

Relative Impact of Infrastructural Provision by CBOs in Akure South LGA of Ondo State, Nigeria: Application of Facility Contributory Index

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Abstract: *Infrastructural provision is a catalyst for economic development at various levels. The influence on local economic development and the alleviation of poverty is unquantifiable. In some instances, CBOs embark on physical development projects to provide facilities in their communities. This paper exposes the relative impact of facilities provided by CBOs in Akure South Local Government Area of Ondo State, Nigeria on the economy of residents. 262 respondents of the LGA which were selected by stratified random sampling provided information through a questionnaire to reveal the degree of contribution of certain 10 facilities to their personal economy. Facility Contributory Index (FCI) model was developed using likert's scale to determine various levels of contribution of the facilities. It was discovered among other things that Health related facilities ranked highest on the FCI Table of assessment while recreational facilities remain the least contributor due to low provision coupled with degree of contribution. Recommendations include a policy overhaul to establish partnership between government and NPOs in order to stimulate efforts of CBOs in local communities.*

Keywords: *local economic development, poverty, community-based organisations, infrastructure, facility contributory index.*

1. Introduction

Local Economic Development (LED) is multi-dimensional in its approach. According to Emmanuel (2003), growth of economic or business ventures in rural areas is impeded by lack of or inefficient infrastructure. LED involves partnerships between local governments, community-based groups and the private sector in which resources are managed to create jobs and stimulate the economy of a well-defined territory. Hence, Community Based Organisations (CBOs) have roles to play in economic development of individuals and local communities. One of three broad categories of LED initiatives is the community-based economic development. This involves a kind of what Town Planners refer to as disjointed incrementalist approach in the planning of communities but with a tendency towards economic improvement. It is the most direct of categories of LED initiatives. The involvement of CBOs in this context cannot be ignored.

Nden (2004) sees CBOs as those organisations which are involved in various developmental activities that enhance the living standard of their communities. They are non-profit oriented organisations, which help to promote economic activities and provide infrastructural facilities. CBOs act as facilitators or avenues through which initiatives are executed within or diffused into communities. They exist in form of cooperative societies, user associations, workers' unions or producers associations (Helmsing, 2001; Bingen, 2003). Despite this, the main focus has always been to reduce poverty and improve the economy of individuals and well-being of households in a local setting.

One of the "tools" employed by CBOs to assist the development of local economies or alleviate the poverty of the people in their communities is the provision of basic infrastructure. At times, such provision could be as essential and common as water for cottage industry and domestic consumption. At other times, it could include the capital intensive construction of roads within or linking communities.

This paper focuses on the activities of CBOs in an urban-dominated Local Government Area (LGA) of Ondo State, Nigeria. It employs the application of Facility Contributory Index (FCI) model, which was developed using Likert's Scale, to determine the extent to which infrastructural provision in the hands of CBOs have contributed towards improving the economy of the residents in the study area.

2. Summary of Literature Review

The concepts of Poverty and Local Economic Development (LED) have linkages in welfare discourse. The latter attempts to find a solution to the former. Hence, Poverty is viewed as a problem requiring suggested solutions. Poverty studies date back to the end of the nineteenth century when researchers like Charles Booth and Seebhom Rowntree worked to determine minimum requirements for human survival in terms of food, clothing and certain household sundries in order to fix poverty lines for an individual or family (Booth, 1889 and Rowntree, 1901). Despite certain criticisms, the works of Booth and Rowntree formed the basis for modern poverty studies.

Relatively recent studies have considered poverty as a function of education, health, life expectancy and child mortality among other things. In the process of measuring human development, the United Nations makes use of four basic indices one of which is the Human Poverty Index (HPI). The HPI employs major dimensions which measure poverty in terms of education, longevity and income (UNDP, 2001). This implies a merger of the initial and basic measure of poverty using poverty line (income) and the recently derived measure using dimensions such as education and life expectancy.

