

Impact of The Legal Environment On Nigeria's National Economic Development

Fateropa, Tolulope Omolola, Agun Ayojesu Oluwadunsin, and
Akindejoye Temidayo

Department of Liberal & General Studies, the Federal Polytechnic, Ado-Ekiti, Ekiti State,
Nigeria

doi: <https://doi.org/10.37745/gjplr.2013/vol12n42939>

Published July 20, 2024

Citation: Omolola F.T., Oluwadunsin A.A., and Temidayo A. (2024) Impact of The Legal Environment On Nigeria's National Economic Development, *Global Journal of Politics and Law Research*, Vol.12, No.4, pp.29-39

ABSTRACT: *This study examined the impact of legal environment on Nigeria's national economic development. The Environment plays significant role in the development of the economic advancement of any nation, as the natural resources like fossil fuels and minerals bring about the production of goods and services. A healthy environment provides necessities like clear water, good food and clean air; and provides ways to fight natural hazards. Thus, laws have been put in place to protect our general safety, ensure our rights as individuals are not threatened by our environments, organizations or by the government itself. Enforcing these laws, rules and regulations is good for growth and economic development. The study embraced a doctrinal approach making use of laws, legislations and related literature. It was found out despite environmental laws and assessment in place to enhance economic growth, the Nigerian environment is not there yet there as there exist absence of a safe and conducive environment which can bring about economic growth and development. It was also found out that despite the myriad of laws and legislations that are meant to safeguarding the environment, there had been little or no significant economic growth as a result of ineffective prosecution of environmental offenders, constant pollution, exorbitant cost of pollution control equipment and gas flaring amongst others. The study concludes by proffering recommendations, which if adhered to would advance economic growth and development.*

Keywords: environment, economic growth, environmental laws, impact

INTRODUCTION

Environmental law is a network of statutes, regulations and customary laws addressing the effects of human activity on the natural environment. The need for environmental laws in the

country is as a result of the inappropriate use of the environment with regards to the eco system. The efforts of the federal, state and local governments in Nigeria at ensuring sustainable development through numerous environmental legislations, fiscal incentives and grants to environmental ministries and agencies remain elusive as Nigeria continues to experience complex environmental problems of atmospheric, noise and water pollution, climatic change including flooding, coastal erosion and perennial oceanic surge and municipal solid waste management, amongst others (Oyebode, 2018).

The relationship between ecology and the economy has become increasingly significant as humans gradually understand the impact that economic decisions have on the sustainability and quality of the planet. The natural environment is critical in sustaining economic activity. It contributes directly by providing resources and raw materials such as water, timber, and minerals that are needed as inputs for the production of goods and services; and also indirectly, through ecosystem services such as carbon sequestration and water purification, flood risk management, and nutrient cycling.

Natural resources are therefore not only of critical importance today to ensure economic growth and development, but for future generations. Robertson (2005) argues that modern society is going through a fundamental transformation, reflected in many signs of institutional and cultural breakdown and in myriad constructive social innovations and experiments and this is a symptom of an underlying disorder. According to Bartle and Vas (2006), the need for modern industrial society to be made sustainable is recognized worldwide. There is a growing demand worldwide for a new policy shift in the direction of economic development and progress that will be people and earth centered.

The environment is critical for sustaining life and providing input for production. In particular, it has been argued that economic growth causes severe environmental destruction, and that current environmental conditions hinder future economic development. The environment provide other services that enable economic activity such as sequestering carbon, filtering air and water pollution, protecting against flood risk, and soil formation. It is also vital for our well-being, providing us with recreational opportunities, improving our health and so much more (Everett, Ishwaran, Paolo & Rubin, 2010). Most developing countries are often dependent on the natural environment for their survival and continued existence thus making the relationship between the environment and the economy so important to note.

The relationship between the economy and the environment thus goes way deeper than we can envisage, not only does the environment provides resources for the economy to grow, it also acts as a sink for emissions and waste, which in turn leads to the pollution of the environment. This thus places heavy pressure on the environment. It is worthy to note that, not only does the

economy activity affect the environment, but that the environment degradation also affects the economy growth of a nation, as it lowers the quality and quantity of Resources. It is due to this, that it was realized that environmental policies and some rule of law are needed to guide the activities of the economic growth and also to minimize the impact of the activities on the environment. The policies and rule of law are to serve as the go between both sides and create a win- win situation.

