



---

## Forestalling Conflict in Compensation of Compulsorily Acquired Customary Land: The Intergenerational Payment Option

Daramola Thompson Olapade<sup>1</sup> (<https://orcid.org/0000-0003-2277-0834>) Olawale Ojikutu<sup>2</sup> (<https://orcid.org/0000-0003-3615-9964>) and Bioye Tajudeen Aluko<sup>1</sup> (<https://orcid.org/0000-0003-2988-3794>)

<sup>1</sup>Department of Estate Management, Obafemi Awolowo University, Ile-Ife

<sup>2</sup> Bureau of Lands, Ikeja, Lagos

**To cite this article:** : Olapade, D.T., Ojikutu, O, and Aluko, B.T. (2022). Forestalling Conflict in Compensation of Compulsorily Acquired Customary Land: The Intergenerational Payment Option. *Journal of African Real Estate Research*, 7(1), pg.39–56, <https://doi.org/10.15641/jarer.v7i1.1116>.

---

### Abstract

Land in the traditional African society is owned by collectivism. It does not belong to individuals but the entire family, which comprises the living, the reverend souls of the ancestors and the generations yet unborn. Meanwhile, when a family land is acquired compulsorily by the government or through the market by private firms, only a few family members of the family enjoy the compensation proceeds. The under-aged family members and the yet unborn generations are usually left out of the compensation proceeds from the family heritage (land), generally because the compensation proceeds are distributed among the living family members. This has resulted in encroachment of land and land conflict to reclaim lost heritage by the then under-aged family members when they come of age and the "yet unborn" generation when they are born and come of age. It has also resulted in violent land conflicts and delay in projects planned for the acquired land. This paper examines the prospect of using intergenerational compensation (IGC), which will extend payment beyond a generation as a strategy for compensation in the customary land acquisition process. Utilising semi-structured and key informants' interviews, the paper examines the views of representatives of 23 selected Indigenous Landholding Families (ILFs) and key informants in government offices providing land administrative services (GOPLAS) in Lagos State on the prospect of intergenerational compensation. The findings revealed the willingness of the ILFs to accept the IGC payment strategy, but the GOPLAS were unwilling to support the strategy. The study concludes that while the desire of the ILFs to accept IGC provides a pathway for forestalling conflicts in land acquisition, the unwillingness of GOPLAS and the institutional

---

<sup>1</sup> Corresponding authors' email address: [darrypad@gmail.com](mailto:darrypad@gmail.com)

©2022 The Author(s). Published by UCT Library. This is an open access article under the CC 4.0 license. <https://creativecommons.org/licenses/by/4.0/>

framework guiding land acquisition in the study area could be a clog in the wheel of its implementation.

**Keywords:** land acquisition, benefit-sharing, intergenerational payment, land conflict, land use act, Nigeria

## 1. Introduction

Development requires the provision of facilities and infrastructure that allows economic activities to take place. An early step in the process of provision of such facilities and infrastructure is the acquisition of appropriate land. This is so because; the land is the platform of human existence and the foundation for producing the basic necessity of humankind. Meanwhile, the acquisition of land, whether compulsorily acquired for overriding public interest or market-driven for private use, bring tension for people whose land are acquired (FAO, 2008). This is because acquisition displaces families from their homes, farmers from their farms, businesses from their environment and deprives the community of critical cultural sites (FAO, 2008). All these could result in severe long term hardship, impoverishment and environmental degradation (Anim-Odame, 2011). It is, therefore, necessary that adequate compensations are paid for lost assets (land) to forestall disputes with affected persons (Ghimare, Tuladhar, Sharma, 2017).

Meanwhile, land acquisition results in disputes due to inadequate or non-payment of compensation in many instances. For example, in Tanzania, compensation disputes in land acquisition account for about 19% of land-related disputes (Komu, 2016). The compensation issue is also a significant source of land-related conflicts in Ghana (Anim-Odame, 2011), Ethiopia (Alemu, 2013) and many other countries (FAO, 2008; Alemu, 2013; Ghatak & Mookherjee, 2013; Egbenta & Udoudoh, 2018). In Nigeria, Lagos State, a land dispute resulting from inadequate or non-payment of compensation is typical. For instance, in October 2015, violent disagreements resulted in the gruesome killing of an official of the Lagos State Government when Ibeju-Lekki villagers and police officers clashed over what the community regarded as a forceful takeover of their land (Tagliarino *et al.*, 2018). Research has also shown that non-payment of adequate compensation can lead to deep impoverishment, citizen resentment, and political disruption in executing a project that warrants expropriation (Cernea, 2008; Tagliarino *et al.*, 2018).

The acquisition of customary land, whether communal or family land, presents additional challenges due to the nature of the customary tenure system. In the customary tenure system, land does not belong to individuals but to the family or the entire community, which comprises the living, the reverend souls of the ancestors and the generations yet unborn. Meanwhile, only a few members enjoy the compensation when customary land is acquired. The under-aged family or community members and those yet to be born before the acquisition process are usually left out of the compensation proceeds. The "left behind" generation sometimes foments troubles resulting in conflict, leading to the wanton destruction of economic resources and loss of human life. For instance, Nuhu and Aliyu (2008) reported that in Minna, Nigeria, customary land previously acquired by the government was subjected to litigation many years after acquisition over the claim by community members that they were not adequately compensated.

