

Urban Development and Renewal in Nigeria: The Potency of Public Private Partnership

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Abstract

Urban growth and renewal, which is an essential element of sustainable urban development, is inevitably influenced by general conditions including globalization and demographic change. Urban development initiatives also face changing demands on infrastructure generally and towns and cities expectedly undergo phases of growth, stagnation, decline and revitalization. As a consequence, the tasks of urban renewal, urban expansion is an uphill and a daunting one. This study therefore examines the potency of public/private partnership as a strategy/for accelerating the implementation of high quality urban development and renewal projects. This is expedient because the public/private partnership option is expected to play a complimentary role in meeting the challenges posed by urban development and renewal, especially given the peculiarity of the Nigerian climate that is typified by lack of commitment by government to infrastructural development and maintenance and the accompanying urban decay that has become common place. This study which utilized relevant secondary sources of data argues that the low level of public/private partnership in Nigeria is largely a product of the existing climate of poor collaboration. This study subsequently posits that the efficacy of public/private partnership initiatives in Nigeria is constrained by the existing climate of poor commitment by government to urban development and renewal issues that has engineered an unfavourable predisposition by the private sector in this regard. The study resultantly hinged the workability of the public/private partnership option vis-à-vis the urban development and renewal dilemma in Nigeria on the dismantling of the permeating climate. The paper concluded with some useful remarks.

Keywords: urban development, renewal, public/private partnership, Nigeria.

1. Introduction

Urban growth, development and renewal is an integral part of the global focus on sustainable development although the concept has become extremely controversial principally because it involves the destruction of businesses, the relocation of people and the use of eminent domain as a legal instrument to reclaim private property for purpose of city - initiated development programmes and projects. All the same, the trend is variously justified because of its potency for the renewal of residential slums and blighted commercial and industrial areas. The controversy around urban renewal therefore depicts and typifies an oscillation and a pull between two ends: a progressive economic and national development and a regressive mechanism for enriching the rich to the detriment of both tax payers and the poor. In fact, urban development and renewal has been dubbed a failure by many urban planners and civic leaders, which largely culminated in its reformulation with a focus on redevelopment of existing communities. Yet, while urban renewal has not satisfied the yearnings and aspirations of its original proponents, it has undoubtedly played an undeniably critical role in cities across the globe particularly in the developed world. Thus, it continues to evolve and shape up as successes and failures are experienced and new models and perspectives of development and redevelopment are tested, executed and evaluated. In Nigeria, just like in most of Africa, the necessity for and the challenges of urban development and renewal are more visibly evident. This is because of mis-governance, urban decay and deterioration, poor planning and revitalization efforts as well as commitment gaps and negligible private sector involvement and participation. These concerns are suggestive of some gaps that the modest contribution of this study seeks to fill.

2. Urbanization: A Conceptual Understanding

Urbanization is a phenomenon that describes the process of change in the growth of population due to changing conditions in the society. It is equally a process of demographic, social, economic and physical change, which requires complex governmental action (Green 2011). It is also associated with social economic and technological process of development. The implication is that urbanization connotes social change on a vast scale, especially as it is the introduction into a given culture of elements that were not there before. Like every other type of social change, urbanization hinges more on changes or alterations in the mode of interaction and behavioral patterns than on the availability of infrastructural facilities (Strein et al 2011). Precisely, the technical term for this is urbanism, but urbanization is preferred because of its broad applicability and easy cognition. Urbanization is made possible mainly by mass communication, transportation; and the manifold nexus between urban dwellers and rural folks and it implies spread of urban influences to other neighboring areas (Anderson 2011). As an ecological process of aggregating for a variety of reasons, it involves social transformation along with shifts in the pattern of population settlement and the locus of power and influence from the rural to the urban area. It is pertinent to state that

urbanization precipitates changes in the pattern of behaviour and values, which result from the ecological process of aggregating at one location large, dense and diverse persons.

