

**THE CHALLENGE OF DEMOCRACY AND DEVELOPMENT IN NIGERIA'S  
NIGER DELTA: THE CASE OF DELTA STATE, 1999-2014**

**Dr. Emmanuel Nwafor Mordi**

Department of History & International Studies, Delta State University, Abraka, Nigeria

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**ABSTRACT:** *This article examines the challenge of democracy and development in Nigeria's oil-rich Niger Delta, using the example of Delta State, 1999-2014. Against the backdrop of an expansive literature on the region's state of decay, poverty, and conspiracy between the Federal Government of Nigeria and MNOCs to deny the Niger Delta of the benefits of its God-given oil resources, with attendant insurgency, this micro study cautions against the pitfalls of sweeping generalization. Adopting the critical, evaluative method of contemporary history, built on secondary sources, this work is significant in drawing attention to the manipulation and diversion of insurgency initially directed against the local elite by an aggrieved community to achieve political relevance and primitive accumulation by the former, who failed to judiciously and transparently utilize the huge sums of money from statutory allocation and donor agencies to transform the state. The paper calls for a review of the conventional wisdom on the subject.*

**KEYWORDS:** Resource curse, Contemporary Nigeria, Niger Delta problem, Democratic governance, Development, Corruption

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## **INTRODUCTION**

The lingering development quagmire in the Niger Delta well over a decade after Nigeria's restoration of democratic governance is revisited. Much has been written by scholars and specialized agencies on the aborted hope of economic transformation of the Niger Delta and the attendant upsurge of violent militancy in the wake of Nigeria's return to democratic governance in 1999 (Osaghae, Ikelegbe, Olarinmoye & Okhomina 2007). The focus of the studies is "the Niger Delta problem", namely the adverse effects of oil and natural gas exploration and exploitation on environmental degradation, and health of Niger Deltans which "is a signal of impending doom" for the people, given "the complete lack of concern for ecological rehabilitation" by both the government of Nigeria, and the oil multinationals (Digifa 2003: 121-22). In effect, communities in the Niger Delta are victims, rather than beneficiaries of the huge oil and gas resources which naturally abound in their area. Multinational oil companies (MNOCs) through their exploration, drilling and exploitation activities have not only destroyed the natural environment of the Niger Delta but also endangered and, in fact, destroyed the livelihoods of the local people. This has resulted from the clearing and pollution of forests, mangroves, farmlands, wetlands, creeks, and community fishponds, indiscriminate gas flaring as well as oil spills and blow outs caused by over aged and poorly maintained well heads, pipelines and other facilities of the oil multinationals (Osoka 2003: 116).

At issue then is also disaffection with the Nigerian State by the Niger Delta communities over "corporate violence, official negligence" and the denial of access to resources to the people despite the destruction of their livelihoods as a result of environmental pollution (Douglas and Ola 2003: 43). Biakolo (2013) thus identifies two basic issues in the Niger Delta

insurgency. On one hand is the injustice meted out to the people of Niger Delta by successive Nigerian governments in “actual actions, or more poignantly inactions” as well as utterances which constituted “a critical factor in the surge of resentment, disenchantment and eventually rebellion” (63). On the other hand, the multinational oil companies have shrunk their responsibilities to their host communities which were abandoned to their fate in the face of the adverse effects of the MNOCs’ oil and gas activities. Indeed, the people of the Niger Delta perceive Nigeria as a “hostile neighbor” colluding with MNOCs to deprive them of the benefits of “their God-given resources”, which have been seized from them and “deployed to the benefit of other parts of the federation” (65). The Woodrow Wilson International Center for Scholars suggests, however, that the “driving factors” of instability and conflicts at all levels be addressed, namely “the perceptions, inadequacy and tension that emerge from the underlying ‘structural factors’ that make the region prone to instability” due to “the peculiar way in which society, government, and the political economy works in the delta” (104).

The Niger Delta hosts Nigeria’s 40billion oil reserves from which the country earns 80 per cent government revenue, 95 per cent foreign exchange earnings and 96 per cent export revenues. Details can be found in TABLE I.

**Table 1: Oil Earnings and Non-Oil Earnings in Nigeria, 1990 – 2008 (N millions)**

Year	TOTAL	Oil Revenues	Percent (%) Share	Non-Oil Revenues	Percent (%) Share
1990	98,102.40	71,887.10	73.28	26,215.30	26.72
1991	100,991.60	82,666.40	81.85	18,325.20	18.15
1992	190,453.20	164,078.10	86.15	26,375.10	23.85
1993	192,769.40	162,102.40	84.09	30,667.00	25.01
1994	201,910.80	160,192.40	79.34	41,718.40	28.66
1995	459,987.30	324,547.60	70.56	135,439.70	29.44
1996	523,597.00	408,283.00	78.07	114,814.00	21.93
1997	582,811.10	416,811.10	73.23	166,000.00	26.77
1998	463,608.80	324,311.30	69.95	139,297.60	30.05
1999	946,187.90	724,422.50	76.56	224,765.40	23.44
2000	1,906,159.70	1,591,675.80	83.50	314,483.90	16.50
2001	2,231,600.00	1,707,562.80	76.52	903,462.30	23.48
2002	1,731,837.50	1,230,851.20	71.07	500,986.30	28.93
2003	2,575,095.90	2,074,280.60	80.55	500,815.30	19.45
2004	3,920,500.00	3,354,600.00	85.57	565,700.00	14.43
2005	5,547,500.00	4,762,400.00	85.85	785,100.00	14.15
2006	5,965,101.90	5,287,566.90	95.01	677,535.00	4.99
2007	5,715,600.00	4,462,910.00	78.08	1,200,800.00	21.92
2008	7,866,590.10	6,530,610.10	83.02	1,335,960.00	16.98