Although the main essence of compensation is to prevent a loss of welfare by those dispossessed of their land, thereby enabling society to maintain Pareto's optimum position in which nobody is made 'worse-off' while making some 'better off'. This is by paying compensation that will enable a person to replace what has been taken from them. This is difficult to achieve considering the cultural, socio-political, and spiritual values indigenous people attach to their land (Fabiya, 1984). Suffice to say that a lump sum, one-off compensation payment might not be adequate for customary rights. For instance, Cernea (2008) shows that lump-sum or one-off monetary compensation for expropriated land is insufficient in ensuring the livelihood reconstruction and long-term socioeconomic stability of affected communities. In response to the recurring issue of inadequate compensation, a payment option referred to as intergenerational compensation that is not one-off and will allow benefit-sharing between the ILFs and those that acquired their land is advocated in the literature (Tagliarino *et al.*, 2018).

Considering the preceding, this paper examines the prospect of using an intergenerational compensation strategy as an alternative for compensation in the land acquisition process. This strategy relates to extending payment of compensation to the "left behind" generation (under-aged family or community members and those yet to be born before the acquisition process) either through staged payment into the future or other non-one-off payment strategy. This paper is divided into five sections, including the introduction. The following section examines the concept of intergenerational compensation, while the third section examines the methodology adopted. The findings and discussion from the field survey are presented in the fourth section, while the fifth section concludes.

## **2. The Concept of Intergenerational Compensation**

According to Tremmel (2009), the term 'generation' is from the Latin word '*generatio*', which means procreation, or of a procreative capacity. This refers to familial relationships. Family generations are the members of a common lineage related by blood, marriage or adoption, which comprises the living, the reverend souls of the ancestors and the generations yet unborn. Intergeneration, therefore literally means from one generation to another. Benefits from land ownership can extend from one generation to another, especially when such interest is customary rights wherein the living and the generations yet unborn has a stake in the land. This connotes an intergenerational benefit which refers to an opportunity extending from one generation of family lineage to another generation. When such benefits on land are extinguished due to land acquisition and compensation is paid, the present (living) generation should enjoy the compensation proceeds and the future (yet unborn) generations. The extension of compensation benefits from one generation to another can be referred to as intergeneration compensation. The concept of intergeneration compensation which is also referred to as benefit-sharing compensation, shows that contrary to widespread assumptions. Compensation can be accomplished through up-front pre-project budgetary allocations and explicit provisions for channelling some of the project-generated benefits to those adversely affected (Cernea, 1999).

The benefits of the intergenerational compensation strategy allow the livelihood reconstruction and long-term socioeconomic stability of communities affected by expropriation (Cernea, 2008). This is very important as many studies have established that expropriation and the resultant involuntary resettlement leads to impoverishment. There is, therefore, a need for regular funding

and in-kind benefits provided by IGC to prevent the oustees from being impoverished. Similarly, IGC allows inclusive development, which is the fundamental policy of many governments. This is because IGC allows that resettlers are not excluded from the benefits of the developments they make possible but instead are explicitly included. This means that they share in the gains, not just the pains, of development (Cernea, 1999).

From an equity point of view, it is equitable that those called upon to make sacrifices for the general good of the community by giving up their habitats and their income-generating assets should share in the benefits of the project displacing them. There is so because the displaced and the project beneficiaries might be separate groups. Anything short of this will mean that the ousters bear the burden for someone else's benefit (Cernea, 1999). Furthermore, intergeneration compensation offers a sustainable development path for inclusive development by allowing future generations to benefit from the proceeds of land acquired from their progenitors, which would not have been possible if up-front compensation were made.

Irrespective of the numerous advantages of the intergeneration compensation strategy, however, some challenges are associated with intergeneration compensation. For instance, Wilson (2019) criticised the IGC option as lacking standard quantitative guidance on structuring the distribution of benefits from projects between the displaced tenure holders and the project initiators (private individuals or government, as the case may be). Again, the promised livelihood reconstruction and poverty reduction offered by IGC do not materialise in many projects in Russia, Norway and Canada (Wilson, 2019). In addition, the implementations of IGC in many countries are project-related and are not subject to any legislative controls, thereby resulting in poor execution.

### ***2.1 Types of Mechanism for Implementing Intergenerational Compensation***

There are various mechanisms identified in the literature for implementing intergenerational compensation. For instance, Van Wicklin (1999) identifies mechanisms for implementing benefit-sharing or IGC to include the provision of specific infrastructure, royalty distribution, provision of employment, and provision of housing. Similarly, Cernea (2008) identifies seven main mechanisms used worldwide to implement IGC. This includes:

- (i) direct transfers of a share of the revenue streams to finance specific post-relocation development schemes;
- (ii) establishment of revolving development funds through fixed allocations, whose principal is preserved while generating interest;
- (iii) equity sharing in the new, project-created enterprises (and other productive potentials) through various forms of co-ownership;
- (iv) special taxes paid to regional and local governments, additional to the general tax system, to supplement local development programs with added initiatives; and,
- (vi) sharing of projects' non-financial benefits, e.g. employment opportunity

Table I presents examples of various countries that have adopted the IGC and provides an overview of the mechanism adopted for the implementation. It also classifies the mechanisms accordingly:

