

The Contradiction of Riches: Petro-Business and the Impoverished Local People in Nigeria's Niger Delta

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Abstract

In the Niger Delta, environmental degradation and pollution of the ancestral land erodes traditional livelihoods of the people. The high poverty rate in the Niger Delta in contrast with the oil wealth has become one of the world's starkest and most disturbing examples of the "resource curse". The increasing sense of relative deprivation experienced by the people of the Niger Delta, which is engendered by the contradiction of riches, has led to youth militancy, government and oil-companies' brutal repression. This study explores how oil exploitation by oil-multinational fuels a vicious cycle of poverty and inequalities in the region. Drawing on data from in-depth interviews with key informants, Focus Group Discussion (FGD) and extant literature, the study argues that Petro-business has generated huge profit for the government and oil-multinationals and provided oil for the global community, while on the other hand it has resulted in a vicious cycle of poverty and inequalities among the local communities that replicate the asymmetric power dynamics between the government, oil multinational and the host communities in the Niger Delta region. The intricate poverty strategies designed and implemented in the Niger Delta have not mitigated the crucial problems of exclusion, inequalities and human deprivation.

Key words: Oil exploitation, Poverty, Inequalities, Global Petro-Business, Niger Delta, Nigeria.

Introduction

This paper focuses on the intersection of oil exploitation, inequalities and poverty in the local communities in the Niger Delta region. This study explores how oil politics fuels a vicious cycle of inequalities, poverty and exacerbate the complex conflicts in the local communities in the Niger Delta. The study raises some pertinent questions; how has the politics of access of oil benefit by local actors in oil communities fuel a vicious cycle of inequalities and poverty? What dimension has the contestation among local actors in oil communities assumed and how does it shape the future trajectories of the Niger Delta struggles for equity and justice in the long run? This paper argues that the contestations among local actors for a share of oil benefit has resulted in a vicious cycle of inequalities and poverty in the oil communities that replicate the asymmetric power relations between the government in control of the resources, oil multinational and the people of the Niger Delta. The contentious and fierce oil politics in the oil communities seem to have largely eroded the legitimacy of the struggles for resource control, with significant social and political ramifications for the quest for environmental justice, durable peace and development in the Niger Delta region.

In Africa, the paradox of poverty in the midst of abundant natural resources is a recurring dilemma that characterise many resource-rich states (Sachs and Warner, 1995; Jacques, 2005). The pervasive poverty in these countries is in contrast with the abundance natural resources that have generated huge revenues for the National governments. Empirical studies on oil-rich African countries including the Republic of Congo, Sudan, Gabon, Nigeria, Chad, and Angola among others showed that abundant oil wealth has largely not translated to sustained economic development. Rather, it has been a major driver of internal conflicts and insurgency that have engulfed these countries (Watts 1997; Collier and Hoeffler, 2000; Fearon, 2005; Babatunde, 2016).

Nigeria, sub-Sahara largest oil producer depicts a classic case of the contradiction of resources wealth typified by the pervasive poverty among the majority of the citizens, despite the immense oil wealth. The average oil production capacity estimated as approximately 2.5 million barrels per day, placed Nigeria as the 6th largest producer of oil in the world (Obasi, 2017). While oil has generated huge revenues for the government, estimated at over \$600 billion since the 1960s (HRW, 2012), oil wealth has not made remarkable improvement in the wellbeing of majority of the citizen. In the oil-rich Niger Delta, where the oil is located, for over two decades, the people have been embroiled in violent agitations against the Nigerian government and Western oil

corporations over the marginalisation, alienation and deprivation of the people from adequate access to oil benefit.

The struggles of the Niger Delta people for environmental justice have been a subject of numerous scholarly debates. Studies have contended that the Nigerian government response to the fierce agitation of the people of the Niger Delta has been largely based on excessive use of coercive power to repress the people, co-opt some of the political elites and stakeholders and offer what some commentators termed tokenism developmental initiatives (Watts, 2007; Babatunde, 2010; Obi and Oriola, 2018). As Obi and Oriola (2018), expertly argued, the attempts to reform the Nigerian oil industry, and the policies and actions aimed towards addressing the demands, grievances and inequities at the heart of the Niger Delta crisis, have so far reflected the dominant interests of the state and Big Oil. They contended that these measures fall short of addressing the complex roots of the conflict, linked to inequities, alienation and oil pollution, Nigeria's festering national and citizenship questions, and the political economy of global oil.