3. Urban Development, Renewal and Administration in Nigeria

Urban development, renewal and administration are connected to the political and socio-economic services in the urban population centres of a nation as against the designated rural areas of the country (Sani 2010). They affect the whole range of governmental organization and processes for planning at all levels for purpose of decision making and for the performance of public services related to urban areas (Green 2011). Urban development, renewal and administration involve a complex macro-organizational approach that may have some common objectives, but, except in unique circumstances, have some profound goal conflict. They transcend local government administration, bearing in mind the complexity of urban affairs and the vital role urban centres play in the economic development of societies. Thus, urban development, renewal and administration calls for and usually involves a much wider governmental participation or jurisdiction usually assuming state wide or national character. It also connotes large scale cooperation by the local, state or federal governments. In fact, there exists a mixed jurisdiction or horizontal approach to the complex urban problems or the challenges thrown up by the urban phenomenon (Udenta 2011). Although the history of urban policy in Nigeria dates back to the colonial dispensation, urban development, renewal and administration was for a long time neglected in Africa, including Nigeria (Ugwu 2011; Uyanga 2011). Based on the various urban policies in Nigeria beginning with the Colonial Europe Reservations Policy of 1902, the Township Ordinance of 1917 which legalized the segregation of the European from the African residential areas, the Nigerian Town and Country Planning Ordinance of 1946, the National Housing of 1972, the National Housing Policy of 1991 and the Millennium Development Goals adopted by Nigeria (Ugwu 2011; Uyanga 2011), several efforts were made by successive Nigerian governments to control the development and use of land, re-plan the improvement and development of different parts of Nigeria. They were also supposedly meant to create a flexible framework within which cities can prosper and grow so as to make their contribution to the social and economic well-being of the country. However, the policies did not achieve much because of implementation gaps, policy proliferation and disconnection and poor commitment.

Essentially, urban policies should strengthened public institutions which deliver services such as transportation, employment, health, education, sanitation rather than those that enable commodity producers to accumulate more capital and create the much-needed wealth (Idise 2010). They should also involve a development strategy that is designed to tackle the problems of urban centers and small urban centres side by side with rural development and government institutions are expected to conform to the national development strategy that are intended to achieve specific objectives (Cohen 2011). In sum, comprehensive and coherent urban policies must clarify the appropriate role for the government with a focus on the imperative to improve the quality of both indigenous and new urban institutions, for the efficient, effective and productive functioning of cities in developing countries like Nigeria is critical to the achievement of economic growth and development goals. Thus, urban policy formulation and implementation is needed to serve as a guide to bring about changes in the urbanization process including development and renewal initiatives and strategies.

4. Urban Development and Renewal in Nigeria: The Potency of Public Private Partnership

Several efforts were made by the successive Nigerian governments to control the development and use of land, re-plan the improvement and development of different parts of Nigeria and to create a flexible framework within which cities can prosper and grow so as to make their contribution to the social and economic well-being of the country. However, the efforts did not achieve much because of implementation gaps, policy proliferation and disconnection and poor commitment. Essentially, urban policies should strengthen public institutions which deliver services such as transportation, employment, health, education, sanitation rather than those that enable commodity producers to accumulate more capital and create the much - needed wealth (Idise 2010). They should also involve a development strategy that is designed to tackle the problems of urban centres and small urban centres side by side with rural development and government institutions are expected to conform to the national development strategy that are intended to achieve specific objectives (Cohen 2011). In sum, comprehensive and coherent urban policies must clarify the appropriate role for the government with a focus on the imperative to improve the quality of both indigenous and new urban institutions, for the efficient, effective and productive functioning of cities in developing countries like Nigeria is critical to the achievement of economic growth and development goals. Thus, urban policy formulation and implementation is needed to serve as a guide to bring about changes in the urbanization process including development and renewal initiatives and strategies.

