



RESEARCH ARTICLE

SOCIAL GOVERNANCE AS A CATALYST FOR LOCAL ECONOMIC DEVELOPMENT: INSIGHTS FROM BIDA, NIGERIA

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ABSTRACT

This study looks at how social governance affects local economic development in the Bida Local Government Area of Niger State. Based on the Social Capital Theory, the study investigates how social networks, trust, and institutional collaboration generate the collective activity required for long-term economic success. To give contextual insights, a mixed-methods methodology was used, with 380 respondents completing quantitative surveys and qualitative interviews. Data were examined using descriptive statistics and the chi-square test, and interviews helped to improve the interpretation of quantitative results. The study found a statistically significant correlation between social governance practices and economic growth indices ($\chi^2 = 1520.000$, $p = 0.000$). Respondents stated that governance changes had helped to create jobs, improve local economic conditions, and increase institutional trust. Civil servants and businesspeople, who dominate the local economy, cited direct gains from governance methods, but minority of respondents were skeptical, implying an unequal distribution of policy effects. Educational differences, with just 25% of respondents completing postsecondary education, indicate further barriers to long-term growth. The study suggests that social governance serves as a catalyst for economic development in Bida, primarily through job creation and improved institutional performance. It calls for increased investment in education and vocational training, more inclusive and transparent policy execution, and stronger collaboration among communities, traditional institutions, and government actors. Increased transparency, accountability, and participatory governance will boost public trust and promote fair development gains for all.

Keywords: Social governance, economic development, social capital theory, Bida

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INTRODUCTION

The substantial impact that social governance has on a nation's economic growth is one of the fundamental ideas of institutional economics. It is commonly known that economic activity is significantly shaped by excellent governance, which is characterized by strong political and economic institutions. The functioning of the political system and the level of corruption are the main ways that governance quality affects economic growth, and both have significant effects on the long-term viability of economic development (Vavoura, Manolopoulos, & Vavouras, 2022). In a similar vein, governance is influenced by economic activity, and countries with sound governance typically see stronger economic growth.

Nigeria's battle with leadership and governance has been a defining problem from its independence in 1960 and subsequent transition to democracy in 1999. According to Akhaive (2011), the Nigerian state's main problem is not its natural riches, climate, or geography, but rather the lack of leadership to accept responsibility and lead by example. This lack of leadership has led to widespread corruption, mismanagement of resources, and a failure to address the needs of the population. As a result, Nigeria continues to struggle with issues such as poverty, insecurity, and underdevelopment.

Social governance, which involves regulating social interactions and effectively managing public services, is an important aspect in promoting both social and economic growth. It is critical for constructing a stable legal system, providing safety nets, supporting macroeconomic stability, and creating an enabling climate for business and investment (Kabera, 2022; Brautigam, 2015). Effective governance not only encourages economic development but also guarantees that citizens benefit from democracy by providing access to education, healthcare, employment, and basic services (Musbahu, 2021).

Governance also fosters transparency and accountability, which are essential for building trust between the government and its citizens. For decades, both democratic and authoritarian administrations in Nigeria have struggled to deliver on residents' expectations for socioeconomic advancement. While military regimes once justified their involvement by criticizing civilian administrations' failures to address development, they, too, failed to achieve the necessary social and economic changes (Afolabi, 2019). As a result, corruption and inefficiency have continued, trapping many Nigerians in poverty and denying them access to basic amenities.

The governance difficulties are particularly significant in Niger State, one of Nigeria's 36 states. Niger State, established in 1976 and located in the country's north-central area, has extensive natural resources, including hydroelectric power stations such as Kainji, Jebba, and Shiroro, which contribute to Nigeria's energy supply (TENS, 2022). Despite its enormous potential, the state confronts considerable developmental obstacles, including high unemployment, poor infrastructure, and insufficient healthcare and education facilities. These



problems are especially acute in Bida Local Government Area (LGA), an important town in Niger State, where infrastructure is poor, educational institutions are eroding, and healthcare services are inadequate to fulfill the population's demands.