Statement of Problem

Economic development is considered by the Nigerian government to be its central task and this has led to vested interests and unparalleled enthusiasm for growing the Nigerian economy. The pattern of development pursued so far has created a series of social and environmental problems. The recognition of the importance of the environment for human survival resulted in the issuing of Agenda 21 by the Earth Summit in 1992, which urged all nations to include environmental planning as an integral part of their development process. For Nigeria and other African countries, the situation of economic growth and development at the heart of the environmental discourse fell surely in line with what has already been considered the main agenda of the African state, which is development. After all, the post-colonial African state, by its origins and political exigencies, has been forced to assume the image of a developmental state.

Literature has established the existence of relationship between the economy and the environment and that one cannot be mentioned without the other. A healthy environment brings about a growth in the economy's development. It is worthy to note that, Economic development is the desire of all nations of the world but how to attain a sustainable economic development remains a challenge to many nations. The harmony between the man and nature is the requirement to attain sustainable development, this depicts that the development of humanity should not be on the cost of environmental health. This is to say that the activities that lead to the growth of the economy can affect the environment negatively or positively, which will in turn affects the economy one way or the other. Unfortunately, the Nigeria's economy appears not to be healthy enough to the level of attaining the desired goal in the area of growth and development. This calls for a serious concern.

Much damage has been done to the Nigerian environment as well as natural resources as a result of the efforts to transform the natural environment to achieve rapid economic development and growth. Environmental pollution has been in existence since man began to live in settlements. In the earlier days of nomadic hunting communities, the tribal group moved on when food in their current location became depleted and the area around their camp became polluted or soiled. These nomads were a part of a balanced eco-system. As human societies developed, land became cultivated, livestock domesticated; and as permanent settlements became established, environmental pollution began to emerge. The problem became more serious as these permanent

communities grew into cities. The increase in human population and consumption pattern also led to the increase in wastes generated, thereby creating environmental problems of collection and disposal. As a result, the quality of the environment has continued to decline. It has led to resources depletion and environmental pollution, which has become important issues that require a rethink of governmental policies.

These interwoven issues have become so rampant that despite the policies in place to minimize the impact of the economic activities on the environment and also the consequences of the impact on the growth of the economy, the achievement of a clean environment which in turn lead to the growth in the Nigerian economy is a mirage and still has a long way to go. Hence there is a need for this study to discover how much the impact is and how much the consequences of the impact have backfired on the economy growth. This study is also vital in seeing how the legal environment has been able to respond to these issues, how effective the response is and how it could be review to achieve a better environment and a sustainable economic growth. All the aforementioned challenges that combined to inhibit growth and development needs to be critically looked into in order to pave way for speedy economic growth and development of the country.

Objectives of the Study

The main objective of this study is to examine the impact of legal environment on Nigeria's national economic development. It will also show the responses given to counter the issues affecting the legal environment on the economic development of Nigeria. Furthermore, it will investigate the process of having a healthy legal environment which in turn will lead to economic growth and development in Nigeria.

LITERATURE REVIEW

The Environment and Economy Development

Chokor, (1988) described the term **Environment** as the setting of man's various productive activities. According to Sada (1988), the environment is conceived as a system within which living organisms interact with the physical elements. The vitality of the environment to man can neither be undermined nor overemphasized. It is worthy to note that human beings are at the centre of concern for environmental sustainability and also that the environment is an important part of man's existence.

The Society for International Development (2021) defined development as the process that creates growth, progress, positive change or the addition of physical, economic, environmental, social and demographic components. The purpose of development is a rise in the level and the quality of life of the population, and the creation or expansion of local regional income and

employment opportunities, without damaging the resources of the environment. We cannot talk about economic development without talking about sustainable development.

Erhun (2015) defined the term development as a comprehensive economic, social, cultural and political process which aims at the constant improvement of the well-being of the entire population and of the individuals on the basis of their active, free and meaningful participation in development process and in the fair distribution of benefits resulting there-from. Erhun (2015) was of the opinion that the dominant political response to challenges of the environment has long shifted from one of environmental protection laws and regulations to that of sustainable development. Sustainable development is a long term continuous development of society, aimed at satisfaction of humanity's need at present and in the future via rational usage and replenishment of natural resources, and preserving the earth for future generations. The multiple challenges to development in Nigeria necessitate the use of a holistic approach that integrates economic, social and environmental dimensions. Sustainable development is the process of judicious use and conservation of natural resources for the overall improvement in the quality of life for the present and future generations on long term basis. The concept of sustainable development was formulated as a welding tool as well as a framework for the realization of economic growth in an environmentally viable world.

