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The Economic Dimensions of the Niger Delta Ethnic Conflicts (Pp. 46-55)

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Abstract

This paper presents a descriptive analysis of the remote and immediate causes of the armed ethnic conflicts in the Niger Delta in Nigeria and attempts to proffer a strategic approach rather than the use of brute force in managing the conflicts. The study revealed that the underlying cause of the conflict is the prolonged discrimination against the ethnic nationalities in the Niger Delta in the sharing of the economic and political benefits of the oil and gas wealth of the region. Also the displacement of labour from the traditional farming and fishing due to oil exploration and production, created a pool of unemployed youths who chose to take their destiny in their own hands through armed struggle. The paper recommends a strategic transformation of the Niger Delta region by establishing industries that would add value to the abundant oil and gas deposits that are being produced in the region. Unless jobs are created in the area to absorb the youths, granting amnesty to unemployed hands will not be a long lasting solution. Finally, ethnic nationalities in the Niger Delta region should be given a sense of belonging in the sharing of economic and political benefits arising from wealth creation in Nigeria.

Key Words: Ethnic conflict, Niger Delta, State power, Discrimination, Oil, Gas.

Introduction

The Niger Delta in Nigeria occupies the southernmost part of the country where the river Niger empties its waters through tributaries into the Atlantic

Ocean. The geography of the area indicates that it is made of swampy mangrove forests to the coastal areas and the thick rain forests to the hinterland. Both the hinterland and the coastal areas record adequate rainfall for at least nine months in a year. The soil is largely of the sedimentary type and heavily laden with crude petroleum oil and natural gas. The Niger Delta is inhabited by many ethnic nationalities among which are the Urhobo's, the Ijaws (Izon), Ibibios, Efiks, Isokos, Itsekiris etc.

The economic life of the people of the Niger Delta is largely determined by their environment. Those who live around the coastal areas are largely fishermen and traders, whereas those in the hinterland cultivate food crops such as cassava, yam, vegetables etc, and cash crops such as oil palm and rubber. Given the regional occupational specialization between the coastal and hinterland Niger Delta, a bilateral trading relation existed between the two blocks over time. While the coastal fishermen supplied fish to the hinterland, they nevertheless depended on them for the supply of food items which could not be cultivated in the swampy areas. The political structures which were built around communalism, traditions and cultures were altered by British colonial governance. The powers of the traditional institution were weakened and the influence of the traditional rulers became subordinated to those of the colonial government.

Oil exploration started as far back as 1937 in the Niger Delta. Shell D'Arcy, the force runner of the Shell Petroleum Development Company struck oil in one of the Niger Delta villages called Oloibiri in 1956. In 1958, Shell exported oil for the first time from the Obibiri oil fields. After the civil war in 1970, the price of international oil stepped upwards following the Middle Eastern Yom Kippur war in 1973 (Crisis Group 2006). The remarkable increase in oil revenue from \$2.1 billion in 1972 to \$11.2 billion in 1974 lent confidence to government that oil in fact would provide a sound basis upon which long-run development planning could be based. This invariably provided the rationale for government to rein-enforce the 1969 petroleum Decree (which vested on the federal government of Nigeria, as well as under its territorial waters and continental shelf) with another, the Land use decree of 1977, which ceded all land in Nigeria to the control of the federal government.

Prior to the advent of oil in Nigeria, and in particular beginning from the economic recessions of the early 1980s, the Niger Delta remained a peaceful area. There were nevertheless, intra/inter communal outbursts arising

primarily from boundary related differences among the various communities in the Niger Delta. Since the early 1970s, Nigeria's political and socio-economic fate has been inextricably linked to oil. Petroleum oil provides more than 95 percent of export earnings, accounts for more than 80 percent of government revenue and generates over 40 per cent of the GDP. All of the oil that generated those benefits to Nigeria came exclusively from the Niger Delta. It is instructive to note that oil has enhanced the economic and social transformations of many parts of the country, including the construction of a monumental Federal Capital territory. The only exception to the socio-economic transformations, which is hard to note, is the Niger Delta area. Oil has plunged the Niger Delta into a kind of "Dutch disease", the phenomenon whereby an increase in revenues from oil and gas and socio-economic transformation of the other parts of the country on the one hand, resulted in an unprecedented damage to the Niger Delta environment, inflicted poverty and deprivation on the Niger Delta people, on the other. For example see information on health conditions in States in the Niger Delta vis- a- vis the entire country in table 1 below.