Source: CBN Statistical Bulletin, 50 Years Special Anniversary Edition, December, 2008

The oil reserves are contained in the region’s 606 oilfields(40% off shore),5, 284 oil wells, and 275 flow stations from which oil is piped through 7,000kilometres of oil and gas pipelines, to four refineries, , ten oil and gas export terminals, ten gas plants, and a gigantic liquefied natural gas installation in Bonny island(Watts 2008:4). The region which covers an area of 70,000 square kilometers is also famous as one of the ten most important wetlands

and coastal marine ecosystems in the world, in addition to boasting of the largest number of rivers and waterways, and ranking among the 20 most populated deltas in the world (Fagbadebo & Akinola 2010:12). Paradoxically, the region typifies the phenomenon of the “resource curse” by which crude oil producing nations and regions of the world are steeped in abject poverty. The region is also characterized by a difficult terrain, endemic conflict, orgies of violence and unrestrained insecurity which are spawned by high rates of unemployment due to loss of livelihoods resulting from environmental degradation, and failure of governance (Nnamani 2008: 209, Osaghae, Ikelegbe, Olarinmoye & Okhomina 2007: 6-7; Osaghae 2011: 245-248).

Using Delta State as a case study, this paper canvases the position that the tendency to blame the woes and violence afflicting the Niger Delta solely on the federal government of Nigeria and the MNOCs is a rather one-sided interpretation of a complex phenomenon. Adopting a historical perspective of the issues and deploying the critical method of contemporary history, the paper interrogates the evidence on the subject and argues that Niger Deltans should look critically at their governors and institutions created to ameliorate their problems and issues of environmental degradation and well-being, but which have been corrupted by the elites if they are to escape the vicious cycle of suffering in the midst of plenty in the foreseeable future.

### **Democracy and Prospects of Development in Delta State**

Nigeria’s return to democratic governance in 1999 after 15 years of military dictatorship, Jan. 1984-May 1999, for the Niger Delta, including Delta State presaged the dawn of a new era of the reign of popular power. It was expected that the termination of military repression would pave way for the free expression of popular will through the ballot box which would install a government of the people and unlock the potentials of the region for development. In other words, democracy was expected to open the doors to the people of the state to access the benefits of their God-given crude oil and natural gas endowments, denied them by the military in alliance with MNOCs. They were justified in their expectations because history demonstrates that democracy, with emphasis on the freely given consent of the governed, individual liberty and the rule of law gives room for “a complex range of possibilities of form and contents” (Ake 1993:28), which redounds to the enhanced quality of life and welfare of the governed. Indeed, Bhagwati (1993) aptly notes that “Democracy has also become increasingly understood as an integral component of human rights, providing the external countervailing power to internal authoritarianism”. This is in so far as it provides room for political dissent, better incentives and an enabling environment for productivity, such that would relate “development to people, and offset any accumulationist disadvantages that it might produce” (35-36).

Delta State aptly illustrates the Niger Delta scenario. It is a multi-ethnic State, made up of the Urhobo, Igbo, Ijaw, Itsekiri, and Isoko ethnic groups. Under colonial rule, some of the Igbo-speaking people were, for administrative convenience, grouped with Benin in the Benin Province. On the other hand, the Urhobo, Isoko known as Eastern Urhobo till 1963, Ijaw and Itsekiri, along with the Kwale-Aboh District were grouped in the Warri, renamed Delta Province in 1953. This administrative arrangement was modified after independence with the creation in 1963 of the Mid Western Region which was carved out of the Western Region. A further modification on 27 August 1991, by the military government of General Ibrahim Badamasi Babangida, gave rise to Delta State, with Asaba as capital. In actual fact, during the state creation exercise of 1967 and 1976, new names were merely imposed on the old

Midwest Region, which was renamed twice as Midwest State in 1967 and Bendel State in 1976. The Midwest Region had been democratically established through a plebiscite in 1963 as Nigeria's fourth region, with Chief Denis C. Osadebay, the Ojiba of Asaba, as its first premier, and Benin City as the regional capital.

Situated in Nigeria's South-South geo-political zone, Delta State had by the 2006 census a population of 4,098,291, representing 3.3% growth rate (Ugbomeh 2007, 2011). This was a significant increase from its 1991 population of 2,590,491, or 2.9 per cent of Nigeria's total population of 88,992,220. The state thus ranks as the fifteenth most populous in Nigeria, and 21 out of Nigeria's 36 States in land area, with a land mass of 18,050 km<sup>2</sup>, or 1.95 per cent of Nigeria's land area (Udo 2006:161), over 60% of which is land. By its population size, Delta State is larger than 120 countries in Europe and Africa, including Denmark, Norway, Singapore, Ireland, Botswana, Namibia, and Liberia. Vastly endowed with diverse natural resources, Delta State accounts for 29.98% of Nigeria's total oil production with estimated natural gas reserves of 800 million cubic meters. Its limit to the South is marked by the Bight of Benin which covers 160 kilometers of the state's coastline. It is therefore understandable why the largest concentration of seaports in Nigeria, even if not operating to their maximum capacity, are found in Delta State, at Warri, Koko, Sapele and Burutu (Ogbogbo 2014: 80, 86-90).