Three interdependent and mutually reinforcing pillars of sustainable development are recognized world-wide in the transition towards a sustainable society. These are economic sustainability, environmental sustainability and social sustainability. Within this concept, the environmental dimension plays a significant role, being the natural system which serves as the surrounding medium in which the social and economic systems are embedded. The environment is a condition for sustainable development, society is the ends for which development is undertaken and economy is the means to achieving that end. The maintenance of environmental structure is therefore crucial for long term economic development. Because life on earth is conditioned upon a healthy environment, the environmental pillar must of necessity be viewed as of utmost importance, providing the necessary foundation or stability for the economic and social pillars of sustainability (Erhun, 2015).

It is trite the Nigeria is an oil producing country, that is, the country solely and largely depends on the exportation of oil to other countries to make revenue that sustains our economy (Premium Times, 2023). It should therefore be known that the exploration and exploitation of the natural resources have impacted the environment negatively as the degradation of human activities has caused the environment to be in grave danger. There is no question that human activity has negative environmental consequences. With damages to the environment ranging from ozone depletion to acid rain, human induced soil degradation from deforestation, pollution, and loss of

biodiversity, the impacts of humans on our environment are widespread in both terrestrial and aquatic ecosystems (Unite for Change, 2022).

Human activities which are also same as economic activities is carried out in a manner which will not sustain the economy due to the inattentiveness and nonchalant attitude shown to the environment. The race for economic growth and development has caused environmental stress leading to the degradation of the environment. In an attempt to be one of the best economies in the world, Nigeria has expanded the economic activities, putting pressure on the natural resources and the environment at large. This is to say that economic growth and development is acquired with a huge environmental impact.

Although, development has had many positive impact, some of the required elements to achieve high rates of sustainable economic development are but not limited to sound environmental management, capable and well equipped human capital, an accountable government, the engagement of the private sector, and effective policies and institutions, this however, allows for environmental degradation due to increase in urbanization and industrialization. The degradation of the environment by global economic development will circle back to affect the economic negatively. Some of the reasons why development in general has caused damage to the environment are but not limited to the following: growing population, corruption and human greed, debt and growing rate of poverty, higher levels of pollution, amongst others.

According to Unite for Change (2015), some of the issues affecting the environment in the wake of economic development are as listed as follows: deforestation, pollution and desertification, the increased consumption of non- renewable resources, Global warming and potential loss of environmental habitats, destruction of valuable agriculture lands through bad mining practices and Oil pollution and related environmental consequences, particularly in the Niger Delta area of Nigeria.

Oyebode (2018) while corroborating the above also mentioned the following, amongst others as issues affecting the environment: destruction of valuable agricultural land through bad mining practices, permanent dangers posed by the encroachment of the desert on vast agricultural lands along northern borders, oil pollution and related environmental consequences, particularly in the Niger Delta area of Nigeria, Unfettered bush burning and the risk of exterminating wildlife species as well as uncontrolled fishing and related activities which endanger the species of fish in Nigeria waters, pollution of surface and underground water systems through indiscriminate disposal of solid and liquid wastes.

All these imperfections and issues have impacted heavily on the environment which has necessitated the fight for environmental policies and governance that will lead to a desired result

of a win-win situation. Nigeria, as a country, has long established laws and institutional frameworks to address and combat the environmental problems but it is however sad to note that a few of these legislations and frameworks have been successful in tackling of these issues (Bell, 2002).

Nwafor (2006) argues that the development and proper application of legal instruments in the field of environment is important to achieve a sound environment and economic development. To this end, environmental planning has been put in place in Nigeria, making use of so many environmental policies, some of which are enumerated below:

1. The National Policy on Environment first published in 1989 and revised in 1999;
2. The National Guidelines and Standards for Environmental Pollution Control in Nigeria (published in March, 1991);
3. Waste Management Regulations S.I. 15 of 1991;
4. Environmental Impact Assessment (EIA) Decree No. 86 of 1992;
5. Procedural and Sectoral Guidelines of EIA; (Jan. 1999);
6. National Guidelines on Waste Disposal Through Underground Injection; (1999);
7. National Guidelines & Standards for Water Quality in Nigeria;
8. National Guidelines for Environmental Audit in Nigeria (June 1999);
9. National Guidelines on Environmental Management Systems in Nigeria (June 1999);
10. National Guidelines for Spilled Oil Fingerprinting (June 1999);
11. The Land Use Act, 1979 and
12. The National Environmental Standards and Regulations Enforcement Agency (Agency)

The above listed regulations indicates the government's effort and methods in promoting environmental protection since the 1990s, but despite all these measures put in place, Nigeria is still a far cry from a healthy environment that will bring about the economic growth and development, environmental problems are on the increase daily due to poor implementation and enforcement of various laws. In spite of these environmental laws in Nigeria by various successive governments, paradoxically, environmental problems in Nigeria are on the increase due to poor implementation and enforcement of the various laws. It is therefore certain that the legal status of sustainable development in environmental law is still controversial. No doubt, Nigeria is one of the countries that has integrated sustainable development into its environmental law and practice, albeit not specifically.