The Niger Delta situation could be described as a paradox of want in the midst of plenty (Sachs & Warner 1995). This is what is described as 'resource curse' thesis (Auty, 1993). This has resulted into agitations by the ethnic nationalities in the Niger Delta for some form of political Autonomy that would enable them participate in the affairs of the Nigeria Republic as distinct and separate units. For example, the Ogoni (a major oil laden community in the Niger Delta) Bills of Right of 1990, demands from the government of the federation of Nigeria among others:

- a. "Political control of Ogoni affairs by Ogoni people;
- b. The right to the control and use of a fair proportion of Ogoni economic resources for Ogoni development. "(Saro-Wiwa, 1995).

For every legitimate demand made by the Niger Delta people for the development of their area, government has responded by killing their leaders (e.g. Kan-Saro-Wiwa and nine Ogoni Leaders) or putting them in custody. The plight of the Niger Delta people has worsened. The agitations have taken new dimensions including violent ethnic conflicts and vandalism of oil installations. This paper poses this question: why is the economic and social development arising from oil production precipitate violent ethnic conflicts in the area where the oil is produced? This paper seeks to provide answers to this and other related questions. The paper is organized into four sections. In

section II we x-ray the causes of ethnic conflicts in the Niger Delta. In Section III we discuss the role of economic development and the formation of ethnic cleavages. Section IV discusses the management of the Niger Delta ethnic conflicts while section V concludes the paper.

Causes of ethnic conflict in the Niger Delta

In the Niger Delta, two forms of ethnic conflict may be discerned. First, there had been, ethnic quarrels between one village and another within one ethnically homogenous group. Such ethnic differences are uncommon and the Niger Delta is not known for them. Second, is the conflict between the ethnic nationalities of the Niger Delta and the policies of government on the one hand and the oil producing firms on the other hand.

After the civil war in 1970, the federal government, dominated by the Yoruba ethnic group and those of Northern Nigeria extraction, directed all oil firms operating in Nigeria to relocate their head offices to Lagos – the then Federal Capital city. That government policy turned out to be of great advantage to the Yorubas, who by reasons of proximity were able to pick up the jobs that were available in the oil firms that had relocated their head offices to the predominantly Yoruba city. The Yorubas and later the Ibos who assumed leadership positions in the oil firms used their offices to distribute economic, employment and strategic benefits preferentially to their ethnic brethren. Discrimination against the Niger Delta ethnic groups in the award of contract jobs and employment became the order to the day.

The Niger Delta people have endured discrimination for a long time; however a sense of shared deprivation have strengthened identification with their group, providing a basis for political mobilization along ethnic lines as is the case with the Ogonis and the Ijaws of the Niger Delta. Aside of the discrimination in the affairs of the oil firms, the Nigerian State has also through state institutions distributed economic and political benefits in favour of the major ethnic groups to the neglect of the Niger Delta people whom they often portrayed as less deserving human beings. Until now some political offices such as that of the President, Vice President, the Inspector General of Police, the Army Chief of Staff etc. were forbidden for the Niger Delta people. In 1977, the then military government promulgated a decree which gave the ownership of land to the central government. By the 1977 land use decree, all land owners in the Niger Delta were prohibited from making any form of claim (rent, royalty) on oil prospecting and producing firms in respect of land acquired for oil production. Brute force has been the

weapon to impose discriminatory practices and quell subordinate group resistance. During the military regimes, discriminatory practices were perpetuated by governor/Administrators (who were in most cases non-indigenes) in the States of the Niger Delta. Since such military governors had no stake in the Delta region, no meaningful development programmes were embarked upon during their tenure. During democratic governance in Nigeria, the dominant ethnic groups often use their voting power to entrench discriminatory practices by legal or quasi legal means.

Over the years, the pleas of the Niger Delta people for accommodation are ignored or judged to be “politically infeasible” by the ruling major ethnic groups (Richardson Jr. and Sen, 1996). Over time, the discriminatory practices become more severe and inflexible. The Niger Delta people have become more radicalized. As radicalization proceeds, the Niger Delta people shift support from moderate to militant leaders (e.g. AsariDokubo). According to Richardson and Sen, (1996), discrimination leads “militant leaders to form disciplined paramilitary organizations committed to violent force as the only feasible strategy for ending discrimination”. This has turned out to be the case of the different militant groups in the Niger Delta today.