### **The Challenge of Development**

The diverse ethnic configuration of Delta State constituted the first major impediment to its attainment of development, the latter not narrowly viewed as growth in Gross Domestic Product (GDP) but broadly perceived as self-sustaining transformation of society, leading to the enhanced quality of life and standard of living of the ordinary people (Ade Ajayi 2012). In the run up to its creation by military fiat, ethnic groups and communities in the former Delta Province had wanted a Delta State of their own, while those in the former Benin Province demanded for an Anioma State. The military, instead, created Delta State, made up of the two defunct provinces, with Asaba in the old Benin Province as capital. It was a common joke at the time that General Babangida, who created the state had as wife, an Asaba woman, Mrs. Maryam Babangida, and had presented Asaba as a gift to his in-laws! The people of the defunct Delta Province, especially the Urhobo, Isoko, Ijaw and Itsekiri were for a long time implacable. Tempers were high as it was openly said that Asaba would be a capital only in name, while Warri would function as the *de facto* capital. This posture delayed the infrastructural development of Asaba as capital for long, and bred mutual inter-ethnic suspicion and antagonism which until recently constituted a clog in the wheel of Delta State's progress. In fact, up to the end of 2014, about a quarter century after its creation no governor of Anioma origin had ruled Delta State.

The overt antagonism between the Anioma and 'real Delta people' belied the history of unity of common subjection which the two groups of people had shared in the Western Region. It is important to point out that both provinces had languished in marginalization as minority component units of the defunct Western Region with capital in Ibadan, present day Oyo State. As a reaction, they had united to agitate for the creation of the Mid Western Region on the platform of the National Convention of Nigeria and the Cameroons (NCNC), a pioneer nationalist political party formed in 1944 by Herbert Macaulay, father of Nigerian nationalism, and Nnamdi Azikiwe, Nigeria's foremost nationalist politician during the period of the Second World War, and the immediate post-war period up to 1950. The NCNC was the

opposition party in the Western Region, to the ruling Action Group led by Chief Obafemi Awolowo.

Equally important to note is the fact that administrative boundaries in colonial Nigeria did not necessarily coincide with ethnic boundaries or groups. They were simple administrative units which continued to shift from time to time. Thus, the Oil Rivers Protectorate, created in 1891, included rivers Benin, Escravos, Warri, Forcados, Brass, New Calabar, Bonny, Andoni, Opobo, Kwa Iboe, and the Cross River, with its capital at Old Calabar. The protectorate was grouped into vice consulates based in Calabar, Bonny, Opobo and Brass, Benin and Warri, and Sapele in 1892. In 1893, a new Niger Coast Protectorate replaced the Oil Rivers Protectorate, which had regrouped the vice consulates into three large divisions of Eastern Division with Calabar as capital, Central Division with Bonny as capital, and Western Division which had Warri as capital.

Similarly, in 1884 the National African Company with Sir George Goldie as its “Political Administrator” signed treaties with and took over the territories of Atani, Onitsha, Asaba, Aboh, Patani on the Niger, as well as Ibi, Wukari and Nasarawa on the Benue. They were formed into the Niger Districts which Britain declared in 1885. The company signed more treaties with Gwandu, Sokoto and Borgu in 1885. It was granted a charter in 1886 as the Royal Niger Company and functioned as the government of the Niger Districts, which from October 18, 1887, included all territories in the basin of the Niger with Asaba as its capital. Its territories also included Ilorin, Bida, Bussa and Nembe. The name Nigeria, which Miss Flora Shaw suggested in 1897 was meant to be “co-extensive with territories over which the Royal Niger Company had extended British influence” to differentiate them from the British colonies of Lagos and the Niger Coast protectorate on the coast (Mordi 2009:6-11).

Thus, political restructuring predated the establishment of Nigeria, and was designed to facilitate governance. It was never based on ethnicity, which at any rate did not become an issue in Nigeria until after the amalgamation of 1914. It is also instructive that both Asaba and Warri functioned as Capital Territories at about the same time in pre-colonial Nigeria. The people of Delta State ought, therefore, to learn to eschew ethnicity, and instead, co-exist peacefully in the interest of the development of the state. The lesson is that the creation of states in Nigeria failed to bring about equity in the governance of the country and even distribution of its resources, thereby giving rise to agitations for more states, violent disagreements among groups who shared similar cultural traditions as they scramble to maximize limited socio-economic and political opportunities or in the extreme the dissolution of the Nigerian state (Mordi 2009:18-20).

Indeed, militarization of the challenge of peaceful coexistence which was facilitated by the ready availability of small and light weapons subsequently characterized the fractured relations among the ‘real Delta’ ethnic groups and posed a major challenge to the people and government of Delta State during the first decade of the existence of the state. Ethnic conflicts, particularly in Warri North, Warri South and Warri South West Local Government Areas, as well as Warri Metropolis became widespread, and degenerated to killings, arson, kidnapping, and wanton destruction of property worth millions of naira in 1997, after its earlier manifestation in 1993. The conflict, which involved the Urhobo, Ijaw and Itsekiri took a judicial commission, the membership of which was drawn from Benue (Hassan Idoko, Chairman), Kano (Alhaji Abubakar Wada Rano, member) and Niger States (Alhaji Abdulrahman Hassan Gimba, member) to address. The report of the commission observed “the destructive nature of the conflicts and sophisticated weapons employed”, and

recommended that “the Delta State Government should investigate the source of easy arms which, from the record, is rampant” (Report: 140). The issue mostly bitterly resented by the Ijaw and Urhobo was Itsekiri authority or over-lordship claims, which the latter used to “deny other ethnic groups particularly Ijaws and Urhobos representation in accordance with the demographic Constituent of the area”, namely Warri Division made up of 170,000 Urhobo, 385,901 Ijaw and 65,720 Itsekiri (Report:142-143).