5. Urban Development and Renewal Dilemma in Nigeria

Urban development and Renewal is expected to be a state-sanctioned programme designed to achieve revitalization of central business districts, gentrification of residential neighborhoods and improvement and redevelopment of areas that are deteriorated, unsafe, or poorly planned and as a collaborative tool for stimulating economic growth and national development through infrastructural development. In fact, sustainable growth and development often imply and demands consistent investment in infrastructure in countries at all stages of development. In Nigeria, the challenges of urban development and renewal are changing rapidly in the same fashion as technical, economic and social conditions. The realities of the different periods of economic boom, economic downturn and economic recovery as well as restoration is also worthy of note. Despite the changing economic realities, the demands for infrastructures and their expansion and revitalization that underpin and constitute the bottom-line of urban development, expansion and renewal remain constant. In the face of this reality, urban development and renewal efforts in Nigeria have been bedeviled with poor planning, commitment gaps, policy disconnection, and corruption and general poor governance. For instance, laws form an integral part of the whole planning process and all expression and action of those who design and invest in urban revitalization are supposed to be within the limits prescribed by law (Gallion and Eisner 2010). Since the laws apply to the physical development, which is central to urban development and renewal in Nigeria, the effects of the regulations and the prospects for improvement cannot be overemphasized. This is because the legal framework that moulds the urban development provides some advantages, although implementation is needed to translate urban planning into concrete reality. Thus, apart from the problem of absence of a comprehensive plan for urban development and renewal in Nigeria which is meant to be farsighted, anticipating the needs, desires, realities and challenges and to provide the guidance essential to the preparation of specific plans and the budgeting to accomplish them, there is the attitudinal problem which centre on lack of will or commitment by government and corruption and diversion of abundance of utilizable financial resources. Therefore, in the face of the investment of huge financial resources in Nigeria, there is urban decay and deterioration.

6. The Potency of Public/Private Partnership Strategy for Accelerated Urban Development and Renewal in Nigeria

Public/private partnership is any collaboration between public bodies such as central governments and local authorities and private companies. It is a contrast between a public sector institution/municipality and a private party, in which the private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a business venture which is funded and operated through a partnership of government and one or more private sector companies. Partnerships between the public and private sectors are a cornerstone of government's modernization, development and renewal programme. They are arrangements between government and private sector entities for the purpose of providing public infrastructure (Sanni 2010). The rationale for these partnerships is the need to harness the combined strengths of both the public and private sectors to establish complementary relations on the premises that both the public and private sectors have unique advantages in specific aspects of service or project delivery.

Partnerships are delivering better quality public services by bringing in new investment and improved management and are helping state-owned business achieve their full potential. They are a key element in the government's strategy for delivering modern, high quality public services and promoting competitiveness (HM 2011). The roles and responsibilities of the partners may vary from project to project and various forms can be adopted. In some cases, government contributes part of the capital requirement through tax revenues or in kind (usually the transfer of existing assets e.g. land or shareholding rights). Operations could be run jointly with the private sector or under contracts. In other types of partnership such as Private Finance Initiative (PFI), capital investment is made by the private sector on the strength of a contract with or concession by the government to provide agreed services or exploit certain rights. In fact, many partnerships are attempting to address problems with public sector into public extension activities. These new approaches include subcontracting to the private sector and an extension voucher system, both of which have partial cost-recovery components (Umali-Deininger 2011).

Notably, there has been a shift in the role of government in the provision of infrastructure. Governments around the world are retreating from the role of owner and operator of infrastructure services and placing greater emphasis on their new role as regulator of services provided by private firms (Antonio 2010). This shift has led to greater interest in the industries, including the use of independent regulatory agencies. While early attention focused on regulatory issues at the national level of government, the privatization wave is increasingly engulfing sub-national levels of government. Private sector participation was traditionally limited to separate planning, design or construction contracts on a fee for service basis and expanding the private sector role allows the public agencies to tap private sector technical, management and financial resources in new ways to achieve certain public agency

objectives such as greater costs, innovative technology applications, specialized expertise or access to private capital. Arguably, interest in promoting partnerships is not unconnected to the re-balancing of the respective roles of markets and states. The patterns of partnerships and the extent of the activities in which states have partnered with the private sector are therefore very important. The Public Health Act of 1875 and the Housing and Town Planning Act of 1909 in Britain, for instance, heralded an end to the era of relative *laissez faire*, bringing as they did the pioneering attempt to regulate the use of land in the interests of public welfare (Cherry 2010).

