

## Causes and Cures of Oil-related Niger Delta Conflicts

Nigeria's political and economic fortunes and the country's ability to play a stabilizing role in the African region partly depend on the resolution of the lingering Niger Delta conflict. The Niger Delta covers nine out of 36 states and 185 out of 774 local government areas of the Nigerian federation. It occupies a total land area of 75,000 square kilometers and is the world's third largest wetlands. The 2006 Nigerian population census shows that 30 million out of the

country's 140 million people reside in the Niger Delta region. Nearly all of Nigeria's oil and gas reserves are located in the region. Oil and gas have accounted for about 40 per cent of Nigeria's Gross Domestic Product (GDP) since 1990. Between 2000 and 2004, oil and gas accounted for 75 per cent of total government revenues and 97 per cent of foreign exchange. Apart from being vital to Nigeria's fiscal viability, the Niger Delta is important to global energy security.

### Situation Analysis

The security situation in the Niger Delta is tense and fragile. There is a near-collapse of law and order as traditional authority systems and community governance structures have been severely eroded—the culmination of prolonged neglect and social crises. They have been replaced by militias and protection rackets that barter security for cash. Formal state structures such as state governments and local government councils are rather distant and have little impact on the lives of ordinary people. Such governance structures exist only on paper and constitute an unwelcome nuisance to communities. The magnitude of military deployments in the region indicates in stark terms that the Niger Delta is currently a war zone. Unfortunately, massive troop deployments which cost the Nigerian government millions of dollars every month have had only a minimal positive impact on security in the region.

The possibility of the existence of some elements within the Nigerian military that are sympathetic to the cause of Delta militants (there are several militant groups of which the Movement for the Emancipation of the Niger Delta (MEND) is prominent) is in itself indicative of the new trend in which most Delta ethnic minority rights stakeholders are rallying around the self-determination and resource-control agendas. This is a gradual departure from the Intra-Delta ethnic rivalries that had historically weakened solidarities for pro-Delta initiatives.

Since the late 1990s some groups in the Niger Delta have increasingly forged a common front to address common development challenges in the region. The campaign for 'resource control'—that is, allowing oil producing areas to own and control oil minerals exploitation and contribute a percentage of oil revenues to the Federation Account- and civic rights by the people of the Niger Delta

has been a rallying point. The impetus for the change has partly derived from the proliferation of non-ethnic pan-Delta civil society movements and the emergence of indigenous civilian governors. Between 1984 and 1999, the military governors were appointed by and responsible to the commander-in-chief. They made no pretence of representing the interests of the people of the states they were administering and were more concerned with maintaining law and order at all costs. This approach to governance predisposed the non-indigenous governors to work against pan-Delta solidarity. In fact, some of them were perceived as having used divide-and-rule strategies to maintain hegemony. The insensitivity of the military governors and their preference for heavy-handed responses to community agitation contributed to the militarization of conflicts in the Delta. Therefore democratization and the emergence of elected governors since 1999 helped promote Niger Delta solidarity and the agitation for access to increased oil revenues for the development of the paradoxically oil-rich, but largely underdeveloped region.

### Causes of the Niger Delta conflict

The unholy mix between insurgency and criminality evidenced by the involvement of armed groups in hostage-taking, illegal 'oil bunkering' (siphoning of oil from pipelines and illicit sale in unconventional markets), illegal oil refining and trading, as well as the proliferation of criminal groups disguised as militants, has promoted the view in some circles that the conflicts in the Niger Delta are driven by the greed of the dramatis personae. As far as this perspective is concerned, conflicts are instigated by

political and traditional elites who are clamouring for a greater share of oil revenues to embezzle, and fought by youths interested in sharing in pay-offs from the state, oil companies, local elites, or tapping into the illicit gains from oil theft. Although there is an element of truth in this perspective, it provides a very simplified version of developments in the region. The so-called 'new political economy perspective' is replete with too much economism, too little politics and no history at all. This is partly because there is no attempt to put the so-called elite kleptocracy and mass opportunism in their proper social contexts.

The clamour for greater share of oil revenues has its roots in Nigeria's competitive federalism. Between 1953 and 1960, that is the period of self-government and independence, regions retained 100 per cent of revenues, based on the principle of derivation. At independence, the proportion of revenue allocated on the basis of derivation was slashed to 50 per cent. The impetus for the change was the expanding role of the federal government and the commencement of commercial exploitation of oil. All dominant political stakeholders preferred this arrangement because it guaranteed autonomous development and encouraged healthy competition among the federating units as each unit was blessed with a cash crop. However, from 1970 to 1999, derivation was gradually slashed from 45 per cent to 3 per cent, with the federal government pocketing most of the revenues. The 30-year period coincided with the era when oil became the major source of revenue for the country. Since oil resources were mostly found in the Niger Delta, which is occupied by minority ethnic groups, the change in the revenue allocation formula was perceived by the Delta ethnic minorities as a ploy orchestrated by three major Nigerian ethnic groups (Hausa-Fulani, Yoruba and Igbo) to exploit them (Niger Delta people).