As Watts (2007) averred, the oilfields of the Niger Delta has experienced the worst form of deprivation, marginalisation, endemic poverty, state violence and repression and a degraded ecosystem. This assertion confirm the submission of Obi and Oriola (2018) that various policies and programmes implemented by successive Nigerian government, aimed at tackling the grievances of the impoverished people of the Niger Delta, have largely satisfied the vested interest of the political elites and the powerful oil corporations, while the marginalisation, alienation, inequities, ecological crises and deprivation that drives the complex conflict in the region continues unabated. Also the Nigerian government and oil multinational in their efforts to ensure unfettered access to oil with little resistance have been accused of co-opting some local actors whose actions has led to fierce contestation among the people for oil benefit in a winner take all manner.

The struggles of the Niger Delta people for access to oil wealth has momentous impact on Nigeria's political economy, and a key driver of the widening cleavages between the diverse ethnic groups in the country. The internal contradiction in the distribution of the oil resources seem to validate Dietz and Engels (2017: 3) postulations that the process of natural resources extraction and its spatial expansion can lead to significant transformation in socio-spatial and socio-political processes, which tend to impact local livelihoods, social positions, political belonging and decision-making processes as well as state institutions and power relations. The asymmetric power

relations between the state, Western oil corporations and people of the Niger Delta catalysed in the alienation of the Niger Delta people and their marginalisation in the distribution of oil rent. However the unfolding scenarios and dynamics of the agitations in the Niger Delta seem to point to the changing contour of the struggles for access to oil wealth which transformed from conflict between the Nigerian state, Western Oil Corporation and the people to fierce contestation among the people in oil communities for the little oil benefit trickling down to the oil-rich region. This led to a complex communal conflict within and among oil communities, driven by the same issues that undergird the State versus Niger Delta conflict, as it relates to issues of marginalization, deprivation and unfair distribution of oil benefit. In the complex conflict, few powerful elites in the oil communities have cornered the oil benefit, while majority felt a sense of exclusion, deprivation, and alienation from access to a share of the oil benefit. This confirms Imobighe, (2004) submission that the Niger Delta has been engulfed by complex multi-faceted conflict within and among oil communities in the region. This situation ultimately lead to a vicious cycle of inequalities and poverty in the oil communities in the Niger Delta.

While numerous studies have offered diverse insights into the paradox of poverty and ecological dislocation that is a persistent feature of the exploitation of oil by the Western corporations in the Niger Delta, there is need to unpack the changing contour, dynamics and dimension of the internal contradictions that pervade oil communities in the Niger Delta. Although, the genesis of the struggles for environmental justice traced to the alienation of the people of the Niger Delta by the Nigerian state and corporate actors depict an important aspect of the unfolding tragedy of the oil-rich region, it is important to factor the roles of local actors in the complex oil conflict and the far reaching implications.

The complex nature of the conflict is partly traceable to the roles of local actors in the Niger Delta in the lopsided distribution of oil benefit in the local communities at the detriment of majority of the people. The few local elites cornered the resources for personal aggrandisement. This accentuate the asymmetric power relations that is not markedly different from the inequalities perpetrated by the Nigerian state against the people of the Niger Delta. This inevitably exacerbate the grievances and agitations, by the deprived people, leading to emergence of new actors, who vent their frustration and anger on both the Nigerian state, oil corporations and their corrupt political elites. The cycle of marginalisation, deprivation and inequalities further complicates the struggles and make attempt at resolution more difficult and complex. The situation in the Niger

Delta remain precarious with mounting grievances and entrance of new actors who fiercely contest for a share of the oil benefit in a zero sum manner that only the fittest can survive.

The data for the study was derived from fieldwork in the Niger Delta states of Delta, Bayelsa, Rivers and Ondo between 2007 and 2016. The three states of Delta, Bayelsa and Rivers are the core Niger Delta where there have been violent agitations and militancy linked to grievance against the ecological crises, marginalisation and deprivation from oil benefit. Ondo state is a smaller oil-producing state where oil is located in Ilaje communities, in Igbokoda LGA. The coastal oil communities in Ilaje also faced serious ecological crises and deprivation that is rampant in the other states in the Niger Delta. Four communities were purposively sampled in each of these state. The selected communities include Bodo in Gokana LGAs, Ogoniland, Rivers state; Otuosega, Ogba LGA, Bayelsa; Owodokpokpo-Igbide, Isoko South LGA, Delta and; Ikorigho, Igbokoda LGA, Ilaje. In these communities, interviews and focus group discussions were conducted with the respondents such as traditional, community, youth and women leaders in the local communities to generate insights into the issues of focus to the study. In addition, interviews were conducted with the project officers of one of the NGO operating in the region, Environmental Rights Action. Direct observation of the day-to-day realities in the six communities was also utilized. The field data were subsequently transcribed and coded according to relevant themes to offer a nuanced understanding of the complex connections between oil exploitation, inequalities and poverty in the oil communities in the Niger Delta region.