The concept of LED involves several multi-actors and approaches. It involves a framework whereby the local government, private sector and several non-profit organisations (NPOs) engage in measures to assist individuals and communities to improve their economy while making use of resources in their immediate environment (World Bank, 2001). Measures are taken to boost the local economy through investment in hard infrastructure, support for small and medium-scale enterprises, capacity building, supporting the growth of new enterprises and supporting growth of particular clusters of businesses. The Multi-actors involved in this process are usually governments (especially local government), International Organisations, Non-Governmental Organisations (NGOs), Community-Based Organisations (CBOs) and private organisations.

Yankson (2000) says local NGOs and CBOs constitute important groups within civil society. At times, they are used interchangeably to represent private, voluntary, non-profit organisations independent of any government, which are funded through individual and corporate donations, levies imposed on members and grants from international agencies and governments (Jegede, 2000). CBOs have existed for long as major survival strategists for the common man, giving immediate support to their economic challenges. However, in most cases, they have been limited by lack of sufficient funds. The commonest expressions are in form of Cooperative Societies and Community Development Associations (CDAs).

Mandela (1995) emphasized the fact that the participation of CBOs and NGOs had enriched the evolution of the Reconstruction and Development Programme (RDP) into a concrete policy document in South Africa. Participatory Rural Appraisal (PRA) is an approach used by NGOs and other agencies involved in [international development](#). The approach aims to incorporate the knowledge and opinions of rural people in the planning and management of development projects and programmes (Wikipedia, 2010). PRA involves rural people examining their own problems, setting their own goals, and monitoring their own achievements.

Community-Driven Development (CDD) is an approach that gives control of development decisions and resources to community groups. Poor communities receive funds, decide on their use, plan and execute the chosen local projects, and monitor the provision of services that result. It improves not just incomes but also people's empowerment, the lack of which is a form of poverty as well (International Development Association, 2009).

Ibem (2009) worked on community-led infrastructural provision in low-income communities in Ohaifa, Nigeria and discovered that local organisations were addressing infrastructural challenges in their

communities. Identified organisations were able to harness local resources. Also, the fact that mobilisation of resources in project initiation, design, implementation and funding influenced the type of infrastructural projects embarked upon by these organisations was established. Findings equally exposed conceptual and policy implications for integrating community-based approaches into urban development process in developing countries.

Francis et al (1996) examined local organisations in 36 rural and urban communities of Nigeria. A significant discovery was the fact that CBOs were after the communal benefit as a whole and not particular about individuals or the poorest "per se". In essence, CBOs are highly valuable in the improvement of individual and local economies through such things as provision of infrastructural facilities and local projects which are solely or jointly funded in partnership with several international organizations. At times, CBOs' contribution may come in form of manpower mobilization and involvement.

This paper focuses on the people's assessment of the impact of the contributions of CBOs to their economic development through the provision of certain infrastructural facilities in their communities in Akure South LGA of Ondo State, Nigeria.

3. The Study Area: Akure South LGA

Akure South LGA is located in Ondo State in the South-western geopolitical zone of Nigeria. It was carved out of Akure LGA on 1st October, 1996. It occupies a land area of 2,303 square kilometres and lies within 6°94' - 7°25'N and 5°05' - 5°40'E. The headquarters of the LGA is Akure city which doubles as the capital city of the State. The LGA is 346km from Lagos and accommodates less than 400,000 people (Federal Government of Nigeria, 2007). The area is dominated by Yorubas who form the major tribe in southwestern Nigeria. Major settlements in the LGA are Akure and Oda while some of the minor settlements are Aponmu, Ipinsa, Iwoye, Igbatoro, and Isagba. Akure, the state capital, is a university town which boasts of resources such as kolanut, cocoa, oil palm, and rocks which are converted into useful stones for various construction works. The LGA is divided into 11 political wards.

4. Methodology

Akure South LGA was selected for this study based on the multi-dimensional cultural, professional and business characteristics being exhibited. Akure South LGA is a landlocked area dominated by an urban setting (characteristic of a state capital which Akure town is) and accommodates most of the highest income earners in the state. Its population has divergent cultural background though dominated by the Yoruba tribe. The LGA was divided into strata using the existing 11 geopolitical wards out of which 10% of the districts or settlements in each ward were randomly selected as sample for investigation. Certain wards which exist within the city of Akure have districts or streets while some wards outside the city had distinct settlements from which selection was made.