**Table 1: Implementation of Intergenerational Compensation in Different Countries**

S/no	Counties	Overview of implementation	Category of IGC
i	China	Some hydroelectric and thermal projects allocate a percentage of their electricity sales revenues to resettlers and local administrative units. A "Post-Resettlement Development Fund" was also created in which contributions from power companies are deposited. Many projects in China have deliberately allocated jobs to involuntary displacees	share of revenue, revolving development fund and provision of employment
ii	Brazil	Policy for benefit sharing with people affected by energy sector projects. Brazilian Law 7990/89 mandates that 6% of electricity sale revenues be returned to affected municipalities.	share of revenue
iii	Colombia	Law 56/91 of 1991 requires that 4 percent of annual electricity revenues generated by a hydroelectric plant be allocated to municipalities in that plant's area.	share of revenue
iv	Canada	Equity-sharing was offered to affected indigenous groups in addition to up-front compensation paid for loss of land.	equity sharing and up-front compensation
v	Norway	Compensation for land lost to reservoirs and lost access to river water was paid up-front. Also, the country's Power Taxation Act entitles counties and municipalities to receive three different types of tax revenue from the power sector.	up-front compensation, taxation and in-kind benefit-sharing
vi	Japan	Payment for the land lease for the power project was structured as follow: - up-front premium payment to the landowners leasing the reservoir to the state electric companies - regular rent payments for the leased land	Up-front compensation and lease
vii	Mozambique	The Mozambique Urban Rehabilitation Project planned to allocate 380 housing units to house	provision of specific infrastructure

		families displaced as a result of the rehabilitation program	
viii	Sierra Leone	The Sierra Leone Freetown Infrastructure Rehabilitation Project provide those relocated with access to water supply, solid waste disposal, upgraded markets, roads, and footways.	provision of specific infrastructure

Source: Author's Compilation from Cernea (2008), Van Wicklin (1999) and Wilson (2019)

Table I shows examples of variants of intergeneration compensation being adopted in eight different countries. The countries cut across both developed and developing countries and on other continents. This indicates that the practice of intergenerational compensation is not limited to a particular clime. Again, the implementation of the IGC varies across projects and countries, depending on varying circumstances. Implementing the IGC in the various countries also revealed that up-front compensation is done in addition to different variants of IGC. This connotes a flexible implementation in the IGC regime, making it easy to adopt in Nigeria.

### 3. Methodology

The study adopts a qualitative approach to data collection using a semi-structured and critical informant interview. The choice of using the interview as a data collection method is because the approach allows a flexible research design and can reveal non-linear or cumulative causal effects that quantitative analysis might not (Buchanan *et al.*, 2014). In addition to this, an interview has the advantage of synchronous communication in time and place, which allows the interviewer to formulate further questions due to the interactive nature of communication, therefore, probing more views and exploring new paths (Agboola, 2015). The intensive approach (qualitative research) adopted for the study does not emphasise statistical representativeness due to the intense scrutiny the approach entails. Instead, the focus is on the quality of the sample or the relevance of the sample cases to achieve the research objective (Agboola, 2015). In this regard, 23 ILFs participated in the research to achieve data saturation. Using the purposive sampling technique, the ILFs were selected in each of the five administrative divisions (Badagry, Epe, Ikeja, Ikorodu and Lagos) of Lagos State. The selection of ILFs from each of the five divisions of the state allowed triangulation of data from the families of the three aborigine ethnic constituent of the indigenes of Lagos State. The criteria for selecting the families were: the family must have a large expanse of land; must have had prior acquisition and compensation dealings with the government and private entity; and willingness to partake in the research.

Interviews were conducted with the representatives of the ILFs on their willingness to accept intergeneration compensation and other issues relating to it. Apart from the ILFs selected, nineteen critical informants from the Government Offices Providing Land Delivery Services (GOPLAS) professional divisions of the Lands Bureau and relevant government agencies dealing with land in the state were also interviewed. Questions were presented to the informants on the concept of intergenerational compensation and their willingness to accept the alternative compensation strategy. Further questions relating to the issues were also raised through probing.

The method of data analysis employed for the study includes both content and thematic data analysis. The content and thematic analysis were done manually and with the user-assisted

qualitative analysis software ATLAS.ti version 9, which aided the coding of responses against a particular theme. The interview conducted for each participant in the study was transcribed into a Microsoft Word document. It was assigned ILF 1 to ILF 23 for the ILFs group and GOPLAS 1 to GOPLAS 19 for the informant in GOPLAS. The interview, partly conducted in the Yoruba language, was translated into English with assistance from a professional translator. The documents generated were read thoroughly, and quotations providing answers to each study section were elicited. Codes (words or short phrases that summarised the meaning of similar quotations) were assigned to the quotations. In addition to this, Frequency Tables, where necessary, were used to show how many cases in each category of one variable are divided among the categories of one or more additional variables. For instance, the number of quotations summarised by each code was used as its frequency. In addition, cross-tabulation was also employed to determine the relationship between the profiles of the participants and support for intergeneration compensation.

#### 4. Findings and Discussion

The findings from the field survey are presented in this sub-section. It is divided into four parts: respondent's background information, respondents' views on Intergenerational compensation, reasons for supporting or opposing IGC and a form of IGC Contemplated by the respondents.

##### 4.1 Background Information of the Study Participants

Table II presents the background information of the 23 and 19 participants from the ILFs and GOPLAS, respectively, that were interviewed.