It is to the credit of the civilian governments, which ruled the state between 1999 and 2014 that militarized inter-ethnic conflict ceased to be a major threat to peaceful coexistence in Delta State. Intra-communal conflicts, inter-town land disputes, and worse of all, kidnapping and other acts of brigandage, however, continued to demand attention and to sap the state of resources needed to fund the development of infrastructure. It would appear that the failure to effectively implement the 1997 Hassan Idoko Commission’s recommendation that the government investigate and urgently apprehend the ready availability of arms to parties in the Warri conflict boomeranged on the polity. In fact, government failed to stem the proliferation of small and light weapons in Delta State, as could be seen in the incidences of armed violence and quantity of ammunition recovered from suspected kidnapers and armed robbers by 2013. For instance, between 1 January 2012, and 15 May 2013, the Delta State Police Command arrested 632 suspected armed robbers/kidnapers, killed 123 kidnapers/armed robbery suspects in action, and rescued 119 kidnapped persons (Aduba 2013: Appendix).

Such violence had taken an organized dimension with the mushrooming of criminal gangs of diverse hues which dotted the Niger Delta landscape “driven and partly funded by oil monies and actively deployed (and paid) by high ranking politicians”. The Movement for the Emancipation of the Niger Delta (MEND), which came to national and international limelight in 2006, was the best organized and most articulate of the militant groups and very active and effective against both the federal state apparatus and oil companies in the Warri area of Delta state, notably the Gbaramatu and Egbema clans of the Ijaw, the home base of Government Ekpemupolo( aka Tompolo), the Okerenkoko-born MEND helmsman. MEND had engaged in massive oil theft, kidnapped foreign and local oil workers, who were freed on the payment of ransom running into millions of naira, killed many law enforcers and members of the Nigeria armed forces, and deployed sophisticated military equipment, including electronically detonated bombs which were targeted at military and oil installations. It is estimated that between January 2006 and March 2007, 123 expatriate oil personnel were kidnapped while 42 attacks on the oil installations of MNOCs were launched, forcing some of the latter to cease operations and withdraw their staff (Watts 2008:16-28).

Courson (2007) suggests, however, that at the root of the MEND insurgency was dissatisfaction with the failure of the Delta State Government in 1997 to grant the Ijaw of Gbaramatu a local government area of their own. The issue was not addressed in 2004, when the Delta State Independent Electoral Commission delineated local constituencies and failed to create more electoral constituencies for the community. The latter, therefore, resorted to MEND “as a response to the lack of political will by the federal and state governments to properly and rightly address this political problem” (3). The community had wanted more voting and so, political power as compensation for, and a means of access to their oil wealth. Gbaramatu is home to at least nine major flow stations of Shell Petroleum Development Company, SPDC, and ChevronTexaco, in addition to being crisscrossed by several oil pipelines, rigs, terminals and wells. It also produced about 400,000 barrels of oil per day.

Yet, it boasted of neither electric power, portable water, roads, schools, decent houses, nor hospitals, even as premium motor spirit was not readily available at an affordable rate to the community(14). The attacks on oil companies were thus designed to draw attention and arm-twist government to meet their demands, and to position themselves to determine the choice of the governor of Delta State in the 2007 gubernatorial election. Obviously, the people needed a god father to bring the benefits of oil wealth to their impoverished and neglected oil producing community, and MEND became a willing tool in the hands of Niger Delta politicians. Governor Uduaghan (2012), thus hit the nail on the head when he declared that “Obviously, the security challenge is enormous and complex, but with the security and peace top on our agenda and the huge resources we have deployed to their attainment, a lot has been achieved in maintaining peace...” (6). No doubt, without peace and security there can be no development.

Sustaining the complex security challenge was the paradox of poverty in the midst of plenty. Delta State is an oil producing state, but like other Niger Delta States, it was characterized by abject poverty as shown in TABLE (II & III). This situation fuelled violent crimes, which presented a false image of the people of the area “as crisis and conflict prone” to the outside world. It also fractured relations not only within and between communities, but also between the communities themselves and the Nigerian State (Iyayi 2008:8-9).