In the Niger Delta, an escalating spiral of violent ethnic polarization, social disintegration and economic decline have assumed frightening proportion. De Silva (1986) noted that a mentality of victimization and feelings of shared deprivation have provided a supportive climate for the cycle of discrimination and militant response in many less developed countries. The Niger Delta case seems not different from this observed cycle. In the Niger Delta, a myopic view of the Niger Delta people and over optimism about the efficacy of State power have created a social trap that tempts leaders in government and oil firms to implement discriminatory policies without fully assessing the consequences.

Economic development and ethnic cleavages

Durkheim (1984) argued that as economic development progresses, people become alienated from an increasingly turbulent and fragmented society. When this state of alienation becomes extreme according to Durkheim, can lead to social tensions resulting in violence Richardson and Sen (1996) noted that social alienation heightens ethnic consciousness and receptivity to ethnic nationalists appeals.

It has been argued that as development progresses, the gains are not evenly distributed across sectors and regions. Agriculture and the rural communities

are the most neglected. The Capital cities and other big towns are favoured. The reason for this is not farfetched. The Federal or State Capital cities are located in major ethnic areas. These areas provide the bulk of the workforce in government establishments. The domination by the major ethnic groups in government leads to the concentration of social and economic infrastructure in those cities. This phenomenon has led to the drift of the rural work force to the bigger cities thereby compounding not only the rural labour supply problems but also create congestion in the city centres. Rising population in the cities has resulted in additional budgetary provision for infrastructures to the detriment of the rural people.

Other strains and stresses which may result in violence as a nation develops have been identified in the writings of some Authors such as Charles Dickens "animal Farm" and the works on political economy by Karl Marx. These authors in their writings noted the decay of rural infrastructure and institutions, the emergence of new elites and social groups pressing for broader political representation.

Richardson (1987) observed that, it is widely assumed that rapid industrialization is key to economic progress and that the benefit of growth will be diffused across the entire society and human welfare would be enhanced. This cannot be said to be the case in the Niger Delta. The industrialization of the other parts of Nigeria has produced poverty, hunger and unemployment in the Niger Delta. If any Niger Deltan must be successful, he must of necessity migrate to the capital cities. Those left behind in rural Niger Delta are often exploited and ignored by politicians. The region is not industrialized. This has worsened the unemployment problem in the area.

Managing the ethnic conflict in the Niger Delta

What may have contributed to ethnic violence in the Niger Delta is ignorance about what should constitute development on the part of political leaders, both at the national level and within the states in the Niger Delta. They do not seem to understand which development policy will work best, given the circumstances of the Niger Delta region. Because political leaders are ignorant of what it requires to develop the Niger Delta and reverse the cycle of violence, they opt for strategies with short-term pay-off but adverse long-term consequences. The setting up of development commissions such as the Oil Minerals Producing Areas Development Commission (OMPADEC) is examples of government ignorance in selecting the programmes to address

the neglect and decay in the Niger Delta. The OMPADEC failed and its successor – the Niger Delta Development Commission (NDDC) is on its route to colossal failure as there are indications of gross mismanagement in the Commission already. Because past and present political leaders have failed to meaningfully reverse the discriminatory policies of the past and as the cycle of violence becomes intractable, political leaders have engaged several tactics to mute the dissent by the Niger Delta people. Such tactics include arrests and incarceration of the ethnic leaders, constituting “kangaroo” courts to try and sentence the leaders, military intimidation and killing or innocent Niger Delta people as was recorded in Odi in Bayelsa State and the setting up of statutory bodies such as the NDDC.

Government, political leaders, and development practitioners have all expressed the desire to structurally transform the Niger Delta, yet planners have failed to jettison ethnically divisive development strategies or at least passively supported their implementation. This is evident from the responses of other ethnic groups to the demands of the people of the Niger Delta during the defunct National Conference on Constitutional Amendment in 2006. Leaders of the oil-bearing communities in the Delta had demanded, among others, resource control which the major ethnic groups rejected. Although the leaders of the Niger Delta people shifted grounds and proposed to accept a minimum of 20 to 25 percent as derivation, it was rejected by the Constitutional Amendment Committee which offered a marginal increase of 18 per cent from the 13 percent level. Government has not accepted even the marginal increase for implementation. In recent times the cycle of violence has escalated, leading to serious, disruptions in oil producing activities. Though there is no statistical evidence to show the extent of revenue loss on the part of government, there are indications that the oil industry in the Niger Delta is under serious stress.