**Table 2: Background Information of the Study Participants**

Background Information	Participants Group	
	ILFs	GOPLAS
Gender		
Male	22	14
Female	1	5
Age		
0-30	2	N.A
31-60	8	N.A
61-90	12	N.A
91 above	1	N.A
Academic Qualification		
Primary	7	0
Secondary	9	0
First Degree	7	13
Master Degree	0	6
Position/Rank (ILF)		
Baale/King	17	N.A.
Family Head	1	N.A.
High Chief	1	N.A.
Family Member	4	N.A.

Rank (GOPLAS)		
Middle Level	NA	8
Directorial Level	NA	11
Year of Experience		
1-10	14	2
11-20	2	6
21-30	2	11
31-above	1	0

*N.A – Not Applicable*

The participants' communities were selected cut across the five divisions of Lagos State, as mentioned earlier, and the three indigenous aborigine ethnic groups in the state, namely *Awori*, *Ijebu*, and *Egun*. The age of the respondents ranges from 30 to 92, with a median age of 63. All the respondents were male except one. This is unexpected as the male gender play a prominent role in customary land administration. The academic qualification of the respondents varies from Primary School Certificate (9, 39.2%), Senior Secondary School Certificate or its equivalent (7, 30.4%), National Diploma (1, 4.3%), National Certificate of Education (1, 4.3%) to Bachelor Degree / Higher National Diploma (5, 21.7%). It shows that all the respondents had at least primary school education, and up to 70% of them had at least secondary education. Again, one of the respondents was an *Idejo* White Cap Chief (Oba in Council of Lagos) and a king within the Lagos Division.

In contrast, sixteen of the respondents were *baale* (literally translated as traditional governor of a small town), one was a family head, and four were family members (Table II). At the same time, one was a high chief in charge of lands matter. For those occupying office of either a king, *baale* or family head, their years of experience in the post ranges from 5 to 43 years. The diversity in the characteristics of respondents allows views from different stakeholders in customary land management to be examined. Similarly, the analysis of the background information of the respondent validates the data collected for this study to be reliable.

Again, Table II presents the background information of the Informants from Government Offices Providing Land Administration Services (GOPLAS) involved in the study. The table shows all the (19) officials interviewed were male except two. All the officials were high ranking officers in their respective offices. Five of them were in the directorial cadre, while two were middle-level officers. Four officers had a second degree as an academic qualification, while the other three had the first degree. The experience of the officials in land administration ranges from 14 to 30 years and a median of 22 years. This show that the respondents were highly experienced. The respondents' background information further validates the data collected for this study to be reliable as the respondents possessed the requisite experience to provide information on the subject of the study.

#### **4.2 Views of Respondents on Intergenerational Compensation**

The concept was explained to them to determine whether intergeneration compensation would be supported and accepted by the study participants. They were asked whether they support the



payment option for compensation of their land if acquired. The responses of respondents representing the ILFs and the government officials are presented hereunder:

#### ***4.2.1 Views of the Representative of the Indigenous Landholding Families (ILF) on Intergenerational Compensation***

Table III presents the ILF's responses regarding the support or otherwise for intergeneration compensation across the five divisions of Lagos State. The table shows that 13(56.5%) of the respondents were in support of intergeneration compensation, 4(17.4%) of the respondents were indifferent regarding the payment plan, and 6 (26.1%) were totally against it.

**Table 3: Views of ILFs on Intergenerational Compensation**

Division in the State	Views on Intergenerational Compensation			
	In support	Not in support	Indifference	Total
Badagry	4 (80%)	0 (0%)	1 (20%)	5 (100%)
Epe	2 (40%)	1 (20%)	2 (40%)	5 (100%)
Ikeja	2 (50%)	2 (50%)	0 (0%)	4 (100%)
Ikorodu	3 (60%)	1 (20%)	1 (20%)	5 (100%)
Lagos	2 (50%)	0 (0%)	2 (50%)	4 (100%)
Total	13 (56.5%)	4 (17.4%)	6 (26.1%)	23 (100%)

To determine the category of the ILFs that supported or were against intergenerational compensation; and whether there is a relationship between the profiles of the participants and support for intergeneration compensation, a cross-tabulation of the result was carried out. The result of the cross-tabulation is presented in Table IV. This shows that more than half of the respondents support intergeneration compensation.

**Table 4: Cross-tabulation Result of Whether the ILFs Will Support Intergenerational Compensation**

Variables	Support Intergeneration Compensation		Against Intergeneration Compensation		Total	
	Frequency	Percentage (%)	Frequency	Percentage (%)	Frequency	Percentage (%)
Age						
31-50	4	66.7	2	33.3	6	100.0
51-70	7	100.0	0	0.0	7	100.0
71-90	2	50.0	2	50.0	4	100.0
Academic Qualification						
Primary	4	66.7	2	33.3	6	100.0

Secondary	4	80.0	1	20.0	5	100.0
Post-Secondary	5	83.3	1	16.7	6	100.0
Position of Respondent						
Family member	2	100.0	0	0.0	2	100.0
Family head	1	100.0	0	0.0	1	100.0
Baale / Chief	9	69.2	4	30.8	13	100.0
King	1	100.0	0	0.0	1	100.0
Location of Respondent						
Badagry	4	100.0	0	0.0	4	100.0
Epe	2	66.7	1	33.3	3	100.0
Ikeja	2	50.0	2	50.0	4	100.0
Ikorodu	3	75.0	1	25.0	4	100.0
Lagos	2	100.0	0	0.0	2	100.0