**Table II: The Niger Delta Human Poverty Index as at 2005**

State	Probability of birth not surviving to age 40	Adult Literacy rate	Un-weighted average	HP1-I
Abia	26	26	34	29.169
Akwa Ibom	27	28	35.5	30.649
Bayelsa	30	31	39	33.826
Cross River	26	28	33	29.3
Delta	20	18	27	22.355
Edo	22	18	28	23.399
Imo	25	29	32	28.949
Ondo	30	31	42.5	35.442
Rivers	24	24	30.5	26.53
ND	25.556	25.889	33.4	28.847

*Source: Akubor E.O. (2012) Nigeria's valley of death: historicizing environmental degradation in the Niger Delta impact on human development. In: Akpotor A.S., et al (Eds.). Five Decades of Oil Production in Nigeria: Impact on the Niger Delta. Abraka: Centre for Environmental and Niger Delta Studies, 172.*

**TABLE III: Poverty Statistics for the Niger Delta States**

States	Poverty incidence %	Core poor (%) (quintiles)	Self-Assessed poverty level	Very poor (%) (self-assessed)	Gini
Akwa Ibom	35	27	66	17	0.5003
Bayelsa	20	22	95	62	0.4757
Cross River	42	33	77	22	0.5046
Delta	45	23	81	25	0.4685
Edo	33	16	79	35	0.4585
Rivers	29	19	67	15	0.4792
South-South	35	23	77	29	0.5072
North East	72	35.4	81	26.5	0.4590
Nigeria	54	21.3	76	21.37	0.4882

Source: Raji A.O.Y., Grundlingh L., & Abejide T.S. (2013) *The politics of resource control in Nigeria: example of Niger Delta Region, 1990s-2010*. Kuwait Chapter of Arabian Journal of Business and Management Review, 3(2):8.

Indeed, oil had become a curse rather than a blessing, and there was too much reliance on oil as a source of revenue in Delta State, as indeed Nigeria. The state's budgets during the period covered by this study illustrate this point. Over a ten-year period 2004-2014, Delta State collected over #1.6 trillion from the revenue allocation composed mainly of revenue from oil as against # 3.6 billion from internally generated revenue (Table IV).

**TABLE IV: Delta State Approved Budgets 2004-2014 Showing Internally Generated Revenue vis-à-vis Statutory Allocation from the Federation Account**

S/N	Years	Internally Generated Revenue		Statutory Allocation	
		Approved Provision (#)	% of the Estimate	Approved Provision (#)	% of the Estimate
1	2004	8,019,588,263	10.83	49,183,637,222	66.43
2	2005	11,077,000,000	11.01	80,068,000,000	75.50
3	2006	12,782,000,000	9.57	106,085,000,000	79.98
4	2007	16,779,971,612	11.35	90,170,054,115	63.98
5	2008	18,896,680,386	8.12	181,993,521,668	78.17
6	2009	35,200,428,749	15.93	152,709,858,460	69.13
7	2010	65,856,881,966	31.52	163,097,576,860	68.48
8	2011	34,601,446,623	9.56	179,174,871,560	49.51
9	2012	51,447,050,581	13.42	170,000,000,000	44.34
10	2013	61,440,624,172	15.43	198,513,285,148	49.84
11	2014	62,493,600,528	15.96	229,315,948,494	58.57
Total		378,595,272,880		1,600,311,753,527	

Source: Compiled from Delta State Budgets 2004-2014

Yet, so much money which could have accrued from the huge natural gas resources of the state was lost to gas flaring, with dire consequences for the health of the people and their capacity to engage in productive agriculture and other livelihoods. For instance, not only is

gas flaring rampant and destructive of the environment through pollution, it also adversely affects farming and fishing activities, in addition to the menace it poses to buildings and human health. It is estimated that Nigeria flares the equivalent of 40% of Africa's total gas consumption, translating in loss of revenue to US \$2.5 billion. It is further estimated that the gas flared from the towering flames across the Niger Delta on a daily basis generates billions of kilowatts of heat into the atmosphere with attendant health hazards, including asthma, chronic bronchitis, painful breathing and premature death (Emordi 2008:143-145). Studies of Okpai and Beneku (Dami, Ayuba and Amukali 2012) as well as Warri, Abraka (Nwankwo and Ogagarue 2011), and Ugberikoko (Ovuakporaye, Aloamaka, Ojeh, Ejebe and Mordi 2012) are conclusive that gas flaring and oil spillage cause adverse changes to the taste, colour, alkalinity and total dissolved salts in rain water; acidic limit concentrations in surface water above permissible limits, and significantly reduced peak expiratory flow rates indicating a negative impact on lung function of children and adults of both sexes in the affected Delta State communities. TABLE V presents a bird's eye view of the overall impact of oil exploitation on selected communities in Delta State.

**TABLE V: Impact of Oil Exploitation on Environmental Degradation in Some Communities in Delta State.**

Settlement	Air Pollution	Water Pollution	Land acquisition	Soil Pollution	Vegetable Loss	Decreased Farms and Fishing	Decreased Farms & Fishing Yields	Induced Community Clashes
Afiesere	23.3	18.4	17.4	18.4	22.6	36.2	40.8	23.1
Ufuoma	34.7	29.6	9.2	10.2	16.3	28.1	31.3	40.6
Eruemukohw arnien	29.9	28.9	6.6	26.5	8.1	49.6	47.5	2.9
Ekapamre	40.0	2.4	55.3	-	2.4	50.0	48.8	1.0
Erhoike	57.8	11.1	8.9	8.9	13.3	45.5	51.5	3.0
Kokori	40.0	21.3	13.3	14.7	12.0	45.3	50.9	3.8
Kokori Inland	56.9	18.9	11.4	10.1	2.5	49.2	50.0	0.8
Imodje	28.2	14.4	18.9	19.9	18.5	39.1	46.4	14.5
Orogun	18.6	15.3	13.6	28.8	23.7	41.4	37.1	21.4
Otor-Oweh	22.0	20.4	20.4	19.9	17.3	20.5	49.2	30.3
Oleh	20.9	19.8	19.8	16.5	23.1	58.9	27.3	13.7
Ozoro	28.6	24.5	14.3	22.5	10.2	39.5	37.2	23.3
Iluelogbo (Owelogbo)	36.3	6.9	2.9	36.3	17.6	40.0	42.9	17.1
Emevor	21.6	20.5	17.6	21.4	18.9	33.8	38.4	27.8
Uzere	24.2	18.9	18.9	19.5	18.5	40.7	41.9	17.4
Total	23.6	19.5	17.6	21.4	18.1	36.9	39.9	23.2
Grand Total	27.3	19.4	17.2	19.8	16.4	40.3	43.1	16.6