In managing ethnic conflicts, Richardson and Sen (1996) suggested that planners should recognize that economic development strategies must acknowledge the realities of ethnic diversity and the economically disruptive potential of violent ethnic conflict. Planners should therefore make the management of ethnic conflicts a desirable goal. Just as plans are made to cut inflation rate, increase exports and stabilize the exchange rate, so shall plans be made to minimize ethnic conflicts. Since the roots of the ethnic conflict in the Niger Delta is economic growth, economic development and conflict management strategies must be balanced to provide reasonable benefits while ensuring equity across ethnic groups. It is important to note that development

policies for the Niger Delta should recognize the peculiarities of the area. The economic life of the people has been damaged over several years of oil production activities. Policy must, of necessity focus on the economic empowerment of the people. It should involve rapid industrialization of the area to replace people displaced from agriculture. It should involve rapid industrialization of the area to replace agriculture and fishing which had provided the economic mainstay in the area. This should be followed by the provision of social and economic infrastructure by government. The sequence being suggested here is that industrialization should precede the development of social/economic infrastructure by government. Building roads and bridges across the Niger Delta will not reduce the unemployment problem, which is the bottom line of the ethnic tensions. Infrastructures needed to be paid for, if they are to be sustained. Unemployed persons cannot pay for education, medicine or electricity. Industrializing the Niger Delta should ordinarily be a simple matter if government provides the right leadership. If the stakeholders who exploit the natural resources of the area are compelled to process them in the area, then, the area would become heavily industrialized. Processing the natural resources of the Niger Delta within the Niger Delta would add more value to such resources and create jobs for the people. Some of the surplus value from such processing industries e.g., refineries and petrochemical industries, would be retained in the area, and the oil economy of the area would be integrated into the local economy.

Another strategy to diffuse the ethnic tension in the Niger Delta is to grant the area limited autonomy. This is what some leaders called “resource control” or fiscal federalism in its real sense. This is what others have referred to as the “national question”. The national question talk is about how to structure the State so that every ethnic group and every Nigerian as an individual becomes a stakeholder. For as long as the Niger Delta people feel alienated from the oil activities in their area, ethnic tensions are bound to occur. The experience in India provides useful lessons in the adoption of federalism. Although leaders from the major ethnic groups may be fearful that a rich federal region like the Niger Delta might seek full independence if granted some autonomy. Yet the option has prospect of reducing the ethnic tension in the Niger Delta without necessarily leading to the disintegration of the country.

Another measure for managing the ethnic crisis in the Niger Delta is to adopt more conciliatory leadership styles by political leaders. Leaders must educate

their followers about the realities of economic development and avoid promises that raise unrealistic expectations. Annual budget proposals should reflect the realities and constraints of resources and demands for them. The implementation of budgets should be guided by transparency and accountability. In a labour surplus region like the Niger Delta, budget preparation and implementation should have as its main focus, labour creating projects. The state and local government should involve experts in preparing short and medium term development plans/ programmes. Such plans should recognize the developmental needs of the region.

Concluding remarks

From the foregoing, it is clear that economic development must of necessity engender tensions which, if mismanaged may lead to violent ethnic conflicts particularly in a multi-ethnic country. In multi-ethnic countries, there is the tendency that the political leaders of dominant ethnic groups implement discriminatory policies against the minor ethnic groups. This attitude on the part of political leaders has created a sense of mistrust and alienation in subordinate ethnic groups. In the Niger Delta, it is easy to see why ethnic group members who experience discrimination use ethnicity as a basis for political mobilization and eventually turn to militant leaders.

From the discussions in this article, it is evident that violent ethnic conflict is, more often than not, a negative sum game in which all parties lose. This calls for a proper management of ethnic conflicts when they arise. Managing ethnic conflicts in the Niger Delta should involve the provision of alternative economic agenda. Industrialization and job creation should be top of such agenda. Also, the development of socio-economic infrastructures should be part of the agenda.

In the Niger Delta and in Nigeria at large, development practitioners should make ethnic conflict management an economic policy goal. This is necessarily so because as development sets in, the process of distribution of the benefits of growth would engender inequity; a phenomenon which creates mistrust among the various ethnic groups. This may lead to the formation of ethnic cleavages that is prone to violent ethnic conflicts. Political leaders in Nigeria should co-opt ethnic subordinate group leaders by granting them significant economic and political roles. The Niger Delta communities should be co-opted into the activities of the oil firms and partake in the sharing of whatever benefits that is derived from oil production. The State should rely

less on the efficacy of brute force and deceptions as is being used today. Dialoguing would provide better results.

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