The following sections provide, first, a theoretical analysis of oil externalities and the linkages with environmental conflict in the Niger Delta. The following section provided insights into the nature of Appropriation of Oil wealth that engendered a Paradox of poverty in the Niger Delta. Subsequent section unpacks how local contestation fuels a vicious cycle of inequalities and poverty in the oil communities. Finally, the concluding section summaries the issues in contention.

Theoretical Framing: Oil Externalities and Environmental Conflict

The process of oil extraction, production and distribution can precipitate changes in the environment of the oil producing communities, with severe ramification for their economic activities. The interaction between oil exploitation and the environment can be explained using the economic analysis of environmental effects of production activities, as advanced by Pigou (1938) who adopted a market economy and perfect competition framework to establish the divergence

between private and social benefits when externalities occur. They argued that there are certain economic considerations that were neglected or inadequately acknowledged by the market. This implies that prices set in the market do not reflect the social costs (benefits) of production but only the private costs (benefits) that are borne directly by the producers.

External benefits (economies) and external costs (diseconomies) have both been recognized since Pigou work. More recent economic analysis, while collaborating Pigou's postulations, have also shifted attention to external diseconomies that have arisen from pressure upon the environment and the failure of perfect competition to attain Pareto optimality in the presence of external effects in production and consumption (Hines, 1985). The contention is that external economics and diseconomies affect others than the immediate producers and consumers. In crude oil production, energy is generated but it also leads to pollution of the environment with adverse effect on the local economy of the oil producing community. Both are externality of oil production and consumption. The provision of energy is an economy while the pollution is a diseconomy (Varian, 1992).

Kaplan (1983) defined externality as the incidental result of economic activity without adequate provisions made in the price system to compensate for the result. Stewart and Ghani (1991) argued that externalities are inevitable subsets of linkages, which describe all transactions between economic agents, whether fully through the market or partially outside it. They concluded that the existence of linkages is generally a precondition for the existence of externalities. Mas-colell *et al.*, (1995) also noted that an externality is present whenever the well-being of a consumer or the production possibilities of a firm are directly affected by the action of another agent in the economy. In this case, directly mean effects that are not mediated by changes in prices.

This theoretical analysis is, however, concerned with external diseconomies of production, that is, those unintended, undesirable consequences to community which occur in crude oil extraction, production and distribution such as pollution and oil spillages which affect the environment. In the production and distribution of petroleum and its products, environmental abuses take place that are not compensated for by the producer nor covered in the price charged the consumer. An oil blowout of an offshore well damages aquatic and terrestrial fauna. Transporting oil brings further environmental damages through spills and hydrocarbon release. Even the most modern refinery generates some pollution. From extraction of petroleum to its final consumption, environmental abuses occur along the line and may go unacknowledged in the

market economy. No price is placed on the destruction of aquatic and terrestrial life. These externalities shift a part of oil production costs from producers and consumers to others - farmers, fishermen, those who live near refineries or transportation routes and others disadvantaged from the oil industry's operation (Hines, 1988)

In the case of a rural community whose economy is dependent on fishery as the means of sustenance, an externality is present when the fishery's productivity is affected by the emissions from a nearby oil refinery. This interaction between oil production activities and the economic activities of the local community is assumed to be unidirectional, that is a negative effect from oil production to local economic activities but not vice versa. The justification of the assumption is that while oil production will lead to pollution of the environment of the local communities, the economic activities of these communities, which revolve around fishing, have no negative effect on oil production. The impact of oil production on the local economic activities would be depicted by a depletion of fishery growth as oil production increases, while oil production is unaffected by the local economic activities. The higher the level of the oil produced, the greater the negative impact it brings on the local economic activities. Externalities generated from oil exploitation are a non-depletable externality because the experience of the externality by one agent is not affected by the fact that others are also experiencing it. The pollution linked to oil exploitation in the Niger Delta is a typical illustration of environmental externalities.