Source: Ugbomeh, B.A.(2007) *Oil exploration and exploitation: Some Lessons from Delta State*. In E. O. Odemerho, O.D Awaritefe, A. O. Atubi, B.A. Ugbomeh & S.I. Efe (Eds.),

*Delta State in Maps. Abraka: Department of Geography and Regional Planning, Delta State University: 175.*

Reactions to these manifestations had been violent. Violence was further fuelled by the widespread belief in the Niger Delta that the oil resources of the region belonged only to the people of the region whereas the Nigerian state, in collaboration with oil companies was exploiting the resources, and depriving the people of the “surplus value yielded by the land”. The result was insurgency which was built around ethnic alliance and charismatic personalities or leadership which in turn bred opportunism, factions and complication of the insecurity situation in the region due to all kinds of disagreement in the sharing of the spoils of militancy (Biakolo 2013:64-67). The fixation on oil, which fuelled insurgency, derived from the fact that everyone felt that since the oil belonged to the people, the latter should be allowed uncontrolled access to the money that came from it. In fact, crude refineries and “scooping of oil” from vandalized oil pipelines had diverted attention from agriculture and other more useful ventures, and from hard work. According to Uduaghan, (2012: 5),

... We do not work for the money that comes from oil. It is easy money; it has changed our orientation about hard work. Our young people are growing up in expectation of an easy life from oil.

... We have succeeded to some extent, in changing our people’s fixation on oil money. Our first strategy was to return peace to our State, especially as the turmoil was related to contentions over easy money from oil.

Much can be done towards giving the people of Delta State, especially the youths a new orientation to appreciate hard work. Through creating jobs and employing those who are qualified for job placement equitably, without undue consideration for political connections, despondency and desperation resulting from joblessness would be arrested and hope restored for a brighter future for the youths. However, when politicians arm and deploy youths for thuggery and lavish oil money on them there is no way they can be encouraged to embrace the hard way to wealth and the good life.

### **The Impact of Corruption**

Measures adopted to bring development and the good life to the oil producing communities were diverted to serve narrow interests through corrupt practices. The evidence shows that oil producing areas were catered for through the Niger Delta Development Commission which was established in January 2001, with a revenue profile projected at #40 billion, annually (TABLE VI).

**TABLE VI: Estimated investments of agencies and donors in the Niger Delta, 2003/04**

CATEGORY OF DONOR	NAME	AVERAGE ANNUAL SPENDING (\$ millions)	PRINCIPAL ACTIVITIES FUNDED	CATEGORY OF RECIPIENTS
PRIVATE FOUNDATIONS	MacArthur Foundation	2.0	Budget tracking Sustainable development Research	NGOs Universities
	Ford Foundation, Nigeria	0.25	Environment Conflict management Human rights Research	NGOs Research Centers
	OSIWA (Soros)	0.20	Good governance Monitoring resources	NGOs
GOVERNMENT & INTER GOVERNMENTAL ORGANIZATIONS	NDDC	348.00	Community projects Master plan NGO capacity building	Communities NGOs Government agencies
	European Union	11.60	Democratic Economic reforms Good governance	NGOs Government agencies
	USAID	0.33	Economic reforms Good governance	NGOs
	World Bank	9.00	Poverty reduction HIV/AIDS	Government agencies NGOs
OIL AND GAS COMPANIES	Shell	69.20	Community development	Communities NGOs Individuals
	Chevron-Texaco	27.00	Community development	Communities NGOs Individuals
	AGIP	5.60	Community development	Communities NGOs Individuals
	Total/Fina/Elf	25.30	Community development	Communities NGOs Individuals
	Nigeria Liquefied Natural Gas Co. (NLNG)	1.50	Community development	Communities NGOs Individuals
TOTAL ANNUAL SPENDING (ALL CATEGORIES)		499.98		

*Source: Ibeanu Okechukwu (2008) Affluence and Affliction :The Niger Delta as a Critique of Political Science in Nigeria. An Inaugural Lecture of the University of Nigeria, Nsukka delivered on February 20. p.33*

Given the sources of funds to the agency and the impressive master plan for the development of the region, estimated to cost trillions of naira, it was expected that the Niger Delta would be transformed. The NDDC however dashed all hopes of delivering on its mandate so much so that even the oil companies became critical and threatened “to withhold their remittances until the commission shows what it has done with the monies already paid to it”. In fact, the billions of naira injected into the Niger Delta by government, aid, and donor communities only resulted in the reversal rather than the improvement of the region, what Ibeanu (2008) characterizes as “the tendency for development to under-develop the Niger Delta” (32).

