
Interview: Gov. Peter Otunuya
Odili, M.D.

Large Infrastructure Key to Nigeria's Future

Dr. Odili is governor of Rivers state, Nigeria, in the Niger Delta region. The second largest oil-producing state, it is the heart of the nation's hydrocarbon deposits, and is known as the "treasure base" of the nation. The Niger Delta region is also the world's second largest wetland area.

Odili was interviewed by EIR's Lawrence Freeman on Aug. 1, 2006, in Port Harcourt, the state capital. Also taking part in the interview was Prof. Charles C. Okigbo, Ph.D., Department of Communication, North Dakota State University.

EIR: Could you give our readers a brief history of the conditions here that existed prior to your taking office in 1999? There's been a lot of discussion in Nigeria and around the world about the problems in infrastructure and poverty. And before we go into the programs you propose, could you tell us a little bit about how the situation reached this level here before you took office.

Odili: As you know, the present democratic government of Nigeria came on board on May 29, 1999. Prior to that, we had had a series of non-democratic governments. The state was created in 1967, as one of the first-generation states, twelve in number, six in the north, six in the south. The last democratic exercise before now, was in 1979 to '83, under President

Shagari. After he was ousted by the military in 1983, we had a long stretch of military rule, from '83 to '99, and that's a long period. A *lot* went down during that period.

We can cite Abuja [the newly built Nigerian capital] as one of the things that happened on the positive side during that period. So, it was more or less bread-and-butter business in terms of development for that long period. The result was depressed economic activity within the state; a measure of exclusion of indigenous people from national activities, economically and politically; and dilapidation of infrastructure locally. Public institutions went down. Utilities went down. Roads, hospitals, education, and so on, went down.

And naturally, this rubbed off on the psyche of the people. So, we inherited in 1999, a disillusioned population, rundown infrastructure, non-functional public utilities, and, of course, poverty—likely due to the non-inclusion of the state's indigenous people in the big national economic activities, which derived their being from the hydrocarbon industry. This was the picture.

EIR: Yesterday we got a chance to visit two of your power companies, Omoku and Trans Amadi, which are very impressive. It's the first infrastructure I've seen being built in Nigeria in the 12 years that I've been coming here. From our standpoint, infrastructure is the most vital portion of an economy. In fact, our recommendation is that all states use about 50-60% of their state budget for infrastructure. I know you're very much involved in this. Could you give us an overview of what you see as important areas?

Odili: Well, you said it: The truth of the matter is, if you don't get your infrastructure right, you can't develop. Because, you can't run, you can't power, and you can't function. So we saw the rebuilding of broken-down infrastructure, and the building of new infrastructure, as key to the future. Our emphasis on power was born out of the fact that without power, you can rarely talk of real development. So, we decided from day one to invest massively and boldly in the power sector.

It's taken a good chunk of our income in the past five years, but it's money well-invested, because in the next few weeks, we'll be commissioning [the Omoku gas-turbine power plant]. And when we do, we'll have more power than we need as a state; we'll be in a position to export and sell power to neighboring states.

We're not just generating, we're also transmitting. We're building the infrastructure to have the capacity to transmit all the power that we generate. What this will do for the economy of the state, of course, you can appreciate. We will be in a position to recover investment in a couple of years, because there is a huge gap between the demand for power and the national capacity at the moment.

President Olusegun Obasanjo is doing a lot. And it will be instructive for you to know that the last time the Federal

government invested in power, was when he was military head of state.

EIR: Oh, in 1979?

Odili: Seventy-nine. So, when he left in 1979, between that period and when he came back in 1999, the funding gap in the power sector grew to the extent that, if you did a chart for funding, it collapsed and came to near zero by 1999. Now, he made a national generation capacity of about 1,800 megawatts.

EIR: Which is pretty small.

Odili: You're telling me! My state was getting 20 megawatts! For the second largest industrial center in the country. For the center of the oil and gas business—20 megawatts. I mean, it was absurd.

But as we speak, we are looking to happy days ahead. We are happy with the investment we made there. We've had to sacrifice a few other things to be able to do that, but I think it's money well spent.

EIR: I see that you've called this a Marshall Plan, or at least some people have called it a Marshall Plan.

Odili: I try to look for a more indigenous term.

EIR: But I thought that was very interesting, because it occurred in 1948 in Germany, and it was a legacy of Franklin Roosevelt.

Odili: I know, yes. . . . Well, the world is becoming a global village, isn't it? We are beginning to work together and collaborate.

The interesting thing about our plan is that it's being seen in many quarters as the only real and tangible way out of the dilemma we have here. And I am quite confident that by the time the program runs for a year, with all the inputs we are making at the moment, it will become the model not only for other parts of Nigeria, but in the sub-region. I'm confident about it, because, it's a holistic approach. It invites all those who have a stake in the process to buy.