It has been shown in the economic literature, however, that government failure could also cause environmental externalities. This is because government failure could be manifested in the implementation of inappropriate policies, ignorance of the effect of policies, incomplete information and so on (Iyoha, 2000). Market and government's failures lead to excessive use of environmental resources, which consequently result in degradation with negative economic, social, health and ecological effects. In the Niger Delta context, the exploitation of oil by the Multinational oil companies granted lease by the government without stringent measures to adhere to global environmental standard have led to massive environmental degradation that erode the sources of livelihood of the people derived from their rich ecosystem.

The conflict arising from the oil-industry activities in the oil producing areas can also be analysed using the framework of analysis advanced by political scientist Thomas Homer-Dixon who argued that poverty causes violence, and points to cases where scarcity leads to migrations that result in conflicts between identity groups over resources. Homer-Dixon (1991) contended

that there is an inter-linkage between environmental changes and possible conflict situation. Homer-Dixon postulation implies that the total effect of human activity on the environment in a particular ecological zone is mainly a function of two variables: first, the product of total population in the region and physical activity per capital, and second, the vulnerability of the ecosystem in that region to those particular activities. Thus, environmental effects may cause ‘social effects’ which in turn could lead to conflict. ‘Environmental scarcities’ sometimes aggravate stress within a society by helping to stimulate ethnic clashes, urban unrest and insurgencies. In the Niger Delta, environmental dislocation led to the erosion of sources of livelihood of the people, and heightened poverty, leading to agitation and demand for compensation. The lack of or inadequate compensation for the environmental damages have led to uprising against the oil companies, usually in the form of seizures of flow stations and kidnapping of oil companies’ personnel.

The interaction between environmental change and conflict, raises three theoretical perspectives of conflict. The first is frustration-aggression, which states that when people feel that they deserve more than they have obtained, this can lead to frustration. Frustration sometimes provokes aggression; and aggression is sometimes provoked by frustration (Gurr, 1990). The second relates to group identity, which implies that when people are in a large group or crowd, they tend to lose a sense of their identity and take on the identity of the group. This can make them commit acts of aggression and violence that they would not normally commit and they may not take responsibility for those acts of violence (Burton, 1972). Lastly, there is the structural theories, which postulates that the root of social conflict can be traced to factors resulting from incompatible interests based on competition for resources, which in most cases are assumed to be scarce (Homer-Dixon, 1991). Monopolization of socio-political, economic and cultural processes creates the conditions that make power-based, adversarial and zero-sum approaches to conflict inevitable.

In the Niger Delta, over five decades of intensive oil exploitation and the resultant negative externalities in the oil communities have been the focus of numerous scholarship (Ibeanu, 2000; Okonta and Douglas, 2001; Obi, 2002; 2004; Orubu *et al.*, 2004; Osaghae, *et al.*, 2011; Obi and Rustad 2011; Ako 2015; Schultze-Kraft 2017). While these studies have offered constructive insights on diverse social, economic and political consequences of oil exploitation, there is paucity of studies on the oil politics in oil communities that engendered inequalities in the distribution of oil benefit. The focus of this study as stated earlier is to explore the nature of oil politics in local

communities and how it engendered a vicious cycle of inequalities, poverty and exacerbate the complex conflicts in the Niger Delta region. This necessitate a nuance analysis of the nature and dimension of the contestation among local actors in oil communities and the far reaching implications for the future trajectories of the Niger Delta struggles for equity, and justice. While the asymmetric power dynamics between the Nigerian government, oil multinational and the people of the Niger Delta region depict an important aspect of the oil politics, an insight into the dynamics of oil politics entails a rigorous analysis of the roles of local actors in the contentious politics in the local communities in the Niger Delta. As this study intends to demonstrate, the roles of the local actors in the oil politics seem to replicate the asymmetric power relations between the Nigerian state and Western corporations and engendered a vicious cycle of inequalities and poverty in the Niger Delta region.

The Appropriation of Oil benefits and the Paradox of poverty in the Niger Delta

The Niger Delta is regarded as the goose that lay the ‘golden egg’ in Nigeria. The enormous oil resources that constitute the main stay of the Nigerian economy is located in the Niger Delta region comprising the nine states of Bayelsa, Delta, Rivers, Akwa-Ibom, Abia, Edo, Imo, Cross-River and Ondo. The massive oil and gas infrastructure in the Niger Delta include 606 fields, 5, 284 wells, 7,000 kilometres of pipelines, 275 flow stations, ten export terminals, ten gas plants, four refineries and substantial liquefied natural gas (LNG) (Watts, 2007). The Nigerian government allocates permits, licences and leases to survey, prospect for and extract oil to the oil multinationals, who are then automatically granted access to the land covered by their permit, lease or licence. To consolidate their hold on the oil resources and guarantee oil multinational with unhindered access to oil, the government enacted law that ensured that local communities have no legal rights to oil and gas reserves in their territory (Constitutional Rights Project, 1999).