Despite its potential for social and economic growth, Niger State, notably Bida, is underdeveloped, with inadequate infrastructure, poor healthcare, and deteriorating educational quality. According to the Niger State Government (2020), the state has considerable agricultural potential and mineral resources, but poverty, unemployment, and inadequate social services continue. In Bida, infrastructural deficits, limited investment in education, and insufficient healthcare services have exacerbated developmental issues, trapping many inhabitants in a cycle of poverty and underachievement. It is against the stated background that this study is instituted to examine social governance as a catalyst for local economic development, with insight from the Bida Local Government Area of Niger State. To achieve the aim, two specific objectives are instituted to provide direction for this study: (i) examine the role of social governance in promoting economic development in Bida, Niger State, and; (ii) explore the relationship between social governance practices and economic development indicators in Bida Local Government Area of Niger State, Nigeria.

LITERATURE REVIEW

The concept of government, such as democracy, is disputed. The different definitions of governance may be classified into two categories. On the one hand, there are people who view governance via a technical perspective. In this case, the concept is directly derived from its use in the commercial world. It includes competent management of government institutions. The significance of public accountability, transparency in government operations, the rule of law, and public sector management is emphasized (Ayatse, Onaga, & Ogoh, 2013). On the other hand, there are those who see governance as a broader concept that encompasses not only the technical aspects but also the values and principles that guide decision-making in society. This perspective emphasizes the importance of citizen participation, social justice, and human rights in governance processes.

Social governance refers to the methods, processes, and institutions that societies use to address social issues, ensure equity, and promote their citizens' well-being. It comprises the partnership of government institutions, civil society organizations, communities, and people in developing and implementing policies and practices that promote social cohesion, justice, and development. A thorough investigation of social governance requires delving into its fundamental components, challenges, approaches, and the changing landscape of the modern world (Glass & Newig, 2019). This includes examining the role of technology, globalization, and climate change in shaping social governance practices.

Over time, the definition of development has broadened to include human well-being, quality of life, and sustainability. This change indicates a broader notion of development than just



economic metrics. The literature on economic development is wide and complex, with several academics and organizations proposing different definitions and measurements for the concept (Levine & Tantardini, 2023). Some typical economic growth tactics include investing in education and healthcare, upgrading infrastructure, attracting foreign investment, and enacting strong economic policies.

One of the most disputed questions in the literature on economic development is the role of institutions in facilitating progress. Some analysts believe that strong institutions, such as the rule of law, property rights, and democratic governance, are essential for economic growth because they provide a stable and predictable environment for businesses to operate in. Others argue that economic advancement may occur even in the absence of strong institutions, as long as physical and human resources are adequately invested (Hastwell, 2021). Ultimately, the debate surrounding the importance of institutions in economic development remains ongoing, with evidence supporting both sides of the argument.

As a multidimensional notion, economic development lacks a clear and widely acknowledged metric that encompasses the entire process. However, per capita income remains one of the most fundamental and well-known indicators of economic progress (Abdul, Adamu, and Ogwuche, 2017). Some economic experts emphasize social indicators such as health, literacy level, employment rate, and so on as measures of progress, while others highlight poverty reduction as a primary indication of development.

The link between social governance and economic development emphasizes the intricate relationship between social problem governance and a society's overall economic success. Effective social governance is essential to create an enabling environment for economic growth, whereas economic development influences the quality of social governance. Al-Faryan and Shil (2022) highlight a symbiotic relationship between policymaking, service delivery, and institutional capacity building. They suggest that effective social governance may boost investment, create jobs, and promote general economic stability.

Social governance frameworks impact the development and implementation of policies that have direct economic repercussions. For example, education, healthcare, and social welfare programs all contribute to the development of human capital, which is a key driver of economic growth (Acemoglu & Robinson, 2012). Effective social policies boost worker productivity, skills, and well-being, fostering economic competitiveness and innovation (World Bank, 2020). In contrast, ineffective social governance may result in inefficiency, inequality, and social discontent, stifling economic growth.

A favorable environment for economic development requires the rule of law and the protection of property rights. Institutions of social governance, including legal and regulatory frameworks, are essential for upholding contracts, safeguarding property rights, and giving businesses a fair playing field (World Justice Project, 2021). Businesses may encounter risk



and uncertainty in the absence of these institutions, which would impede investment and expansion. Robust legal frameworks also contribute to openness and accountability, which promotes economic trust.