It also has a capacity for what I would call utmost frugality: Because the process is transparent, because it's competitive, we are going to get maximum value for every naira or dollar spent, for *any* of the developmental processes that are going to be called up.

And because it's going to be backed up by law, it is going to be sustainable, so we will not depend on the whims and caprices of whoever is the chief executive at the time, at any point in time. It will run and grow a life of its own, and sustainability will naturally be the consequence of that.

Okigbo: We see a physician's mind at work in the approach we take to addressing some of the problems here. Starting from energy, going to education, talking about economy, or

so many of the housing estates coming up. And it doesn't look like you are just jumping from one area into the other. You have a strategic and well-thought-out plan in doing this. And at present, you are involving all sectors of the community.

In talking with the office of Blessing Wikina [Deputy Chief Press Secretary to the Governor] yesterday, we got the impression that you like to work with teams. Everybody feels committed. And it's very impressive. It's not something we find every day. We'd like you to address some of the examples of this teamwork, working together, participative planning, involving local people in many of the achievements we have seen since we came here.

Odili: Well, thank you very much, I think you should blame football, not medicine, for my attitude to teamwork. Really, the best way, and the quickest way to get a job done, is to get all the best hands and heads around the table. And that has worked for us. You know, every human being craves recognition. And once you recognize and appreciate the talents of others, they feel stimulated to deploying those talents for the common good.

We have rebuilt the Rivers State, which got depressed during the long non-democratic, non-indigenous governments. And what this regeneration of the old, communal spirit has done for us, is to get everybody on board, make people feel that they have a stake, and therefore challenge them to make a contribution, realizing that when it is good for society, it is also good for the individual.

EIR: That's great.

Odili: The reverse is the opposite.

So, we have managed to do this. It wasn't easy, because one of the most difficult things in societies, is reorientation to change mindsets, change attitudes that have developed some calcification over a long period. To de-calcify, and re-mold, is quite a difficult process. But, we are mid-limit, and it's working. We had to set up a special Agency for Reorientation, Integrity, Service, Ethics—we acronymed it, ARISE. And it has worked excellently well for us. We have a very distinguished professor, a retired vice chancellor, whose mandate is to take charge of this agency. And he's done marvelously well for us in the past three years, and going on four.

So attitudes are beginning to change. People are beginning to appreciate that priorities should not be to load your pocket, yes, but to cheapen and to get maximum value for every public dollar spent.



EIRNS/Summer Shields

Lawrence Freeman (left) interviews Dr. Odili, who emphasized that he and his people see "the rebuilding of broken-down infrastructure and the building of new infrastructure as the key to the future."

EIR: I want to ask you about the oil companies, because Royal Dutch Shell has had a long history in Nigeria, as well as some of the other oil companies. And their approach is extractive, which is: pull it out, sell it on the market, get whatever they can for it, don't build any more infrastructure than is necessary to get the stuff out of the ground. Have you thought about the idea, instead, of using gas and oil as feedstock for local industry in plastics and fertilizer, so we aren't just shipping oil around the world, as an alternative to just this approach of pulling it out and selling it off at the highest price? That would seem to me to be a way of developing this area since you're so rich in gas and oil?

Odili: Well, old habits die hard. I must say to you, that since we've gotten involved in trying to build the sustainable development strategy, a lot of the oil companies are buying into it. At the last Washington meeting of the stakeholders of the strategic initiative, Shell and the other partners put a promise of \$5 million on the table as a response to the \$20 million put by the state government, for the sake of the initiative. So the attitudes are changing. And we are working towards a situation where all the developmental efforts in the communities will be put on the table, so we don't have duplications and replications here and there. So that is ongoing, and I think that is working.

But, coming to the point you raised, I assure you in principle that we don't just have a situation where you extract and ship out. . . .

The reform programs of the Federal government have led to privatization; and an inter-nation group, in collaboration with the IFC [International Finance Corporation] at the World Bank have also come together in partnership, with Rivers State government in the lead, for the privatization of the petrochemical industry. So, the state government is a stakeholder now in the petrochemical industry, which is going to be the raw material base for a lot of industries that are going to derive their stock from there. So, that is ongoing and the state is involved. We are looking forward to a future where that industry will bounce back within the next few months, and begin to produce. And so all the things that you can manufacture from synthetics to plastic bags, and so on and so forth, are going to. . . .

EIR: So you are going to build a local industry around it here? My recommendation would be to keep it under the control of the state and don't sell it off to privatization.

Odili: Well—you know government is a bad businessman. Government is for policy, and environment, and to keep the controls, and keep the regulations. Let the business people drive their business.

EIR: I think if you keep the regulation tight, that would be very important. The other thing we have thought about, which I know is an idea not discussed among most people—it might not be in this area—is the question of nuclear power, which is the most energy-flux-dense source of energy. It provides an enormous source of energy, heat, and also for water desalination. And the only country in Africa that has really picked up on this is South Africa. . . .