Before the discovery of oil in the Niger Delta region, the traditional economy was primarily agrarian comprising farming, fishing, timber lumbering and trading. The Niger Delta region, apart from the massive oil and gas resources is also endowed with enormously rich natural endowment in the form of land, water, forests and fauna. The Niger Delta Technical Committee report in 2008 noted that the region has the third largest wetland and coastal marine ecosystems in the world. In Africa, the Niger Delta mangrove is ranked as the largest mangrove in Africa, and considered Nigeria’s natural belt for both cash and food crops including rubber, cocoa, oil palm and coconut

tree and food crops such as cassava, yam and plantain. The rich resources from the Delta mangrove forest, have provided means of sustenance for the majority for the Niger Delta people. Most recent reports estimated that at least 75 percent of the people of the Niger Delta rely on the natural environment for their livelihood which revolves around fishing and subsistence farming (UNDP, 2006; Amnesty International, 2009).

The discovery and commercial exploitation of oil led to massive environmental degradation, with adverse effect on the rich natural resources, the sources of livelihood of the people, making them vulnerable to poverty, and deprivation, fuelling a violent campaign for environmental justice since the 1990s (Obi 2004). Thus, Okonta and Douglas (2001) posited that the legacies of oil in the Niger Delta are endemic poverty, state violence and a dying ecosystem. The enormity of the environmental problem in the Niger Delta was brought to light by Watts (2007) who argued that the Niger Delta is regarded as one of the most polluted region in the world with over 6,000 oil spills since 1970. Environmental experts and scientists also labelled the region as as one of the world's most severely petroleum-impacted ecosystems (Environmental Right Actions, 2005; UNDP, 2006). The recent UNDP (2006) report observed that oil operations has resulted in a chronic and cumulative damage that intersected with other sources of environmental stress, leading to a severely impaired coastal ecosystem with adverse effect on the livelihoods and health of the impoverished people in the region.

As Human Rights Watch (HRW, 2002), succinctly put it, when the country gained independence from British colonial rule in 1960, the possession of vast natural resources raises hope among the citizens about the future prospects of their country. The euphoria that accompanied the exploration of these resources and the expectation that it would bring about substantial economic growth, human capital development and sustainable socio-economic development has remained unfulfilled. Rather, oil revenues have been a major driver of the fierce struggles among the ethnic groups for a share of economic and political powers, fueling political violence, state repression, rise of ethno-nationalities groups and rampant human rights violations (HRW, 2007).

The endemic poverty among majority of the people is expertly illustrated in the World Bank report which showed that 70% of Nigerians live on less than \$1 a day and 90% on less than 2\$ a day (World Bank, 2006). Other indices of the development crises include the rising proportion of educated unemployed and under-employed people in the labour force; fiscal crisis; inflationary pressures; balance of payments problem; structural distortions and environmental degradation. The

huge revenue derived from oil by both the Federal and the states governments have mostly been plundered and used for the enrichment of the political elites (Mahler, 2012). This, perhaps informed Watts (2007) submission that Nigeria's multi-billion dollar oil sector has so far recorded little achievement in terms of boosting the welfare and wellbeing of majority of the people. Rather, he noted that an inventory of the Nigerian oil development showed that about \$100 billion of \$400 billion in revenues since 1970 have been stolen and 85 per cent of oil revenues accrue to 1 per cent of the population (Watts, 2007).

The paradoxical situation in the oil-rich Niger Delta is particularly instructive. Apart from the environmental challenges arising from the degradation of the environment of the Niger Delta region, the developmental challenges in the Niger Delta arose not only from the failure of the government to address the environmental problem, but also the lack of provision of adequate social services and empowerment for the people of the region. It is in this light that the United Nations Development Programme (UNDP, 2006) describes the region as suffering from administrative neglect, crumbling social infrastructure and services, high unemployment, social deprivation, abject poverty, filth and squalor, and endemic conflict. Thus, Watts (2007) concluded that the abysmal state of infrastructure including health care services, portable water, schools, motorable roads depicted the sad reality in the region that "lay the golden egg".