Table IV shows that 67 and 100% of the participants within the age brackets of 31-50 and 51-70, respectively, support intergeneration compensation more than the older generation (71-90) at 50%. This result is unexpected as the younger generation, particularly those within the range of (31-50), are more likely to benefit from IGC than the older generations, hence their support. Again, it also appears that the educational level of the respondents influenced their decision to support or oppose intergeneration compensation. Table IV reveals that the higher the education level of the respondents, the more their willingness to support intergeneration compensation. Similarly, there was more support for intergeneration compensation from family members that do not constitute the family council or executives than those within the family executives. Considering the family council's strategic role in the family decision, the non-support for IGC by some people in this category might pose challenges for the adoption of IGC by such a family. The lack of support for IGC by this category of participants could result from the gains they derive from the present regime of compensation payment where they benefit more than the other members of the family. Finally, Table IV reveals more support for IGC in the Badagry Division than in any other division.

Generally, there is no significant difference between the support for IGC from metropolitan areas (Ikeja, Lagos) and other areas (Badagry, Epe, Ikorodu). In contrast, Ikeja Division has the most minor support for IGC than any division. This could result from cultural differences among the ethnic constituents in each division or some other underlying factors such as the economic and political. Ikeja appears to be more economically developed than the other areas. This connotes that IGC can be implemented in acquiring land in the metropolis and outside of it.

#### 4.2.2 Views of GOPLAS on Intergenerational Compensation

Table V also presents the responses of the GOPLAS regarding the support or otherwise for intergeneration compensation.

**Table 5: Views of GOPLAS towards Intergenerational Compensation**

Views of GOPLAS	Frequency	Percentage (%)
Support intergeneration compensation	1	14.3
Against intergeneration compensation	4	57.1
Indifference towards intergeneration compensation	2	28.6
Total	7	100.0

It shows that majority of the government officials interviewed were against intergenerational compensation. The table shows that only 1(14.3%) out of the 7 of the GOPLAS the question was posed to supported intergeneration compensation, 4 (57.1%) of the respondents were totally against it. In comparison, 2(28.6%) were indifferent regarding the payment plan. The unwillingness of most government officials to support intergenerational compensation poses some challenges to the design of such policy in Lagos State since the government officials are at the forefront of initiating and implementing government policies. The reasons for their opposition to IGC, which was basically rooted in their ignorance of the strategy, was further probed and presented in the following sub-section.

#### 4.3 Respondents' Reasons for Supporting or Opposing Intergeneration Compensation

Apart from requesting whether the participants support or oppose intergeneration compensation, follow-up questions were raised on their reasons for supporting or opposing IGC. Table VI presents the frequency of quotations summarised by each code and the themes associated with the regulations.

**Table 6: Frequency of Quotations and Themes on Reasons for Support and Opposing IGC**

Category	Theme	Codes	Quotations		
			GOPLDS Frequency	ILFs Frequency	Total Frequency
Support IGC	Present benefit	Attraction to investors	0	1	1
		Security purpose	0	1	1
		Theme Sub-Total	0	2	2
	Future benefit	The benefit to future generation	1	10	11

		Prevention of conflicts	0	1	1	
		Theme sub-total	1	11	12	
Oppose IGC	Inefficiency in Government	Delay in government activities	0	1	1	
		Lack of continuity in government activities	0	1	1	
		improper documentation in government offices	1	0	1	
		Lack of trust in government to honour an agreement	0	3	3	
		Theme Sub-Total	1	4	5	
		Economic Reasons	Inflation	0	1	1
		The family will invest the lump sum better	1	2	3	
		Prevent ILFs from selling their land	0	1	1	
		Non-feasibility of implementation	1	1	2	
		Theme Sub-Total	2	5	7	
	Family philosophy and preference	Discretionary power of each family to decide payment option	2	0	2	
		Differences in family philosophy	1	0	1	
		Theme Sub-Total	3	0	3	
			Grand Total	7	20	27

From Table VI, a total of 5 themes emerged, 2 out of which are categorised as support for IGC, while the remaining 3 are the reasons for opposing IGC. Within the support for the IGC category, the theme –future benefit- has the highest number of quotations (12), while the present benefit has just two quotations. Similarly, the reasons why some of the participants oppose IGC include inefficiency in government (5 quotations; 4 codes), economic reasons (7 quotations; 4 codes), and family structure and preference (3 quotations; 2 codes). The main themes under each category are further explored below.

#### **4.3.1 Reasons for supporting IGC**

Two main themes that emerged as reasons why the respondents supported IGC were present and future benefits. The reasons included attraction to investors (1 quotation) and security purposes (1

quotation). The current benefits are those that will benefit the present living adult generations. Some of the comments by the participants regarding the theme include:

[...] if individuals, like (a name of a wealthy man was mentioned) might want to come and invest, there is no need to collect money at a go because the money will be quite much [...]  
(ILF1)

[...] If they decide to pay the compensation every ten years, we'll see different generations accounting for it alongside what they did with it. It won't attract unnecessary attention if it is done this way [...]. (ILF11)

The rationale behind IGC attracting investors was perhaps a result of the payment option allowing the payment of income streams against a lump sum that the investor could invest elsewhere. Again, receiving the income in streams will not attract unnecessary attention like lump-sum payments. This is plausible considering the current security challenge in Nigeria.