This sense of exploitation and injustice, occasioned by what some Delta commentators have described as an 'internal colonialism' arrangement, was aggravated by the fact that decisions to centralize oil resources were taken and imposed by federal military regimes (and their elected successors) representing dominant social forces. The centralist nation-building project of the military in post-civil war Nigeria, bankrolled by petro-dollars, manifested as a virtual transfer of oil wealth from the Niger Delta to other regions of the country. The very process of national development paradoxically contributed to Niger Delta underdevelopment as the region, which generated oil that fueled development, continued to lack basic amenities and infrastructure. Moreover, there is no link between the contribution of the region to the public till and its representation in the federal government, its bureaucracy and public agencies.

Political marginalization has been aggravated by the failure of oil production and exports to generate employment, economic growth and development within the region. The oil industry has remained an enclave

economy for 50 years with little or no linkages to the regional economy. It depends on imported labour, imported technology and imported consumer goods. The service industry that supports the oil industry is dominated by non-Niger Delta and foreign interests. Surpluses derived from oil have not been ploughed back into transforming local agriculture and aquaculture, which still employ most of the population. Instead, oil pollution has impacted adversely on farming and fishing, thereby threatening the livelihoods and cultures of the people. With agriculture threatened, no expansion in the agro-allied and petrochemical industries, and tourism neglected, unemployment and underemployment – at 8.8 per cent and 26.2 per cent respectively – are higher in the Niger Delta than in other regions. The corresponding national averages are 5.3 per cent and 20.2 per cent respectively. The margin is much wider still for youth unemployment and underemployment. The wealth associated with the oil industry, which does not trickle down, has also created a deep sense of inequality, alienation, frustration and grievance in the region. In recent years, these grievances have been aggravated by the ostentatious lifestyle of the Niger Delta political elite that has been anything but accountable and transparent in the management of slush funds accruing from derivation revenue allocation principle that was increased to 13 per cent in accordance with the 1999 Nigerian constitution and implemented in 2000. The contradictions in the oil complex have resulted in the Niger Delta having the highest inflation rates in the country. Everything, including petrol and water, is more expensive in the area of greatest abundance. Thus, although the incidence of poverty in the region is 35 per cent as against the national average which stands at 54 per cent, self-assessment by those surveyed indicates that the number of the very poor is highest in the Niger Delta. This is not surprising as the region also has the highest Gini coefficient, underscoring the high level of inequality in income and wealth distribution. The cocktail of political marginalization, repression, abject deprivation and social exclusion represents legitimate grievance for violent group mobilization.

### Militant groups as Frankenstein monsters

The emergence of the Movement for the Emancipation of the Niger Delta (MEND) has since 2006 marked the beginning of a new phase in social conflicts in the Niger Delta. Historically, violent mobilization was localized and driven by local community interests and actors. It was then easier for state and oil company security apparatuses to isolate and dismantle or compromise the principal actors. MEND represents the strategic equivalent of the coming together of social forces in the Niger Delta under the banner of resource control and self-determination. The 'success' and 'resilience' of MEND can be attributed to its shadowy leadership structure, its daring well-publicized attacks

(using sophisticated propaganda and information technology), and its modus operandi as a loose coalition of autonomous militant groups operating across the region.

Discourses on elite mobilization of conflict proceed on the basis of the assumption that ambitious wily elites mobilize the pliant masses for collective action. This simplified narrative denies the agency of subaltern classes. In the Niger Delta, militant youths are regarded as cannon fodder manipulated by shrewd elites. The situation on the ground is more complex. In many respects, the tail has wagged the dog. Elite radicalization in the Niger Delta was largely a response to dissatisfaction by non-elite groups. In the early 1990s, the region began to experience a crisis of leadership. Before this period, the Niger Delta elites were conservative and preferred being associated with the status quo. In terms of political alignment, for example, dominant Niger Delta elites joined and supported mainstream political parties believed to represent dominant elite Hausa-Fulani interests. The traditional rulers and political leaders in the region fraternized with oil company executives and top military officers. Such alliances benefitted the traditional rulers and political leaders in the short term. However, the widening gap between leaders and their communities led to suspicions that leaders were growing fat on the community resources. Such suspicion of the elite as sell-outs led to attacks on palaces and homes of leaders, dethronement and banishment of some rulers, the take-over of community governance structures by youth, and so on. In some cases such as the Ogoni, the communities have supported more radical elements such as the Movement for the Survival of Ogoni People (MOSOP) in the early 1990s to take over power from moderate and conservative elites.

It is the realization on the part of the leaders of the Niger Delta that their constituents are no longer docile or passive that has led to the radicalization of the Niger Delta elites. The youths have been the most effective group in keeping the leaders on their toes. Across the region, youths have decapitated chiefs, replaced one chief with another, totally taken over community development committees and promoted the rejuvenation of civil society. For instance, the Ijaw Youth Council (IYC) played a prominent role in the revitalization of the Ijaw National Congress (INC) in 1999. Although youths have been proactive, they are hardly autonomous. The youths have in many respects inadvertently emerged as Frankenstein monsters. Most if not all of the militant groups operating in the region had received support from dominant stakeholders. Many of the groups emerged as security 'consultants' hired by oil companies to protect oil installations from vandalism by criminal elements, or aggrieved members of oil producing communities. Others were mobilized and armed to fight in inter-communal conflicts. Some were set up and funded by chieftaincy aspirants to actualize their ambitions. Still, others were established with support from political parties and politicians to

influence the outcome of elections. This can be gleaned from their role in unleashing violence during the 2003 and 2007 elections with the aim of intimidating voters and stealing votes for their patrons. In the absence of alternative sources of gainful employment it is not surprising that once discharged or abandoned by their patrons, the groups have put the resources in their possession (guns) to other criminal and political uses.