Both open and close ended questions were employed to elicit data from household-heads in the respective settlements or districts. A total of 262 copies of the survey questionnaire were retrieved out of the 275 distributed to respondents (representing 95.3% response rate). The Survey was conducted by trained field assistants on a weekend to allow for easy and maximum access to respondents. Data processing involved uni-variate analysis resulting in the generation of tables and charts which were later employed in the development of the Facility Contributory Index (FCI) model. The model was further developed using Likert's Scale (such that weights were assigned to the people's perception of the level of each facility contribution) in order to obtain the contribution of the facilities provided by CBOs to the respondents' economy.

5. Research Outcome

This section highlights the results from the FCI model employed in the analysis of collated response from the residents of Akure South LGA on CBOs-provided facility.

5.1 Facility Contribution for Akure South LGA: Sum of Frequencies for Levels of Contribution

To arrive at the output on Table 1 (see Appendix), respondents were required to indicate whether the listed facilities had been provided or not by CBOs in their community. Also, for those who responded positively, they were to indicate the perceived level of contribution of each facility to their personal economy. However, it is important to inform that not all the listed facilities were found in every community investigated. Therefore, Table 1 shows the number of respondents who responded affirmatively to the enquiry on facility provision and also the disaggregation of those respondents according to the perceived level of contribution of each facility to their personal economy.

For each facility, it is easily inferred from the Table that most respondents indicated non-provision or did not respond at all; since the total number of respondents is 262. This confirmed an earlier finding that Government had performed far better than CBOs and NGOs in providing facilities in communities.

5.2 Facility Contribution for Akure South LGA: Sum of Weighted Value and Facility Contributory Index Computation

Table 2 (see Appendix) gives the calculated values for Sum of Weighted Values (SWV) and the FCI for each facility in a ranked manner. The weighted values were first calculated by multiplying the weights attached to each level of contribution with the number of respondents for that level of contribution. The SWV is the addition of all weighted values for a particular facility while the FCI was obtained by dividing the SWV by the total number of respondents (n) for that facility. Afterwards, the mean, variance and standard deviation of the FCIs were equally obtained.

The rankings (on Table 2) show that Health Facility has the greatest contribution to personal economy of households with FCI of 3.13 while the presence of recreational centres/playground contributed the least with FCI of 1.33. The mean FCI is 2.69. Also, 7 of the 10 facilities are found above the mean. This reveals facilities with positive and negative deviations about the mean. The facilities with positive deviations are Health Facility, Waste Collection Facility, Community Hall, Secondary School facilities, Primary School facilities, Market and Water Supply. This implies that these facilities are perceived to have contributed more than the average contribution of all the 10 assessed facilities. The facilities with negative deviation about the mean are Road, Electricity and Recreational facilities. These are the facilities with low level of contribution.

It is necessary to emphasize again that this assessment is for only those facilities provided by CBOs and does not include those provided by the government. The Health Facility has attracted attention as a strong "indirect" contributor to improved economy. The cliché that "health is wealth" cannot be ignored. The availability of dispensaries, clinics and chemist's shops were facilitated by access to land, building or labour mobilisation through the CDA.

For a waste disposal facility, a high and positive FCI from as many as 75 individuals (which is the highest response rate) may be unexpected. However, when CBOs such as CDAs provide such facility, it is a way of reducing expenses on refuse disposal and consequently reducing running cost of businesses which in the long run helps to maximise business profit. In Akure metropolis, where residents are expected to pay for such service to be rendered at their homes, a major facility provided by the CDA at certain locations, if properly managed, reduces expenses on waste disposal. The Waste Disposal Board functions adequately well in the city and is always ready to deal with erring residents while the Board provides large refuse containers around

markets. Furthermore, this scenario cannot be disconnected from health reasons which are linked with the ranking of provision of Health Facility as highlighted earlier.

Community hall ranks 3 on the Table with FCI of 3.06. These are venues for meetings and other social and political engagements. Additionally, such halls are rented for functions and ceremonies. Therefore, the community generates income from them. Also, individuals in the community have spill-over benefits in form of sales and services to users of such community halls who may want to rent canopies and chairs, buy water and drinks, and obtain catering services among others. When Halls are provided by private individuals, the community halls tend to be cheaper and more affordable though with less quality and quantity of facilities. Community halls are not common place in Akure metropolis except at the central slums like Odo-Ikoyi. Rather, they are found in the outskirt settlements of the LGA like Oda and Igbatoro towns.