Another primary reason for supporting IGC was because of future benefits. This theme has the highest number of codes associated with it (12 codes). This theme connotes that the proceeds from the compensation will benefit future generations and prevent them from conflict. Some of the respondents commented as follow:

[...] they can reach an agreement with him to lease the land out to him so that the next generation will have access to the money after ours. This is because the deed of agreement does not have a season for life. The more the company's work progresses, the more money it will have. It may be that the funds will increase after five (5) years. After ten years, the money can increase too [...]. (ILF1)

[...] it will be a good idea as the next generation will see the document (agreement) with the government and collect money to [...]. (ILF10)

[...] It's the best because we need something that if the head of the family today has taken something, that thing can still flow down to other generations. It is the flow that matters. No matter how small is it [...]. (GOPLAS 1)

Again, some respondents believed that the generation that did not benefit from the compensation proceeds incited troubles leading to land conflicts. Meanwhile, if they are included in the compensation plan, such disputes will not arise.

[...] such an arrangement will prevent the young members of the family from causing trouble since they know that they will enjoy their benefit from the land in due course [...]. (GOPLAS 6)

The support for IGC, as discovered in this study, aligns with the findings in Cernea (2008), which emphasised the benefit to future generations and restoration of livelihood as the main drive for IGC.

#### **4.3.2 Reasons for Opposing Intergenerational Compensation**

As revealed in Table VI, three themes emerged from the analysis. This includes economic reasons (7 quotations; 4 codes), inefficiency in government (5 quotations; 4 codes), and family structure and preference (3 quotations; 2 codes). The theme categorised as economic reasons are those associated with the financial disincentives from IGC. Codes related to this theme include inflation better investment of the lump sum by the family. The economic reasons prevent some of the

participants from supporting IGC because they believed that financial benefits accruable to them under the arrangement would be lower when compared to receiving lump-sum payments. Others have IGC prevent ILFs from selling their land and the non-feasibility of implementation. Some comments by the participants include:

[...] I prefer they pay it once and for all. This is because money in Nigeria does not have much value. If they want to pay NGN20 million and decide to pay NGN5million at first, what will they do with that money? [...]. (ILF12)

[...] if they pay the whole money, and it is shared amongst family members, they will know what to do with it that the next generation will benefit from it. As if we don't know what our forefathers did with the money they collected [...]. (ILF12)

[...] not giving us compensation allows us to continue selling our lands [...]. (ILF13)

While the economic reason is a genuine concern for opposing the IGC, the IGC can address these concerns. For instance, on the issue of inflation, a mechanism might be put in place to alleviate the fear of the dwindling value of the Naira. Also, the ILFs might have input on the investment scheme the compensation proceeds should be invested.

Apart from economic reasons, another reason provided by the participants for opposing IGC was the inefficiency of the government. Such inefficiencies as perceived by the participants include delay in government activities, lack of continuity in government activities, improper documentation in government offices and lack of trust in the government to honour the agreement. The inefficiencies were significant due to bureaucracy and red tape associated with government offices. Again, there appears to be a trust deficit between the government and the people. Some of the respondents commented as follows:

[...] if the government wants to do so after taken the land without developing the land, this leaves an opportunity for people to encroach on the land. Once they take the land, they should develop it as soon as possible [...]. (ILF9)

[...] for as the land is still lying fallow and people can use it, people will come back to it, generation to generation will always lay claim [...]. (GOPLAS 3)

[...] My fear with such an arrangement is that government might not want to honour their side of the agreement [...]. (ILF16)

The result that government is inefficient toward compensation issues collaborated earlier studies such as Nuhu and Aliyu (2009) and Wilson (2019), which stated that government are inadequate in handling compensation matters.

The third theme regarding reasons for opposing ICG was family philosophy and preference. This theme explores variation in families' beliefs system as a possible reason for opposing IGC. For instance, some participants raised the issue that each family has the discretionary power of payment option to adopt and how each handles matters differs. Some comments by participants in this regard are as follow:

[...] the discretion to use their money is theirs, just that they would be informed that the money will be invested; it should not be compulsory. It is just like when we are retiring; you know we have Pension Fund Administrators (PFA). Instead of giving us our lump sum, they

said they would invest part for us, which many people are against. You don't need to invest my money; I know how to invest it. Such will be detrimental to people's wishes. You can't force an individual to let the government invest for them. This should be a one-off thing [...]. (GOPLAS 2)

[...] no no...because you know different families with different styles of handling their affairs... Some families are wise enough to invest in the money for the entire family so the generation unborn will be getting out of the compensation, but some families will share everything and say *ki omo to je ogun ma ti jogbon* (literally means before my child inherit my wealth, I would have enjoyed sizable portion of my wealth) [...] (GOPLAS 4)

#### **4.4 Form of Intergenerational Compensation Contemplated by the Respondents**

In addition to asking the respondents for supporting or opposing IGC, further questions bothering the implementation of the compensation option were raised. The result is presented in this subsection. The forms of IGC identified by the respondents include a lease, staggered payment, employment opportunity to members of ILFs, flexible payment option, the share of equity in the company acquiring the land and the use of government bond for payment. Each of these is examined below:

##### **(i) Lease**

Most of the ILFs (61.5%) that subscribed to IGC believed that the IGC should be a lease arrangement where agreed annual rental will be paid on the acquired land. Some of the respondents commented as follows:

[...] They can reach an agreement with him (the investor) to lease the land out to him so that the next generation after ours will have access to the money. This is because the deed of agreement does not have a season as it is for life. The more the company's work progresses, the more money it will have. It may be that the money will increase after five (5) years; after ten years, the money can increase too [...]. That is how it is. (ILF1)

[...] I am in support of such arrangement. In fact, if your acreage of land is in an industrial area. You do not need to sell such land but lease it for some years in order for coming generation to benefit from the family heritage. If government can do such, it will be a welcome development [...]. (ILF15)

The support for lease as a form of IGC is unexpected. Many families, especially in Lagos Division, were presently using such arrangements to transact their land with corporate organisations.