One reason for the poor/none implementation of the above rules is the issue of corruption. Corruption which is endemic in nature has eaten into the very fabric of the Nigerian society. The officers who are to ensure strict compliance with the provisions of the above mentioned laws and regulation choose to 'take bribes and turn blind eyes' to the atrocities being committed in the environmental sphere. Another reason for the degradation of the environment is that there is a

low level of environmental awareness in Nigeria which could in turn affect an individual's behavior towards his environment. Thus, it must be stressed that poor environmental habit and behaviours in Nigeria citizenry calls for government attention.

An examination of the NESREA Act in Section 1(2) provides that the Agency shall have, among others things, the responsibility for *the sustainable development of Nigeria's natural resources in general*. Going by this provision, sustainable development is expressed as a rule of law, which creates a duty for the Agency to ensure its enforcement, particularly when a combined effect of sections 2(a) and 7(a) the NESREA Act provides that the Agency shall be the enforcement agency for the purpose of ensuring compliance with the sustainable development of Nigeria's natural resources. Indeed, the power of the Agency to enforce sustainable development of Nigeria's natural resources could be hindered by non-legal factors, especially politics and economics. These are the major reasons why the NESREA Act is very explicit that the Agency's functions do not extend to oil and gas sector (see sections 7(g), 8(g), (k), (l), (m) and (n), and 30(4) of the NESREA Act.

Uncertainty in the meaning of sustainable development means that both the Agency and individuals or organizations it may prosecute can raise conflicting claims as well as resort to factors not contemplated by the Agency. For instance, the requirement of impact assessment, which is more of a procedural element of sustainable development, could be an issue of conflict. Meanwhile, the effectiveness of substantive legal provisions to protect the environment hinges upon accompanying procedural provisions to facilitate their enforcement (Kameri-Mbote & Collins Odote, 2009-2010).

Regrettably, since only the Agency has the power to enforce environmental legislation or policies, individuals, non-governmental organizations (NGOs) and local communities have no *locus standi* to bring claims for the enforcement for sustainable economic development, especially the integration of environmental concerns into developmental projects (Adesanya v President, Federal Republic of Nigeria, [2000] and Owodunmi v Registered Trustees of Celestial Church of Christ & 3 Ors). This has continued to be a clog in the wheel of environment justice and has been the main reason why some Nigerians have sought environmental justice outside Nigeria in order to avoid the *locus standi* condition that must be met by all litigants.¹⁰²

Furthermore, the effective implementation and enforcement of sustainable economic development in the Nigerian environmental law requires integrating it expressly and directly into the Constitution of the Federal Republic of Nigeria 1999 (as amended) as an essential element of the right to life and the relevant constitutional environmental provisions, as well as transferring section 20, which is the core constitutional environmental provisions, to the fundamental human rights chapter of the Constitution.

RECCOMENDATIONS AND CONCLUSION

It is no gainsaying that the sustainable economic development of the Nigerian economy is dependent on the replenishment of natural resources in the bid to continue to provide the people with sources of livelihood. Nigeria is already in a dilemma of sustainable economic development, looking for policies, strategies, institutional mechanisms in order to improve the life of Nigerians. If Nigeria is to achieve economic development, it must do so under the perfect conditions, that is, one aspect should not be left for the other to suffer, the political, social, economic and the environment must be taken hand in hand to uplift the sustainability development of the nation. Therefore, there is need for political commitment by the government, who must recognize that failure to protect the environment is synonymous to failure in meeting the aspirations of the people; else the social, economic and political impact of government's failure as regards this will be too grave to bear.