The provision of community secondary and primary schools provide not only jobs for teachers and other staff working in the school premises but also persons living within and around such schools who trade in stationery, confectionery, food, snacks and drinks in and around the premises of such schools. At times, these include the approved food and stationery vendors within the school premises. The CBOs may not have built the schools especially as in the case of Akure South LGA but have assisted in the provision of furniture and other learning facilities for these schools. These come in form of donations to the schools.

However, the FCI for the secondary and primary schools are 3.06 and 2.86 respectively while they rank third (secondary school and community hall share same position) and fifth on the Table. This implies that secondary schools were perceived to have contributed more to individual economy in the LGA than the primary schools. Despite a higher number of respondents for primary school (64) than that of the secondary school (31), the secondary school attracted a higher rating for economic benefits; an important factor being that they possess more matured students (compared with the primary school pupils) which include those who do part time work to make money to cater for their school needs.

Market has a FCI of 2.76 (ranking 6) with a deviation of 0.07 about the mean. This implies a slightly above-average contribution to the economy of the people. The respondents are wide spread. Most importantly, CBOs hardly provide markets for communities in Akure South LGA. Consequently, the influence of markets on the economy may not have come as such from those provided by CBOs. For this reason, contrary to expectations, the FCI (2.76) is not very high as it has a deviation of 0.07.

Water Supply is ranked 7 with a FCI of 2.74. This is low enough as its potentials had not been harnessed by the CBOs. Also, the fact that it serves as raw material in the production process of many small businesses in addition to packaging as bottled and sachet water has not been appreciated. Community boreholes exist in some places though most are sunk and solar-powered by the government. Also, public water taps run in few places at certain times of the week. Therefore the influence of the CBOs is minimal.

In Akure South LGA, it is not surprising to discover that road and electricity have negative deviations of -0.11 and -0.46 about the mean of the FCI. In a rural environment, the impact of road construction to the rural economy is considerably high since the road serves as means of communication between the villages and market centres. Road construction plays a major role in individual's economy. However, though roads are essential to the development and life of urban dwellers too, the provision of roads by CBOs has a low FCI. The best the CBOs had done was to fill up potholes with broken bricks and laterite at desperate moments. They have no economic power to provide such good roads that will contribute to the economy of even those who live in slightly rural areas of Akure South LGA. The best that could be done was to clear a stretch of road or grade without overlaying macadam.

Electricity is hardly provided by CBOs. Except in few cases where limited supply is in form of generator provisions for individuals with small-scale businesses. This can come from cooperative society purchase or by loans obtained from such cooperative societies. In some other cases, people in the community are told to contribute money towards repairs of transformers or extension of lines or replacement of damaged poles after rain storm. The CDAs in some situations provide cash support from the community purse and

coordinate donations towards such ventures. Electricity provision is highly germane to the economy of the people but the contributions of the community or CBOs are limited to the above; hence, the low FCI.

Recreational centres and playgrounds are lowest on the FCI Table with a value of 1.33 and a -1.36 deviation about the mean. These hardly provide income for the people except in few cases as provided by private individuals where certain Television viewing points have been established for watching international football matches and premiership matches. More importantly is the fact that CBOs hardly get involved in provision of such facilities.

6. Recommendations and Conclusion

The clear need for generation or review of policies to favour or promote the contributions of CBOs to the development of communities cannot overemphasized. Such policies provide legal and administrative environments for CBOs to operate. To address this concern, certain recommendations are necessary.

First, there is great need for partnership between government and CBOs in order to facilitate the efforts of CBOs towards infrastructural development of communities to ultimately catalyse poverty alleviation and local economic development. This starts with initiation of a periodic forum for interaction between the government and the NPOs. Organised interactions of this sort will generate memoranda of understanding to spring up partnership between governments and the NPOs especially the CBOs.