Odili: Well, the Federal government is already doing something. . . . In the past 48 hours, they've held some serious high-level meetings. I must say, we haven't had the opportunity of being briefed, as to how far the Federal government has gone. But it's something that is in the works, and certainly within the next few months, we'll be in a position to get an update as to how far they've gone. And we believe that part of the reform programs of the Federal government—which is producing very, very good results nationally, especially in the economic sector, in the agricultural sector, and in the power sector—we believe it's something that would be good, and naturally we would support it. Because we are committed to the reform processes. And no doubt, Mr. President has taken the country on a path that certainly is going to take us to rapid, and sustainable development and growth.

EIR: Has Nigeria as a whole honestly made significant progress in the last period? There was supposed to be a big

dividend from democracy when President Obasanjo came in, after Abacha. Down here, we can see some tangible investments in infrastructure which will lead to progress, but some people say there's not so much progress in the rest of the country, that poverty has increased, that the government has not met its goals. What's your overall evaluation of it, nationally?

Odili: I believe even in the least developed state, since 1999, it's a huge leap from where we were. There's no where in the world where development is even. So, it would be wrong to expect that all of the states would be developing at the same pace. What's important is to establish the principles, establish the guidelines, the regulations, and have a national focus, that is, as much as possible, within Federal limits, focussed in such a way that everybody will be running at his or her own pace, but in the same direction.

That is what it should be, and we believe that the challenge of poverty should stimulate the response from all Nigerians, especially in the relatively poorer states, to looking for ways of breaking away from the bondage of poverty, generating more resources. There's no part of this country that is not endowed. The necessity should be the stimulus.

EIR: I gather from your view, that the state has to play a major role in providing that stimulus. It can't be left up to the marketplace.

Odili: Absolutely, absolutely, absolutely, absolutely.

EIR: The so-called free market will never make those investments in infrastructure.

Odili: No, no, no.

EIR: So, I think an important change in policy that you're introducing, here, is saying, "We're not going to leave it up to the private sector." Because they would never build the power plants or the roads.

Odili: No.

EIR: So you have a different view, you have a different vision. Where did it come from, how did you come to it? Because it's not the ordinary policy that we see.

Odili: I think it's a matter of your vision of life, which would be a collection of your experiences, your exposure, your interactions, and, most importantly, who God has made you to be. All that comes into play, although when you are discussing in some of these fora, not much emphasis is placed on God. That's really the bottom line: Because you ask yourself, how did this idea get into your head?

It's a difficult question to answer. Yes, many people can read the same literature and come out with the different impressions.

EIR: Well, if man is created in the image of God, then we

have to nurture those creative powers of man. And that can not be done unless the state is actually there to provide the support and protection for the average citizen.

Now, I would be remiss if I didn't ask you one more question, which is: No one can avoid discussion of 2007 politics. And not a day goes by in Nigeria, or a week goes by, without discussion of the 2007 election, and of how a President from the South-South zone is now in order, that the North has to allow a South-South President, and that you're put forward as a very popular, likely candidate. I don't know if your moderator this morning threw your hat into the ring, in his opening introduction of you, but how do you view the election and this discussion of the need for a South-South candidate?

Odili: I think it's an idea whose time is right. My attitude is that of constructive engagement. When you take the history of the country, and run through it to the present date, and look at the kind of challenges that the nation has faced in the past, and how the nation managed to survive all those challenges, vis-à-vis the role of the various components, it makes you appreciate the need for us—as Nigerians—to look at the points being made by the various components.

The South-South, if you want to say, has paid her dues, has contributed enormously, with the growth, and at some critical points, the survival of the nation. That is not just the basis for the pressures from the South-South for 2007. It is the fact, that there are developmental challenges here. And nobody recognizes a man he hasn't seen before. The need to confront the developmental challenges in the South-South—are *very strong*.

A few days ago, I listened to one of the Presidential aspirants from some other part of the country, actually confess that just last week was his first visit to the Niger Delta! You know, I found that instructive. So, how do you appreciate the enormity of the developmental challenges that are here? We think that the nation is a chain, and at the moment the weakest link in the national chain is the Niger Delta, the South-South. And that weakness is born out of the years of neglect, the lack of development, and so, the quickest way we can strengthen the national chain is to strengthen the weakness of the weakest link.

And so, my appeal would be for a national understanding of this demand from the South-South, in *national* interests. And nobody's asking for a compromise on the quality of who it will please God to make the successor to President Obasanjo; no, whoever is most qualified to occupy that position.

EIR: Are you a qualified candidate, yet? Do you have a position?

Odili: We have a saying in my place, that “the dancer does not see his back.” I don't know what they do in your part of the world.