The micro-level paradox of penury experienced by the people of the Niger Delta (Iwayemi, 2006), may not be considered as the worst in the country, yet it is symptomatic of the marginal benefits that have accrued to the people from the huge oil revenues derived for over five decades in the region. While the North and South clearly exhibits in general terms two distinct aggregate poverty profiles that revealed that the northeast is the poorest region with the highest multidimensional poverty index and ranking of 86% poverty incidence, the South-South including the nine Niger delta states has an estimated 34% poverty rate and significantly higher human development indices. (Watts, 2017). Yet, it is important to take cognisance of the enormous oil wealth derived from the oil region and the massive adverse environmental effect on the traditional livelihood of the people that aggravate poverty. As Amnesty International (2009) posited, the high poverty rate in the Niger Delta, is in contrast with the enormous oil wealth generated from the region, a situation that clearly depict one of the world's starkest and most disturbing examples of the "resource curse".

An important dimension of the development crises is the nature of appropriation of oil wealth in the region. While the oil revenues accruing to the Niger Delta may not be sufficient to cater for the development needs of the region, the revenues received from the Federation account have not been judiciously utilised for the welfare of the people. Enweremadu (2009) noted that most of the state government in the Niger Delta have squandered and mismanaged the oil revenues accruing to their state. Some of the former governors in the core oil producing states of Bayelsa and Delta, have been found culpable in the diversion of huge oil revenues for self-enrichment. A former government of Bayelsa state, was alleged to have diverted close to 1 billion dollars while in office to personal use, and filtered away most of the Bayelsa state's share of Nigeria's oil rents on white-Elephant projects. In the case of Delta state, an ex-Governor was convicted in the United Kingdom of diversion of huge oil rents meant for the state into his personal use. Not surprising that the oil communities in the two states have been at the forefront of agitations for access to basic social amenities and oil benefits. Watts (2007) has detailed the dismal state of social amenities in the oil rich states of Bayelsa and Delta, including the near absence of health care facilities such that only one doctor is available for every 150,000 inhabitants.

The mismanagement of the oil revenues accruing to the Niger Delta state seem to depict an important dimension of the inequity in the distribution of oil wealth in the Niger Delta. The mismanagement of the oil revenues by the state government aggravate the deplorable situation facing the oil communities who lack access to basic infrastructures and amenities that can impact meaningfully on their welfare. This buttress Smith (2007) postulation that States that are the highest recipient of transfers have experienced increased income inequality and poor economic indicators, suggesting that there is little accountability, while states that have benefited the least from oil rents have fared much better. At the same time, it is important to analyse the nature of oil distribution in oil communities. This is provide broader insight into the dynamic of oil politics at the local communities and the implications for the struggles for environmental justices in the Niger Delta.

Local Contestation and the Cycle of Inequalities and Poverty in Oil Communities

The Niger Delta region has battling with internal conflict in oil communities linked to struggles to access oil benefit. The internal contestation as Imobighe (2004) opined has led to multidimensional and complex conflict within and between communities, over claims to benefits

from oil operation, communal clashes with oil multinationals and armed militias versus oil companies and Nigerian security forces. The general views that resonate among the local people is that oil companies and the government fuel division and conflict among the people by appropriating oil benefit to some segment of the local elites at the detriment of the majority who suffered from the adverse effects of oil-related activities. As a local chief interviewed in Ikorigho, Ilaje LGA, Ondo noted, *“the division and conflict among the people in the community is actually a misdirection of hostilities. The hostilities should be directed at Chevron and the Nigerian government”*. While the oil companies and the government have been blamed for the crises that have engulfed oil communities, it is important to take cognisance of the failure of traditional leadership to ensure judicious utilisation of the oil benefit accruing to the local communities. The weakening of local governance depict an important dimension of the inequalities in the distribution of oil benefit to the people.

In Ilaje, respondents for the FGDs sessions in Ikorigho alleged that the distribution of oil benefit has generated fierce contestation, especially since the emergence of a new Olugbo of Igboland. They reported that in the previous arrangement, the traditional leaders were vested in the authority to distribute oil compensations among the people. In the new arrangement, the sharing of oil compensation is vested in a committee comprising of both community elders and youth, set up solely for that purpose. The traditional leaders were given their own allocation separate from that of the community. The change in the political arrangement for distribution of oil benefit within community underscore the erosion of trust by the local people in their traditional leadership and the gradual loss of legitimacy of the traditional leaders.

In Bayelsa state, a local youth interviewed in Otuosega, Ogba LGA, disclosed that the contest for political office within the community has been very fierce and intense such that various families jostle to have their members elected to the post of Community chairman, Community development community (CDC), youth leader, women leader and others. Election into these posts is perceived as a lucrative avenue to have a share of the oil benefit and gain prestige for the family. The contestation for these position is so contentious that people distort history to lay claim to political position and could go as far as using violent means to silence opposition. In the word of a respondent during the FGD session, *the contestants and even those occupying political position are intolerant of any opposition and dissent. They can go to any length to permanently silence*

such dissenting voice. The repression of oppositions and grievances of marginalised groups in the community creates a climate of fear and insecurity.