##### **(ii) Staggered Payment**

Another feature that the respondents excogitated in the IGC arrangement was staggered payment for different generations to benefit from.

[...] I am in support of it. It should be in stages. If they decide to pay the compensation every ten years, we'll see different generations accounting for it alongside what they did with it. If is done this way, it won't attract unnecessary attention [...].

[...] if they arrange it such that there is a stipulated amount to be paid to different generations yearly, and an agreement is reached between the family and the government and they both sign, that will involve a lawyer from both side, then it will be monitored [...]. (ILF22).

(iii) Employment opportunity for members of ILFs

The employment option was another variant of IGC contemplated by the respondents. One of them commented as follow:

[...] if what the land is used for is useful to the community, then they can insist that once their children finished schooling, they should be given directorship. There will be certain areas that will be reserved for our children. That way, the future generation can benefit from it. Not money. Even when people want to lease expanse of land, what we do most often is to take little money and insist that if they have about 10 or 12 directorship, we want 5 or 6 and then we will post our children to these positions. We will take rigid position. Once they graduate, they have something waiting for them. So when they have a job, they will have something to eat. That is home benefit [...]. (ILF21).

The choice of employing members of ILFs by companies that are established on the acquired ILFs land might be a result of the current unemployment situation (rate) in the country; which is currently at 27.1%.

(iv) Using Government Bond

Using a government bond was also suggested as a variant of the IGC that the respondents would prefer. This option will be

[...] I think they can pay a particular percentage now and invest the others in bonds which yield yearly [...].

(vi) Share of equity in the company acquiring the land

Similarly, some of the respondents favoured the equity option, which will make them part of the shareholders of the company in which way they would be able to share out of the profit in the enterprise on their land; especially when such acquisitions are in connection with economic or industrial development purposes. One of the respondents commented in this regard:

[...] if it is acquired by a company, I would suggest that let the land be part of the community's equity contribution so no matter how insignificant or peppercorn it is. Once they declare a profit, a certain percentage of the company's profit must go back to the community [...]. (GOPLAS1)

This type of arrangement is applicable when the government acquires land for economic purposes, like in the case of the Lekki Free Trade Zone (LFTZ). as reported in Tagliarino et al. (2018).

(v) Flexible payment option depending on activities on the land

Another option suggested by the respondents was a flexible arrangement that will centre on the activities taking place on the land. The option could be ground rent, profit sharing, providing employment, among others.



[...] some of them would be in the form of ground rent, some would not be depending on the activities going on there. If it is on ground rent, if you have a thousand parcels there and government is making a hundred million per annum, a percentage of it can go to them, say 1% to 3%, to the community. So be it. This will allow everybody to guard the sanctity of that allocation jealously. This will allow them to encourage the user of the land to pay the ground rent knowing fully that they are stakeholders in the arrangement [...]. (GOPLAS 1).

## 5. Conclusion

Every development takes place on land, thereby making land acquisition essential for development to take place. Meanwhile, the land acquisition brings about dispossession, capital loss, and untold hardship to those whose land is acquired. This, therefore, necessitates payment of compensation for dispossession and losses suffered. When such compensation payment is inadequate or does not benefit future generations, it could result in crises and conflicts which invariably disrupt the intended project. However, land acquisition and compensation could be enhanced if intergeneration compensation (IGC) is adopted. This paper examines the perception of Indigenous Landholding Families (ILFs) and Government Officials Providing Land Administration Services (GOPLAS) on the prospects of adopting IGC as payment options in land acquisition in Lagos State, Nigeria.

The result shows that, while most of the ILFs support the adoption of IGC, most of the GOPLAS were against its adoption. The implication is that even though the ILFs will prefer the payment option, the non-support from GOPLAS might not let policy relating to intergenerational compensation see the light of day. This is because the government officials are at the forefront of initiating and implementing government policies. Again, compulsory acquisition and compensation issues are controlled by applicable statutes that might require critical review to allow the adoption of IGC. There is, therefore, a need for advocacy to educate the GOPLAS on the need for intergeneration compensation and the willingness of the ILFs to accept it if it becomes a state policy.

Again, various mechanisms for implementing IGC that could be adopted in Nigeria were identified, including the use of lease, staggered payment, employment opportunities to ILF members of ILFs, the share of equity, and the use of government bonds. Adopting some of these mechanisms might require legislative reform as Nigeria's extant laws might not support such. However, the State Government could make the regulation to allow its adoption for payment of compensation in land acquisition, especially when land is acquired especially for use in connection with economic, industrial or agricultural development purposes. The variants of IGC to be adopted should be flexible and majorly centred on the activities taking place on the land. In addition to this, those claiming acquisition should have the liberty to choose between accepting upfront compensation combined with IGC or exclusive IGC. If these are put in place, it will go a long way in solving land acquisition and compensation conflicts.

While this study has considered a limited sample of respondents, it is a pioneer study examining intergeneration compensation in Nigeria and Africa. Meanwhile, the study could be extended to survey a larger population size and include other stakeholders in the land acquisition and compensation process.

