver of progress and national development should be jettisoned in the interest of a state-structured national development and progress.

### **Recommendations**

After a carefully analyses of the Challenges confronting the Nigerian state, there is a great consensus that the country is currently in a state of siege, not just by acts being perpetrated by insecurity, but also by other issues such as poverty, unemployment and underdevelopments. This view is hinged on the fact government have to be very careful and tactful in dealing with issues of resources control, revenue allocation and developments in the country, so that things do not spiral out of control. It is contended that government should as a matter of urgency tackle the problem of leakages and over concentration on oil by giving states government power to control the natural resources in their domain which will ensure speedy national development.

When states are given the power to work out its developmental pace, it not only create sustainable development but also help the centre develop through contributions from the component units thereby reducing the pressure of over-concentration on the centre.

States should be given the power to determine the rate and pace of its development through the exploration of natural resources which is resident within the borders of each unit and a certain percentage paid back to the central purse to run and administer the institutions at the centre.

Furthermore, it is important that the position of strict and workable devolution and decentralization of power to the federating unit should be urgently considered in Nigerian in order to build a viable and less dependent units which above other things will stand up to responsibility to its citizens and also to the centre. Also, the position of the 1999 constitution which confers the ownership of natural resources in the exclusive hands of the federal government in its section 44 should be revisited, so that power of ownership and exploration of those resources placed in the hands of states and supervised by the federal government for accurate remittance of dues to the centre thereby reducing the problem of lack in majority of the present Nigerian state.

### References

- Chmbers, R. (2004) Ideas for Development. IDS Working Paper 238, Sussex: IDS.
- Frabor, P. O. (2011) "A Critical Assessment on Nigerian Federalism: A Path to a True Federal System" Being a Paper Presented at the Annual National Conference Organised by College of Education Academic Staff Union (COEASU), Federal College of Education Potiskum Chapter. Accessed on 7<sup>th</sup> May, 2015.
- Federal-State Relations Today: Back to States Right. [www.ushistory.org/gov/3c.asp](http://www.ushistory.org/gov/3c.asp). Accessed on 10th May, 2015.
- Gor, L. (2002) The Rise and Fall of the Washinton Consensus as a Paradigm for Developing Countries, *World Development* 28(5): 789-804
- Hickey, S. and Mohan, G. (2003), Relocating Participation within a Radical Politics of Development: Citizenship and Critical Modernism. Draft Working Paper Prepared for Conference on Participation: From Tyranny to Transformation? Exploring New Approaches to Participation; 27-28 Febuary 2003, University of Manchester: Manchester.
- Kanbur, R. (2006), What Social Policy got to do with Economic Growth? Available @ [http://www.arts.com/edu/poverty/kanbur/accessed/on 10/5/2015/](http://www.arts.com/edu/poverty/kanbur/accessed/on%2010/5/2015/).
- Thomas, A. (2004), The Study of Development. A Paper Prepared for DSA Annual Conference, 6<sup>th</sup> November; Church House: London.
- Tamuno, T. N. (1989). *The Evolution of Nigeria State: The Southern Phase 1914*. London: Oxford University Press
- World Commission on Environment and Development (WCED) (1987) *Our Common Future*. Oxford University Press, Oxford.
- Wheare, K. C. (1964). *Federal Government*. London: Oxford University Press.