Agbibo and Maiangwa(2012) are, in fact, emphatic that the excruciating human conditions in the Niger Delta despite huge financial allocations to the region can only be attributed to “the managers of the Niger Delta” rather than the MNOCs. This, in their view, is due to the fact that better management of the resources injected into the region to create jobs and develop infrastructure would leave the people better than the plight imposed on them by “bad governance and corruption” perpetrated by “government officials, both at the state and local government levels” (118-119). For instance, Governor James Ibori who ruled Delta State (1999-2007), and was later convicted and jailed in London for money laundering, is said to have stolen \$292 million while in office. His sister, Christine Ibori-Ibie was also jailed in London for facilitating the former governor’s embezzlement of about \$101.5million.

The Delta State Oil Producing Areas Development Commission (DESOPADEC) established by Governor Uduaghan in 2007 but backdated to 2006 to manage the 50 per cent of the 13 per cent derivation from federally collected revenue to develop oil producing areas. The could have achieved better results if it had been more people-oriented in the execution of its mandate, and partnered more transparently with the communities over funds disbursement to execute community-identified projects through direct labor. The State government’s admission that “the funding of DESOPADEC is huge and accounts for the decline of funds at the state level...” (Uduaghan 2012:7) is not borne out by the infrastructural and other indices of development of oil producing communities. The huge funds, #37 billion in 2012-13 or 50% of the 13% derivation fund federally allocated to the state, amounting to #179.4 billion in six years did not meet the aspirations of the Delta State Oil Producing Communities, due mainly to corruption, and misplaced priorities. For instance, THEWILL (Feb. 22 ,2014) informed its readers that the commission approved #114 million to tar less than one kilometer of road in Kwale, headquarters of Ndokwa West Local Government Area of Delta State. Indeed, in a study of three Niger Delta states, the Heinrich Boell Stiftung (hbs) in Nigeria found in 2011 that “the Oil and Gas Commissions are at present only able to make marginal positive contributions to the livelihood of the people” because they reflected and protected “the interest of the rentier elites to the detriment of the interest of the people of oil producing communities who continue to have limited opportunity and space to participate in the activities of the Commissions”. They could not therefore be “an effective vehicle for overcoming the resource curse in Nigeria” (8).

Indeed, corruption was a major impediment to the development of the Niger Delta. The evidence suggests that the oil sector in Nigeria is generally characterized by official corruption. For instance, the Nigeria Extractive Industries Transparency Initiative (2011) is emphatic that “at the root of Nigeria’s underdevelopments (sic) and its people’s poverty is the lack of transparency and accountability in the management of the revenues derived from its natural resources”(3). This is reflected in the conflicting yardsticks/criteria by two revenue agencies of government to the Petroleum Profit Tax (PPT) and Royalties/Gas Flaring Penalty

which were at variance with the criteria employed by the operators, as shown below (TABLE VII).

**TABLE VII: 1999-2004 NEITI Audit Report at a Glance**

Aggregate Financial flows			Financial Flows-Differences by Source			Cumulative effects of differences		
Items	Amount US\$	%	Payment by Oil Companies A	Received by CBN B	Difference C= B-A	Payment by Oil Companies	Received by CBN	Differences
Crude Oil Sales	27,345	66.5						
Petroleum Profit Tax	9,349	22.7	8,925	9,349	424	170,5	5,975	5804,5
Royalty	4,374	10.7	4,376	4,374	(2)	4376	4374	2.0
Penalty for Gas flaring	31	0.01	32	31	(1)			
Total	41,009	100	13,333	13,754	421			

Source: Nigeria Extractive Industries Transparency Initiative (2011) NEITI Handbook. Abuja: NEITI Secretariat: p.39.

Besides, oil subsidy meant to cushion the effect of “pricing domestically consumed crude at export parity” on Nigerians 70% of who “live below the poverty line” (Iganiga & Unemhln2012:88), was not spared the bug of corruption .Nigerians who opposed the subsidy regime, in fact, hinged their argument on the basis that a cartel existed which carted away hundreds of millions of dollars from the federal government under the guise of fuel subsidy (Amuta 2011) .The cartel included highly placed Nigerians, government agencies’ officials ,including high-ranking appointees of Nigeria’s Petroleum Products Pricing Regulatory Agency(PPPRA), and the Nigerian National Petroleum Corporation(NNPC) , accounting firms as well as some oil marketing firms. A Nigerian House of Representatives’ investigative panel found that some of the oil marketing firms which obtained foreign exchange to import petroleum products failed to execute their mandate while those which did not receive foreign exchange claimed to have imported products. Details are given in TABLE VIII & IX

**TABLE VIII: MARKETERS THAT DID NOT OBTAIN FOREX, BUT CLAIMED TO HAVE IMPORTED PETROLEUM PRODUCTS BASED ON WHICH THEY COLLECTED SUBSIDY**

S/N	NAMES OF MARKETERS	2010 SUBSIDY AS PER ACCOUNTANT GENERAL (#)	2011 SUBSIDY AS PER ACCOUNTANT GENERAL (#)
1	BOVAS & COMPANY	-	10,992,583,784.50
2	BRILA ENERGY LTD	-	963,796,199.85
3	CEOTI LTD	-	2,944,681,700.17
4	ECO-REGEN LTD	-	1,988,141,091.10
5	EURAFIC OIL & COASTAL SERVICES	-	3,189, 069,707.43
6	FIRST DEEP WATER	257,396,183.68	4,061,148,533.35

	DISCOVERY		
7	KNIGHT BRIDGE	1,685,869,439.29	2,706,273,858.82
8	MOBIL OIL NIG. PLC	3,991,754,441.53	3,060,232,335.26
9	NADABO ENERGY LTD	247,187,147.50	2,660,902,801.58

Source: Chris Ajaero (2012). *The Big Fuel Subsidy Rip-Off, Newswatch* 14 May: 14.