In the case of Delta state, direct observation in the local communities, revealed that the fierce struggles to access oil benefit has created palpable fear of the community leaders by the local people. Another observation was that most of the communities leaders do not reside in the local communities, even though they built magnificent building where they stay whenever they deem it fit to visit their community. Their spectacular houses seem at odd with the parlour state of most resident in the local communities. It is clearly an attestation of the socio-economic gap between the few rich local elites and the impoverished majority in the oil communities. During the course of the fieldwork, it was difficult to access most of these leaders who hardly stay in the communities. In instances when they are accessible, some of them were reluctant in granting interview and responding to questions about the manner of distribution of oil benefit. The case of Owodokpokpo-Igbide, Isoko South LGA is emblematic of this reality. After many fruitless attempt to see and interview the community leader, the opportunity came eventually and the meeting turned out to be an eyesore. During one of the researcher's visit to the community, the community leader passed by in his jeep, and one of the locale called his attention to the researcher's visit and request to interview him. In a derisive manner, he exclaimed '*are you here to solve our problem for us?*' and he drove away. While the reaction of the community chairman is not archetypal of all the communities sampled in the study, it nevertheless seem to underscore the lacklustre attitude of some of the leaders that tend to validate the claim of the local people that most of their leaders have cornered oil benefit meant for their communities for their personal use.

Most of the youths interviewed in the FGD session in these communities unanimously accused their local leaders of corruptly enriching themselves at the expense of their people. They reported that their local leaders have been co-opted by the oil companies and government to support the unscrupulous practices of oil companies such as rampant oil spills, incessant gas flaring, failure to abide by MOU and compensate the people for the adverse effect on their main sources of livelihood. In the word of a local youth, *our leaders are greedy and self-serving. They ignored the plight of their people because of the benefit they enjoyed from the oil companies and government.* The local leaders are facing credibility and legitimacy crisis because they have sold their credibility in exchange for monetary benefit they enjoyed from government and oil companies patronage. As Odoziobodo and Didiugwu (2015) posited, the local youth perceived

their traditional leaders and community elders as stooge used by the government and oil multinational to exploit and subjugate their people.

The local youth accused the local elites of not providing any support to them. They claimed that the local elites are offered oil contracts to clean-up oil spills by the oil companies. Yet they fail to employ the youth in carrying out the clean-up exercise. Rather they employ labourers from other communities, claiming that their youth demand for exorbitant charges whenever they employ them as labourers. The teething youth who lack access to gainful employment are also denied access to casual work that can provide a temporary means of survival for them. These unemployed youth faced risk of poverty that make them vulnerable to be exploited by oil multinationals and political elites who hire them to engage in criminal activities of artisanal oil bunkering, cultism, kidnapping and attacks on political opponent. This validates Osaghae, *et al.*, (2011) submission that youth engagement in criminal activities of kidnapping of oil personnel and oil bunkering are tactics adopted to exert some compensation from the oil multinationals because of the lack of transparency in the distribution of oil benefit. A recent report by a local NGOs in the Niger Delta, Stakeholders Democracy Network showed that NGOs livelihood projects for youths in Ogoniland geared towards provision of viable opportunities for ex-cultist faced setback linked to interference of local politicians who offered inducement to the ex-cultists to derails them from the programmes so that they can continue to engage them in illicit activities.

While the local leaders interviewed alleged that high rate of youth unemployment is a major challenge facing the communities, it is quite surprising that they seem reluctant to engage their youth whenever they have the opportunity to do so. Rather, the local leaders accused the youth of been a stooge used by the oil companies to foment trouble in the communities. A local chief in Bodo community, Ogoniland alleged that Shell oil companies taught their youth how to steal oil, damage pipelines and siphon oil for sales. Such weighty allegation and counter accusation between the youth and local leaders point to the lack of trust, loss of respect for the elders and weak legitimacy of the traditional institutions. The elders who were supposed to inculcate moral and cultural values in the youth have been found remiss in their sacred responsibilities to uphold moral, ethical and cultural values that foster peace and societal harmony in their domain. This failure exacerbate youth agitation and militancy which has continue to generate widespread acrimonies in various forms including criminal activities of kidnapping, oil bunkering and attack

of oil facilities with disastrous consequences for human security, peace, security and development in the region.