The relationship between social governance and economic development emphasizes the interconnectedness of social and economic elements in creating a nation's trajectory. Effective social governance promotes equitable growth, infrastructure development, the rule of law, and civic involvement, all of which are necessary for long-term economic gain. In contrast, economic development has an impact on the ability of governing institutions, resource allocation priorities, and benefit distribution within society.

2.2. Theoretical Framework

This study adopts Social Capital Theory as theoretical framework of analysis. Although the concept of social capital has a long history that dates back to concepts like "civicness" and "civic engagement," it was the work of three "fathers" of social capital Bourdieu, Coleman, and Putnam that made the term "social capital" truly prominent in the 1980s and 1990s. Adam and Rončević (2003) provide a summary of the three primary social capital schools of thought.

The first school draws on Bourdieu's 1986 work, which established three categories of capital (economic, cultural, and symbolic) to explain social stratification. In his perspective, social capital refers to the benefits of joining networks and other social structures. Coleman introduced the second school of thought in 1988, which integrates sociological and economic perspectives and focuses on the role or outcomes of social capital not just for individuals but also for groups, organizations, institutions, or societies. Social capital enables us to accomplish tasks that would otherwise be unattainable. The third school of thought, founded in 1993 by Putnam, a political scientist, combines this functional understanding of social capital with a sociocentric approach, focusing on the importance of civic tradition and active involvement in democratic situations. This tradition emphasizes social organization factors, including trust, traditions, and networks, which can help society run more smoothly (van Bakel & Horak, 2024).

The Social Capital Theory is particularly effective for examining the relationship between social governance and economic growth in Bida, Niger State. This theory emphasizes the importance of social networks, trust, and collaboration in encouraging collective action, which is necessary for successful governance and economic growth. In terms of social governance, strong social capital encourages collaboration among community members, local leaders, and government institutions, which may lead to better decision-making and development project implementation. Bida thinks that well-established social networks may help mobilize resources and improve the efficacy of governance institutions, so they directly contribute to economic development efforts.



METHODOLOGY

This study used a mixed-methods research approach that combines quantitative and qualitative procedures. The quantitative approach is used to collect numerical data through structured surveys, allowing for statistical analysis of the relationship between social governance and economic development in the Bida Local Government Area. The qualitative design, on the other hand, is used to acquire in-depth insights from key informants through interviews, augmenting the findings with contextual data. The mixed-method approach is justified because it allows for a full investigation by combining the numerical rigor of quantitative methods with the rich, narrative data provided by qualitative approaches.

The study is being conducted in Bida Local Government Area (LGA), which is located in southern Niger State, Nigeria. Bida LGA is a significant town known for its vibrant traditional institutions, agricultural activities, and small-scale companies. Bida Local Government Area was chosen as the research location due to its significance in Niger State's social and economic scene.

The study population comprises the inhabitants of Bida Local Government Area, with an estimated 2023 population of 289,985 (NPC, 2023). To determine the sample size, Yamane's (1967) formula was applied at a 5 percent margin of error, yielding 399 respondents. A stratified random sampling technique was adopted to ensure adequate representation across key socioeconomic categories, including age, gender, occupation, and educational level. This approach allows the sample to capture diverse perspectives and provides a reliable basis for analyzing the relationship between social governance and economic development in the area.

The quantitative data from the surveys was coded and analyzed using SPSS version 23. The respondents' demographic information was presented and analyzed using descriptive statistics, such as frequency distributions and percentages. To assess the study's hypotheses, the chi-square statistical test was used. The study adheres to ethical guidelines in social research. Informed consent is obtained from all participants before data collection. Respondents are assured of the confidentiality and anonymity of their responses, and they are informed of their right to withdraw from the study at any time.

PRESENTATION OF RESULTS AND DISCUSSION

Presentation of Results

According to table 1, the gender distribution of respondents is virtually equal, with 52.6 percent male and 47.4 percent female, demonstrating that both genders contribute equally to measuring the influence of social government. The age distribution shows that 26.3 percent of respondents are in the youngest and oldest age categories (18 – 25 years and 46 years and above, respectively), indicating considerable engagement from both young and elderly persons, bringing various viewpoints.