**TABLE IX: THOSE WHO OBTAINED FOREX BUT DID NOT IMPORT PETROLEUM PRODUCTS**

S/N	NAMES OF MARKETERS	2010 (\$)	2011 (\$)
1	BUSINESS VENTURES NIG LTD	22,927,339.96	
2	EAST HORIZON GAS CO. LTD	20,735,910.81	
3	EMADEB ENERGY	6,606,094.30	
4	POKAT NIG. LTD	3,147,956.19	
5	SYNOPSIS ENTERPRISES LTD	51,449,977.47	
6	ZENON PET & GAS LTD	232,975,385.13	
7	CARNIVAL ENERGY OIL LTD	-	51,089.57
8	CROWNLINES	-	4,756,274.94
9	ICE ENERGY PETROLEUM TRADING LTD	-	2,131,166.32
10	INDEX PETROLEUM AFRICA	-	6,438,849.64
11	RONAD OIL & GAS W/A	-	4,813,272.00
12	SERENE GREENFIELD LTD	-	4,813,360.75
13	SUPREME & MITCHELLES	-	16,947,000.00
14	TRIDAX ENERGY LTD	-	15,900,000.00
15	ZAMSON GLOBAL RES.	-	8,916,750.00
	TOTAL	337,842,663.86	64,767,763.22

Source: Ajaero, Chris (2012). *The Big Fuel Subsidy Rip-Off, Newswatch* 14, p.15

Ajaero (*Newswatch* May 14, 2014: 13) reported the committee as suggesting that during 2009-2011, the fuel subsidy regime was “fraught with endemic corruption and entrenched inefficiency” so much so that “Much of the amount claimed to have been paid as subsidy was actually not for consumed PMS.” Odemwingie (*Leadership* on line 10 November 2015) estimates that from 1999-2014, Nigeria’s oil and gas sector lost US\$15billion , while US\$6.8billion could not be accounted for.

Corruption was not limited to the oil sector, but permeated every facet of society, including the electoral process upon which democratic governance is built. Thus Owete (*Premium Times* on line 4 December 2015) reported the National Human Rights Commission as indicting Governor Uduaghan of Delta State among 131 Nigerians and institutions, including the judiciary, law enforcement agencies and Nigeria’s Independent National Election Commission for committing or aiding and abetting electoral fraud between 2007 and 2011. In fact, Governor Uduaghan’s electoral victory in 2007 was nullified three and a half years into his tenure because the Appeal Court in upholding the petition of Great Ogboru, his challenger, decided that the victory was not obtained through electoral process. The court therefore dismantled “his over three and half year’s illegal occupancy of the very symbol of the people’s mandate”.

Yet, the Delta State governor was at the fore front of a campaign, beginning from 2012, to diversify the local economy and look beyond oil in the effort to achieve development in a democratic environment, given that the oil resource would someday become one of the many revenue sources of the state. Consequently, he embarked on investing in providing both human and physical infrastructure to diversify the economy of the state in furtherance of the strides in that direction by his predecessor who had constructed bridges linking previously inaccessible riverine communities of the state. The Oghareki power plant, Asaba International Airport, the upgrade of Osubi Airport to meet international standards as well as the industrial clusters in koko, Warri and Asaba were steps taken in that direction. Road construction and dualization projects in different parts of the state, notably the 148 kilometer Asaba-Ughelli road were designed to facilitate the movement of goods and persons and promote the horizontal integration of the state (Uduaghan 2012:8-9). It needs to be pointed out, however, that the effects of government's effort in these areas, including power generation and distribution left much to be desired, just as the government's partnership in the multi-billion naira OFN Delta farms at Ogwashi –Uku failed to provide foods on the tables of the people of Delta State by the end of the period covered by this study. Much progress would seem to have been hampered by the electoral fraud which sapped the democratic environment of much legitimacy and denied the state the political unity needed to fast-track the development process.

## CONCLUSION

This micro study upholds the claim of Nigeria's Niger Delta to be the revenue base and, indeed backbone of the Nigerian state. Of equal importance is the established fact that the region was a victim of its God-given oil resource. However, the evidence suggests that internal rivalry, failure to ensure equitable distribution of the benefits of the state's oil wealth and marginalization of the Gbaramatu propelled and sustained by the political elite complicated and militarized age-old differences which on the long run benefited the political class. Indeed, the state received vast funds from the central government and donor agencies, which could have been deployed to its transformation. But the opportunity was lost due to the corruption which bedeviled the oil sector and distorted the vision of the Delta State Government to improve the welfare of the citizenry and transform the infrastructural base of the crisis and corruption ridden state. The various governments of the state over the years tackled the problems of ethnic conflicts, and insurgency. Much, however, was left undone, especially with regard to the problem of insecurity and unemployment. The focus on Delta beyond oil with emphasis on diversification of the economy should be sustained. The explanation of the lack of development of the Niger Delta to reflect its oil resources and quantum of its contributions to the national coffers as a conspiracy between the Nigerian state and the MNOCs can no longer be given overriding prominence in the narrative of the lack of development of Nigeria's oil-rich Niger Delta.

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