The Amnesty programme and other incentives like pipelines surveillance contracts offered to the youth can at best be described as mere cosmetic efforts that cannot address the deep-seated environmental and development injustice that have remained pervasive in the Niger Delta. As Obi and Oriola (2018) succinctly put it, the cycle of petrolized violence in the region is spawned by the persisting grievances and inequities, in which the response of the state in the form of ‘political settlement’, the co-optation of former militia leaders into pan-Delta elite arrangements led to new entrants into the ruling network, disrupt the balance of power in local communities, counter-attack and attack by displaced elements, and yet- to-be co-opted or marginalized militants against the state and oil companies. This ultimately led to further instability within the region. As those marginalised seek recognition and accommodation, whenever the power equation tilt a little in their favour, this create further tension and conflict which aggravate the grievances, deprivation and inequities that are the root causes of the conflict in the region.

The parlous state of infrastructure in the local communities evidently attested to the failure of local, state and national governance. The lamentation that resonate across the local communities is the lack of access to social amenities like portable water, motorable road, transportation, health care services and educational facilities. This buttress Mahler (2012) contention that government piecemeal efforts in the oil communities have failed to address the poor state of amenities. Evidently the local communities are littered with abandoned or poorly functioning infrastructures, that depict the inadequacies of the government in frontally tackling the development deficit in the Niger Delta.

While the claim of marginalisation of the oil communities, and that the 13% derivation is insufficient to frontally tackle the development challenge in the difficult terrain of the Niger Delta is indisputable, the management of fund allocated to the state government in the Niger Delta have raised serious contention among the people. As earlier stated, some of the state governors in the region have been indicted and convicted for corruptly enriching their purse with the allocation meant for the development of the oil communities. Some of the respondents in Bodo, Ogoniland, accused the state government of diverting the derivation fund to develop the state capital while neglecting the oil communities where the oil resources are derived and suffered massive ecological crises. Not surprising, the project officer of the Environmental Rights Actions, a local NGO in the

Niger Delta, noted that the people are agitating that the 13% derivation should be taken from the state government, put in a special trust fund that would be administered by the committee made up of credible local elites and youth, set up exclusively for that purpose.

The reality that pervade the local communities is that the distribution of oil benefit is fiercely contested and cornered by a few while majority were marginalised. Thus the nature of distribution has led to a vicious cycle of inequalities and poverty that replicate the manner of oil appropriation by the federal and state government. This situation has grave implications for the trajectories of the legitimate struggles for environmental justice.

Conclusion

The Niger Delta people has been aggrieved by the lack of adequate compensation for the oil extracted in their region which led to massive environmental degradation. Oil pollution of the ancestral land of the people has eroded their traditional livelihoods and aggravated poverty in the region. The Niger Delta region has been classified by environmental experts as one of the most environmentally ravaged region in the world. The high poverty rate in the Niger Delta contrast with the enormous oil wealth derived from the region. While the exploitation of oil by multinational companies without adhering to global environmental standard and the failure of the government to provide adequate oil benefit to the people have led to an increasing sense of exclusion, marginalisation, deprivation, and fueled youth militancy and communal conflicts, there are other interlocking issues that exacerbate the poverty situation and inequalities that pervade in the oil communities.

One important aspect of the dynamics of oil politics relates to the nature of distribution of oil benefit in the oil communities. Evidence in the local communities showed that the nature of the sharing of oil benefit is exploitative and divisive, and ultimately replicate the unequal power relations between the Nigerian government, the Big Oil Corporation and the people of the Niger Delta. The local elites capitalise on their access to power and oil benefit to repress the agitations of the majority in the oil communities. The power imbalances between the local elites and their people allow this form of exploitation to fester, leading to a vicious cycle of inequalities and poverty in the oil communities.

This has profound implications, given that the genuine agitations for environmental struggle and social equity seems to have been displaced by the inordinate ambitions of a few local

actors who cornered the oil benefit that trickle down to the communities, while the majority continue to confront abject poverty. The deprived people, in the quest for survival also struggle to gain access by whatever means, provoking a fierce contestation that erode the legitimate grievance with severe ramification for the trajectories of the struggles for environmental justice, durable peace and development in the Niger Delta region. In the long run, the contour of the struggles for environment justice and social equity will largely be shaped by the nature of oil politics at the local level, This may become a crucial determinant of the capacity of the Niger Delta people to take charge of their plight in a way that herald hope for the quest for social justice, equity, environmental security and sustainable development.

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