**Table 1: Evaluation of Demographic Characteristics of Respondents**

Variable	Parameter	Frequency	Percentage	Cumulative (%)
Gender:	Male	200	52.6	52.6
	Female	180	47.4	100
	Total	380	100	
Age	18-25 years	100	26.3	26.3
	26-35 years	85	22.4	48.7
	36-45 years	95	25	73.7
	40 & above years	100	26.3	100
	Total	380	100	
Educational Level	Primary	150	39.5	39.5
	Secondary	135	35.5	75
	Tertiary	95	25	100
	Total	380	100	
Marital Status	Divorced	30	7.9	7.9
	Married	150	39.5	47.4
	Single	120	31.5	78.9
	Widow	80	21.1	100
	Total	380	100	
Occupation	Business	125	32.9	32.9
	Civil Servant	155	40.8	73.7
	Farmer	20	5.3	78.9
	Student	80	21.1	100
	Total	380	100	

Source: Authors' Analysis (2025)

In terms of education levels, 39.5 percent of respondents have a primary education, 35.5 percent have a secondary education, and only 25 percent have a tertiary education, which may reflect the region's educational challenges. The prevalence of primary and secondary education emphasizes the need for governance to prioritize improving access to higher education.

On the dimension of marital status, a considerable number of respondents (39.5 percent) are married, followed by singles (31.5 percent), emphasizing the survey's family-oriented attitude. According to occupation statistics, government servants (40.8 percent) and entrepreneurs (32.9 percent) are the most common, highlighting the importance of employment development strategies in these areas. The tiny number of farmers (5.3 percent) indicates Bida LGA's urbanization trends. These findings highlight the significance of customizing governance strategies to different groups. For example, the large participation of civil workers means that initiatives aimed at increasing public sector productivity might have a major economic impact.

Table 2 shows that social governance policies have had a noticeable impact on economic development in Bida LGA, with 25 percent agree and 26.3 percent strongly agree. However,



a significant minority (21.1 percent) strongly disagree, reflecting skepticism among certain groups. Similarly, the perception of local economic improvement sees strong agreement (32.9 percent) and agreement (27.6 percent), but 15.8 percent strongly disagree, indicating uneven benefits

Table 2: Assessment of the Role of Social Governance

Variable	Option	Frequency	Percent	Cum. (%)
Social governance policies has impacted on economic development in Bida	Agree	95	25	25
	Disagree	70	18.4	43.4
	Strongly agree	100	26.3	69.7
	Strongly disagree	80	21.1	90.8
	Undecided	35	9.2	100
	Total	380	100	
Social governance has improved local economic in Bida	Agree	105	27.6	27.6
	Disagree	40	10.5	38.2
	Strongly agree	125	32.9	71.1
	Strongly disagree	60	15.8	86.8
	Undecided	50	13.2	100
	Total	380	100	
Social governance contributes to job creation in Bida	Agree	150	38.5	38.5
	Disagree	20	5.1	43.6
	Strongly agree	125	32.9	75.6
	Strongly disagree	45	11.5	87.2
	Undecided	50	12.8	100
	Total	380	100	
Gov't effort in supporting economic growth through social governance is effective in Bida	Agree	120	31.6	31.6
	Disagree	10	2.6	34.2
	Strongly agree	130	34.2	68.4
	Strongly disagree	50	13.2	81.6
	Undecided	70	18.4	100
	Total	380	100	

Source: Authors' Analysis (2025).

The most significant finding is that social governance leads to employment creation (38.5 percent agree, 32.9 percent strongly agree). This research emphasizes the direct relationship between governance strategies and job creation. A majority of people believe the government's efforts are effective, with 34.2 percent strongly agreed and 31.6 percent agreed. These findings indicate that, while social governance has favorably benefited economic development, some respondents remain skeptical, most likely due to unequal policy implementation. Given the close relationship between governance and job creation, extending such measures may be a more effective way to alleviate unemployment.

**Table 3: Testing Case Processing Summary**

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
soc. prac. align * gov. indicators	380	100.0%	0	0.0%	380	100.0%

Source: Authors' Analysis (2025).

From the table 3, the number of the participants in the survey is 380. Therefore, our judgement about the relationship between social governance practices and economic development indicators in Bida, Niger State is going to be based on this 380 and no any missing value.

Table 4 Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1520.000 ^a	16	.000
Likelihood Ratio	1067.930	16	.000
N of Valid Cases	380		

Source: Authors' Analysis (2025).