## References

- Agboola, A. O. (2015). *The commercial real estate investment market in Lagos, Nigeria: An institutional economics analysis*. Unpublished PhD. Dissertation submitted to the University of Aberdeen.
- Akintola, J.O. and Adeyemi-Balogun, M.O. (2017). Illusory Nature of the Concept of Compensation under The Land Use Act in Nigeria.
- Alemu, B. Y. (2013). Expropriation, valuation and compensation practice in Ethiopia. *Property Management*, 31(2), 132 – 158.
- Anim-Odame, W.K. (2011). *Compulsory Acquisition and Compensation in Ghana: Principles & Practice*. Paper presented at the American Real Estate Society Conference in Seattle-Washington, USA, 13 -16 April 2011.
- Buchanan, J., Chai, D. H. and Daekin, S. (2014). *Empirical analysis of legal institutions and institutional change: Multiple-methods approaches and their implication to corporate governance research*. European Corporate Governance Institute (ECGI) Working Paper Series in Law No. 238/2014
- Cernea, M. M. (1999). Why Economic Analysis Is Essential to Resettlement: A Sociologist's View. In Cernea, M.M. (eds.). *The economics of involuntary resettlements: Questions and challenges*. The World Bank, Washington, D.C.
- Cernea, M. M. (2008). Compensation and benefit-sharing: Why resettlement policies and practices must be reformed. *Water Science and Engineering*, 1(1), 89–120.
- Egbenta, I.R. and Udoudoh, F. P. (2018). Compensation for land and building compulsorily acquired in Nigeria: A critique of the valuation technique, *Property Management*, 36(4), 446-460.
- Fabiyi, Y. L. (1984). Land Administration in Nigeria: Case Studies of the Implementation of the Land Use Decree (Act) in Ogun, Ondo and Oyo States of Nigeria. *Agricultural Administration*, 17 (1984), 21-31
- Food and Agriculture Organization of the United Nations (FAO) (2012). *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security*. FAO, Rome.
- Food and Agriculture Organization of the United Nations (FAO) (2008). *Compulsory Acquisition of Land and Compensation*. Food and Agriculture Organization of the United Nations, Rome.
- Ghatak, M. & Mookherjee, D. (2013). Land acquisition for industrialisation and compensation of displaced farmers. *Journal of Development Economics*, xxx (2013), 1-10.
- Ghimare, S., Tuladhar, A., Sharma, S. (2017). Governance in Land Acquisition and Compensation for Infrastructure Development. *American Journal of Civil Engineering*, 5(3), 169-178.
- Komu, (2016). Real estate economics and expropriation solutions to land policy problems. Paper presented at the FIG Working Week 2016 held at Christ Church, New Zealand, 2-6th May.
- Nuhu, M. B. (2008). Compulsory Purchase and Payment of Compensation in Nigeria: A Case Study of Federal Capital Territory (FCT) Abuja. *Nordic Journal of Surveying and Real Estate Research*, Special Series, Vol. 3, 102-126
- Nuhu, M.B., and Aliyu, A.U. (2009). *Compulsory Acquisition of Communal Land and Compensation Issues: The Case of Minna Metropolis*. Paper presented at the FIG Working Week 2009 held at Eilat, Israel, 3-8 May 2009.

- Ojikutu, O., Bennett, R., & Groenendije, L. (2012). *An assessment of land acquisition in Nigeria*. Paper delivered at FIG Conference held at Rome, Italy, 6th-10th, May.
- Olapade, D.T. and Aluko, B.T. (2021). Understanding the Nature of Land Delivery Institutions and Channels from a Tripartite Perspective: A Conceptual Framework. *Land Use Policy*, 100(2021), 1-11.
- Omodero, C.O, Ekwe, M.C. & Ihendinihu, J.C. (2018). Derivation fund management and economic development of Nigeria: Evidence from the Niger Delta State of Nigeria. *International Journal of Financial Research*, 9(2), 165-171
- Rostron, J., Hardy-Pickering, R., Tatham, L. and Wright, L. (2002). *Dictionary of Property and Construction Law*. Spon Press
- Sule, A.I. (2014). Communal Land Acquisition and Valuation for Compensation in Nigeria *International Journal of Scientific and Research Publications*, 4(11), 1-7
- Tagliarino, N.K, Bununu, Y.A. Micheal M. O, De Maria. M. and Olusanmi, A. (2018). Compensation for Expropriated Community Farmland in Nigeria: An In-Depth Analysis of the Laws and Practices Related to Land Expropriation for the Lekki Free Trade Zone in Lagos. *Land*, 7 (23), 1-38. Doi:10.3390/land7010023
- Tremmel, J. (2009). *A theory of intergenerational justice*. London. Earthscan
- USAID (2013). *Land tenure and property rights framework*. New York: USAID
- Van Wicklin, W.A. (1999). Sharing Project Benefits to Improve Resettlers' Livelihoods. In Cernea, M.M. (eds.). *The economics of involuntary resettlements: Questions and challenges*. The World Bank, Washington, D.C. pp. 231-256.
- Wilson, E. (2019). Respecting indigenous rights and addressing inequalities in Arctic resource projects. What is benefit sharing? *Resources*, 8(74), 1-23.
- Yin, R.K. (2013). *Case Study Research: Design and Methods*. California: Sage Publications.