## Conclusion

The conflicts in the Delta arise from legitimate causes as the people, as citizens, seek a better deal from the Nigerian state and transnational oil corporations. However, the strategies adopted by key actors in the conflict risk making the conflict a curse as the actions are undermining processes that could lead to positive resolution. The major stakeholders appear confused or undecided about the way forward. From all indications, it seems the region is fast reverting to the Hobbesian state of nature, where nothing works. There is no room for commodious living and no room for industry. Yet stability and massive investment in social and infrastructural development and the local economy are necessary for tackling the roots of violent conflicts and anomie in the region. This would help tackle the perennial issue of youth unemployment that predisposes youths to joining armed groups. Democratization and the holding of credible elections should be taken much more seriously, alongside the strengthening of the efficiency and capacity of state and local governments in relation to better service delivery, performance and accountability.

## RECOMMENDATIONS

### The Federal Government of Nigeria and the states of the Niger Delta should:

- Dialogue with, and consult, on a continuous and inclusive basis, all stakeholders at all levels of society on the ways through which the complex conflicts of the Niger Delta can be constructively resolved in a non-violent manner. Part of the process should involve the empowerment of the stakeholders at the local level, the building of trust, and the adoption of an integrated approach of engagement with militants to reach a sustainable agreement on cessation of violence and kidnappings.
- Approve the recommendations of Niger Delta stakeholders, including the Technical Committee on the Niger Delta, for the increase of derivation revenue allocation principle from 13 to a minimum of 25 per cent. All obnoxious and obsolete legislation on the petroleum industry should be reviewed and replaced with laws that uphold the rights of the people and the best practices in corporate social responsibility. Given the deep-seated and widespread perception of injustice, which continues to sustain resource control

mobilization, an agreement to increase the derivation principle to 25 per cent will be a significant step forward. State and local governments that benefit as a result should be encouraged to channel the funds into investment banks from which the private sector operators can access them for investment in the job-generating non-oil sector.

- Promote the decentralization of development initiatives in the region such as the Niger Delta Development Commission (NDDC), which currently are top-down and do not require community involvement and ownership. Greater community participation and ownership of the development project is a key factor in this process.
- Create incentives for local entrepreneurship and industry, support studies on the Niger Delta, and diversify economic growth especially in agriculture, agro-allied and petrochemical industries and tourism, to guarantee youth employment.
- Build up the political will and capacity to effectively monitor and regulate the activities of oil companies and ensure stricter compliance with best practices and standards in environmental safety, compensation for pollution, production, distribution and waste disposal. A date for ending gas flaring should be fixed, and enforced by the Department of Petroleum Resources and the Ministry of Energy.
- Promote indigenous and national oil companies to operate effectively and compete with international oil companies both within and outside Nigeria. Such companies should as part of their mandate pay close attention to the needs and aspirations of the country and the region.

#### Oil companies should:

- Review their corporate social responsibility programmes along the lines of encouraging integrated and sustainable local/community development initiatives, demonstrating respect for host communities' rights, and terminating approaches that fuel intra- and inter-community violence.
- Cooperate with government in reviewing the relevant legislations on oil and adhering strictly to regulations on contracting, compensation and environmental protection.
- Support and implement transparency promotion initiatives such as the Nigerian Extractive Industries Transparency Initiative (NEITI), Publish What You Pay, reforms in public procurement, and tax reform, to minimize waste and mismanagement of resources needed for tackling youth unemployment, social crises and poverty.

#### The international community should:

- Support the communities and civic groups of the Niger Delta through information, resources and assistance to tackle challenges relating to violent conflict, gender-based violence, poverty, environmental degradation and pollution, and to the deepening of their capacity to gain their democratic rights. Regional groupings, statesmen/women, and rights, humanitarian and faith-based organizations should also be supported to play constructive roles in mediation, confidence-building and peace-building initiatives.
- Work in concert with the Nigerian government and oil companies to end illegal oil bunkering, including finger-printing of Nigerian oil, check arms proliferation and promote demilitarization in the Gulf of Guinea. This would entail introducing and enforcing stricter regimes in arms production and sale to conflict zones.
- Increase development assistance on capacity-building programmes for civil society and state institutions in the areas of budget monitoring as well as direct funding of community-led development programmes, support reconciliation and conflict prevention, and the development of infrastructure and economic diversification in the region to guarantee employment and livelihoods in the region.
- Strengthen cooperation on democracy promotion, tackling money laundering and corrupt practices as they relate to oil revenues, and assist government and oil companies to adopt best practices in protecting the environment.

#### SUGGESTED READINGS

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