Although the legislation was significant, it did not alter the overall pattern of development produced by private developers and landowners with decisions over the use of land remaining largely a matter for market forces. The 1947 planning legislation of the British Government however sought a more fundamental realignment of the relationship between the state and the private sector (Pennington 2011). In Nigeria, the need for public/private partnerships cannot be overemphasized. This is principally due to the urban decay and poverty that has become prevalent or a commonplace. This deterioration that has permeated all imaginable sectors in the Nigeria has made partnerships a desideratum. Such partnerships are supposed to generate revitalization efforts that are germane for and critical to the developmental agenda in Nigeria, in fact, physical decay in Nigeria has eaten deeply into the core of the urban community and unchecked obsolescence stretches its withering fingers over the environment and injects degeneration which is accompanied by associated urban problems, especially chronic unemployment, homelessness, violent crimes, alcohol and drug abuse, suicide and other forms of deviance. Housing problems also remain largely unresolved which explains the necessity for the private sector and voluntary organizations to offer assistance because it has become apparent that the government unaided will not be able to provide an adequate supply of satisfactory housing to meet the wide variations in the income levels of all the people. All the same, lack of planning and poor commitment has created congestion, economic distortions which exacerbate the process of built-in physical decay and social disintegration. Thus, the problem of urban decay has transcended the piecemeal approach for improvement in urban development and renewal drive and it has reached a stage where large - scale rehabilitation is the only pragmatic and feasible panacea.

7. Attitudinal Constraints to the Efficacy of Public/Private Partnership Strategy in Nigeria

In the face of the potency of the public/private partnership option for urban development and renewal in Nigeria, its efficacy is evidently constrained. The underlying root cause and base of the problem is essentially attitudinal. This attitudinal problem has created a climate that has constrained the efficacy of partnerships in Nigeria This is because despite the recognized need for action on the public front and the anticipation of private sector assistance and support in order to implement urban redevelopment and renewal, poor commitment by government and the concomitant negative predisposition by the private sector has accelerated the rate of physical deterioration in our urban towns and cities with negative implications for national well-being and development. This climate which is a set of characteristics that are relatively enduring over time typifying a system and distinguishing it from other systems (Knowles 2010; Forehand and Gilmer 2011; Heliriegel and Slocum 2010) is a precondition for an efficacious public/private partnership in Nigeria. Ordinarily sound business thrives on production and distribution and creates investment opportunities, which demands infrastructural development.

The central problem of urban rebuilding therefore is not the cost of infrastructural financing, but the attitudinal palaver, which menaces the restoration of decency to the urban scene and life in Nigeria. Therefore, if the tasks, challenges and processes of rebuilding urban towns and cities to acceptable standards are considered appropriate in the present times are to be met and consummated, it will be expedient for the various levels of government in Nigeria to be truly committed. In all certainty, it is a discernible commitment that will essentially engender a favourable predisposition that presupposes support and cooperation by the private sector. In view of the foregoing, there is the need to decentralize infrastructure development so as to enable the government at different levels to enact legislation and implement urban development, renewal and redevelopment programmes and projects in partnership with the private sector that has growing potentials and potency, which are actualisable. Regrettably however, there is a general trend of failure by different tiers, of government to expand public services and infrastructure at a level that somewhat corresponds with the high level of population growth and urban decay.

Worse still, the centralization of political power at the centre is limiting sub-national governments' capacity, particularly the local governments to deal with urban problems in their own fashion, but in consonance with acceptable global standards. The resultant deterioration which is evident in the housing, health, educational, transportation, general urban services and opportunities for remunerative employment is constraining the expected rates of urban growth, development and renewal. The level of urban decay and deterioration is, in fact, poles apart when juxtaposed with the revenue generation and expenditure pattern and levels, especially at the centre and the rich-oil state of the Niger Delta region in Nigeria. Public financial assistance for accelerated urban rehabilitation

and renewal will not only serve the purpose of rebuilding the urban cities; it will also provide unlimited opportunities for sound and profitable investment by the private sector. However, stagnant and even declining economies have the potentiality of reducing the public resources available for urban infrastructure and services as Strein et al (2011) rightly articulated.

8. Concluding Remarks and Recommendations

Undoubtedly the potency of public/private partnerships as an acceptable intervention strategy for accelerated urban development and renewal in Nigeria is worthy of note. AH the same, the actuality of this instrument is however stifled by the general climate of poor commitment and governance, policy formulation and execution gaps and disconnection as well as deliberate neglect and nonchalance created by the Nigerian government. This unfavourable enduring climate is not only discernable; it is also devastating with grave negative implications for national growth and development in Nigeria. The dismantling of the above constraining climate in view of the urban development and renewal dilemma and crisis in Nigeria is therefore a desideratum.

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