Also, since, provision of stable power supply is a *sine quanon* in the process of improving both micro and macro economy of a nation, the power sector will need both policy and infrastructural overhaul. At the micro level, many businesses are negatively affected as traders in perishable goods have problems running their business without regular power supply. The cost of purchase and maintenance of a good and high KVA power generator to run businesses actually shoots up the running cost for such businesses. The general noise and air pollution aggravate environmental degradation; not to mention the danger posed by powering generators with Premium Motor Spirit (PMS). Hence, Public-Private Partnership (PPP) is suggested within a decentralised power generation system which puts power supply in the hands of state government; coupled with an Environmental Management Plan to tackle pollution problem. CDAs are to provide security of power installations and facilities in their communities as part of the contribution to stable power supply.

Participatory Monitoring and Evaluation approach should be introduced by CBOs to monitor projects while adequate feedback mechanism should be put in place. For CBOs such as cooperatives, the awareness of the performance of help-initiatives will assist in improving the contributions of CBOs to the economic welfare of the people. Furthermore, there is need for CBOs to invest more in recreational facilities in order to promote the culture of rest and relaxation among the people. The provision of parks and gardens with various attractions and incentives will encourage people in communities to visit such centres and also improve their health. This will further increase their appreciation of good health as vital to wealth as already implied in the high FCI values for health and waste disposal facilities.

Local groups and expressions in the area of community development and self empowerment will continue to aid the bottom-up approach to infrastructural and economic development. The need to continue exploring this aspect of the society will ever remain germane to the welfare of the human race and the development of the developing nations.

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Appendix

Table 1: Facility Contribution for AKURE SOUTH LGA – Frequencies for Levels of Contribution							
S/N	Facility	Provided/ No. of Respondents	Very Little Contribution	Little Contribution	Fair Contribution	High Contribution	Very High Contribution
1.	Waste Collection Facility	75	12	9	17	33	4
2.	Market	74	15	23	14	9	13
3.	Water Supply	70	18	18	7	18	9
4.	Road (untarred)	65	14	17	19	12	3
5.	Electricity	64	18	21	17	8	0
6.	Primary School Classrooms and Furniture	64	16	10	12	19	7
7.	Secondary school Classrooms and Furniture	31	8	2	4	14	3
8.	Community Hall	31	5	5	8	9	4
9.	Health Facility	30	1	10	7	8	4
10.	Recreational Centre /Playground	27	21	4	1	1	0
Source: Author's Computation, January 2008							

Table 2: Facility Contribution for AKURE SOUTH LGA – Sum of Weighted Value and FCI Computation

S/N	Facility	Provided/ no. of respondents	Freq. for Very Little Contribution x1	Freq. for Little Contribution x2	Freq. for Fair Contribution x3	Freq. for High Contribution x4	Freq. for Very High Contribution x5	SWV	FCI	FCI – Mean	(FCI- Mean) ²	Ranking
1.	Health Facility	30	1	20	21	32	20	94	3.13	0.44	0.1936	1
2.	Waste Collection Facility	75	12	18	51	132	20	233	3.11	0.42	0.1764	2
3.	Community Hall	31	5	10	24	36	20	95	3.06	0.37	0.1369	3
4.	Secondary School (Classrooms & Furniture)	31	8	4	12	56	15	95	3.06	0.37	0.1369	3
5.	Primary School (Classrooms & Furniture)	64	16	20	36	76	35	183	2.86	0.17	0.0289	5
6.	Market	74	15	46	42	36	65	204	2.76	0.07	0.0049	6
7.	Water Supply	70	18	36	21	72	45	192	2.74	0.05	0.0025	7
8.	Road (untarred)	65	14	34	57	48	15	168	2.58	-0.11	0.0121	8
9.	Electricity	64	18	42	51	32	0	143	2.23	-0.46	0.2116	9
10.	Recreational Centre/ Playground	27	21	8	3	4	0	36	1.33	-1.36	1.8496	10
									ΣFCI =26.86		2.7534	
Mean = 26.86/10 = 2.69. Variance = 2.7534/10 = 0.2753. SD = (0.2753) ^{0.5} = 0.5247. Source: Author's Computation, January 2008.												