Furthermore, there must be an urgent call for the review of the Land Use Act in such a way that it will allow for the protection of the poor owners of land (in case of re-allotment of their land due the discovery of natural resources on it, and compensation due to them) which is of utmost urgency and importance. This is to ascertain that land can be used for the interest of the public without leaving the owners impoverished. The Land Use Act tends to discriminate against the poor people especially in rural areas. It does not provide the security of land tenure on which their livelihood largely depends. This issue must be sorted as soon as practicable. The endemic corruption among enforcement officers should be checked and through methods such as direct bank payments/mandatory sanitation rates by the citizenry. And corrupt enforcement officers should be appropriately punished in terms of being sacked as to serve as future deterrent to others. Therefore, government should mount strategic environmental campaigns to raise public awareness through the various existing media in Nigeria against corruption while ensuring that public awareness to the issues concerning the environment must be at an all-time high.

The Environmental Impact Assessment Act, was put in place to not only ensure that projects are carried out within the laid down rules and norms but also to ensure sustainable development of the environment, therefore noncompliance with this Act, is against the need to protect the environment in the interest of the public. It is therefore the duty of the government to ensure the enforceability of these various laws already in place, instead of creating new set of laws, as well as protecting the Rule of Law as regards the environment.

Government must be willing to adopt effective and transparent public management of the economy. Government must be prepared to provide a safe, stable and attractive business and industry environment that will strengthen its ability to fulfill its responsibility for the welfare of

the people. Absence of infrastructure is a chronic barrier to poor economic performance. Infrastructures like the availability of reliable energy and communication technologies which lead to more productive and innovative enterprises can also be provided by government.

In addition, environmental laws and policies should be reviewed with the aim of recognising the rights of the individuals to a healthy and sound environment, which would automatically, lead to a better production output and the development of the economy. Also, Technology policies that will encourage cost effective green innovations instead of merely prescribing specific green technologies to be adopted by individuals should be promoted.

REFERENCES

- Bartle, I., and Vas, P., (2006). Economic Regulators and Sustainable Development – Promoting Good Governance, School of Management Studies, University of Bath.
- Bell, R.G., and Russell, C., (2002). Environmental Policy for Developing Countries, Issues in Science and Technology (Spring 2002).
- Chokor, B.A (1993): Government Policy and environmental Protection in Developing World, Environnemental Management, Volume N17, number 1, pp. 15-30.
- Erhun, M.O. (2015). A Sustainable Approach to Economic Development in Nigeria: A Legal Perspective, Journal of Economics and Sustainable Development, ISSN 2222-1700 (Paper) ISSN 2222-2855, Vol.6, No.14, 2015. www.iiste.org.
- Everett, T., Ishwaran, M., Paola, G.A., and Rubin, A., (2010). Economic Growth and the Environment, Defra Evidence and Analysis Series (Paper 2) www.assets.publishing.service.gov.uk
- Kameri-Mbote, P., and Odote, C., (2009-2010). ‘Courts as Champions of Sustainable Development: Lessons from East Africa’ 10Sustainable Dev L & Pol’y 31-38 and 83-84, 35.
- Nwafor, J.C., (2006). Environmental Impact Assessment for Sustainable Development. The Nigerian Perspective, EDPCA publications, 395.
- Oyebode, O.J. (2018). Impact of Environmental Laws and Regulations on Nigerian Environment, World Journal of Research and Review (WJRR), ISSN:2455-3956, Volume-7, Issue-3, Pages 09-14, www.wjrr.org.
- Pettinger, T., (2021). Environmental Impact of Economic Growth, <https://www.economicshelp.org/blog/145989/economics/environmental-impact-of-economic-growth/>
- Premium Times Newspaper of 16th June, 2023.
- Robertson, J., (2005). The New Economics of Sustainable Development: A Briefing For Policy Makers (A Report Presented to the European Commission Available from <http://europa.eu.int/comm/cdc/cahiers/index.en.htm> (Accessed: September, 2014).
- Sada, P.O. (1988). Development and the Environment: A conceptual Framework for

Publication of the European Centre for Research Training and Development -UK

Environmental Management in Sada P.O and Odemerho F.O., (eds.) Environmental Issues and Management in Nigerian Development (1888). 27- 37, ISBN 9781673826.

Society for International Development (2021). <https://sid-isreal.org/en/what-is-development/>

Thirlwall, A.P. (1994). Development and the Environment in Growth and Development.

Palgrave, London. https://doi.org/10.1007/978-1-349-23195-9_9.

Josiah Kayode Owodunmi vRegistered Trustees of Celestial Church of Christ & 3 Ors [2000] 10 NWLR (Pt 675) 315, 338.

Senator Abraham Ade Adesanya v President, Federal Republic of Nigeria, [2000] Federation Weekly Law Reports (Pt 46) 859, 884