From the table 4 above, the chi-square value is 1520.00 and p-value is 0.000 hence there is a significant relationship between social governance practices and economic development indicators in Bida Local government in Niger State.

Discussion of Findings

The statistical analysis of the study established a significant relationship between social governance practices and economic development indicators in Bida LGA. The chi-square test ($\chi^2 = 1520.000$, $p = 0.000$) confirmed that governance practices in the area are strongly associated with local economic outcomes, validating the alternative hypothesis. This demonstrates that the role of governance in shaping development is not incidental but measurable and systematic.

The demographic profile of respondents reveals several notable patterns. Gender participation was nearly balanced (52.6 percent male; 47.4 percent female), indicating that both men and women are engaged in evaluating governance processes. Age distribution showed strong representation from both the youngest and oldest respondents (26.3 percent each), reflecting wide generational involvement in assessing the economic impact of governance. Educational attainment was uneven, with only 25 percent of respondents having tertiary education, a finding that highlights the low penetration of higher education within the area and its implication for long-term economic advancement.



Occupational distribution indicates that civil servants (40.8 percent) and entrepreneurs (32.9 percent) dominate the local economy. This suggests that governance practices affecting the public sector and small-scale businesses have a direct bearing on household income and community welfare. Farmers accounted for only 5.3 percent of respondents, signaling a decline in agricultural prominence and a gradual shift toward non-farm livelihoods, consistent with urbanization trends in many local government areas in Nigeria.

On perceptions of governance, a majority of respondents acknowledged the influence of governance policies on economic development. Specifically, 51.3 (25 percent agreed; 26.3 percent strongly agreed) affirmed that governance interventions had produced tangible development outcomes. Employment generation emerged as the most prominent area of impact, with 71.4 percent (38.5 percent agreed; 32.9 percent strongly agreed) attributing job creation to social governance practices. Confidence in government performance was also relatively high, with 65.8 percent (31.6 percent agreed; 34.2 percent strongly agreed) rating governance as effective.

However, a minority of respondents expressed dissenting views. About 21.1 percent strongly disagreed that governance policies produced developmental impact, while 15.8 percent strongly disagreed that economic conditions had improved. These findings point to uneven perceptions of governance benefits within the community.

Taken together, the findings demonstrate that in Bida LGA, governance practices are not only statistically linked to economic development but are also widely recognized by residents as shaping employment, institutional trust, and livelihood opportunities. At the same time, the presence of a skeptical minority indicates gaps in either the distribution of governance benefits or the visibility of policy outcomes.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study successfully demonstrates that social governance acts as a significant catalyst for local economic development in the Bida Local Government Area of Niger State. The data shows a strong, positive, and statistically significant relationship between the two, confirming the study's primary objective and hypothesis. This relationship is particularly evident in areas such as job creation, where governance strategies are seen to have a direct and beneficial impact. While some skepticism exists, indicating potential disparities in policy implementation, the overall perception among the population is that social governance has a favorable effect on the local economy. Ultimately, the study concludes that by prioritizing and improving social governance, the government can effectively stimulate economic growth, improve living standards, and address the developmental challenges faced by the region.



Recommendations

Based on the findings, the following recommendations are proposed.

- i. Given the study's finding of a substantial correlation between social governance and job development, the government should emphasize policies and initiatives that expressly target employment. This might include assisting small businesses and fostering entrepreneurship, particularly among the huge numbers of public servants and company owners.
- ii. The data indicated a low percentage of inhabitants with university education, which represents a long-term developmental issue. To create a more competent workforce, the government and social governance institutions should invest in enhancing access to and the quality of higher education and vocational training.
- iii. The findings show that a minority of respondents are doubtful about the good influence of social governance suggests that benefits may be unevenly distributed. It is critical that governing bodies work toward more equal and transparent policy execution in order to foster confidence and guarantee that all community members benefit from economic development initiatives.
- iv. It is advised that the government encourage more collaboration between community people, local leaders, and official agencies. This will enhance decision-making and project implementation, allowing for more efficient resource mobilization for economic development.
- v. To combat skepticism and foster public confidence, governance activities should prioritize openness and accountability. This may be accomplished by establishing clear legal and regulatory frameworks that guarantee fair and predictable circumstances for both corporations and citizens.

Competing Interest

The authors declare that no conflicting interest exist in this manuscript.

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