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<u>ABSTRACT</u>

Oil mineral exploration and exploitation ordinarily should bring in enormous resources to enhance sustainable development in the areas where such activities are carried out. But in Nigeria, they have become serious impediment to regional growth and development, as apparent neglect spanning several decades have made people in oilbearing communities of the Niger Delta restive, sometimes belligerent. This paper focuses on what has become known as the "Niger Delta Question" within the Nigerian polity. It explores the economic, political and social forces at play, the impact of oil mineral production activities in the Niger Delta and the neglect of the region by the Nigerian State. It evaluates the struggle for "resource control" and fiscal federalism by the political leaders of the region and the likely impact on the Nigerian State. The paper argues that the position of the political leaders on resource control has thrown up a major debate on the vexed issue of federalism in Nigeria. It notes that the challenges of the Niger Delta have laid bare, the fact that a major set back in the nation's search for stable society and good governance, has to do with deviations from the principle of federalism in the governance of the country. It does recommend a return to the practice of true federalism for peace, stability and healthy competition among the federating states/units in the Nigerian State.

1. 0 Introduction

This paper focuses on the conflicts in the Niger-Delta region of Nigeria. The Niger-Delta is Africa's largest, covering some 70,000 square kilometers. About one-third of this area is wetland, including the largest mangrove forest in the world, and fresh water swamp forest. 1 Most of Nigeria's oil comes from this heavily populated region and adjoining offshore.

The region is beset with monumental problems. The natural terrain is difficult for purposes of rapid development, while about five decades of petroleum exploitation by the industry has compounded the natural problems. These problems have been worsened over the years by apparent absence of adequate, appropriate and sincere attention given to

the region by the Nigerian state. As a region of minority ethnic groups, it has been most difficult for successive Nigerian leaders from the major ethnic groups to comprehend, let alone empathize with or even listen to the basic demands of the region. They also failed to respond appropriately to the acute problems and human pains of the region, 3 this became worsened with the incursion of the military into politics.

Nigeria at independence operated a regionalist federation. The country was grouped into regions and each region operated independently without undue interference and hindrance from the centre, 4 each region mobilized their human and material resources in revenue generation and socio-economic development. Then the military ventured into politics and oil became the major foreign exchange earner for the country.

As is characteristic of military rule, Nigeria became a unitary state only but in name. The control over oil and oil revenue became centralized, while the component units became mere military outpost that relied on the central government for directives and funding. Thus stifling local initiative for revenue generation, 5 the result is the massive pillage and underdevelopment, which now characterize the Niger Delta region.

Hence, this paper intends to argue that, it is the deformities of the Federal system as operated in Nigeria that necessitated the extortion, degradation and consequent underdevelopment of the Niger Delta region, and this has given rise to agitations, kidnapping of expatriates and armed conflicts across the region. This is what has become known as the Niger Delta question within the Nigerian polity. It is a conflict that involves agitations against the central government and oil companies on the one hand, and between the ethnic groups themselves, on the other.

It is this increase in conflicts across the region that gave rise to the emergence of the agitation for resource control and return to fiscal federalism. The agitation is hinged on the assumption that the operation of fiscal federalism is the only way through which the Nigerian state could release the necessary resources needed for the development of the Niger Delta region.

Consequently, the paper shall argue that, for peace to return to the Niger Delta and for stability and healthy competition among the federating units, there is urgent need for a reexamination and re-structuring of the federal system of government in Nigeria to reflect fair and equitable distribution of resources and an acceptable measure of autonomy at all levels of the constituent part of the federation.

2.0 THE CHARACTER OF THE NIGERIAN STATE

We shall attempt to situate the response of the Nigerian State to the Niger Delta Question on the character of the State which is interventionist and violent. The Nigerian State can be defined as a neo-colonial state whose character has been deeply affected by the dynamism generated from the colonial experience and the attendant weak development of capitalist relations.6

Consequently, it interposes coercion in economic processes, and easily assumes authoritarian form because of its conceptualization by the ruling elite as an agency for the transformation of society. 7 As an agent of transformation and in accordance with its ideology of development, the State assumes wider roles, which are economic, political and cultural.

Economically, because the State is endowed with progressive content, as an agent of development, it appropriates and centralizes surplus from export commodities in the name of accelerating development.8 Politically, the ideology of development makes it play an integrative role. As such, the repression of popular demand and of dissent is justified by the State as playing integrative political role or what some refer to as nation building.9 The integrative role results from the inchoate and fragmented multiform society which colonialism created. Development becomes consistent with centralization of power and repression of dissent.

This paper is therefore, hinged upon the understanding that the emergence of centralization in Nigeria's postcolonial politics resulted in the expropriation and underdevelopment of the Niger Delta region.10 The emergence of centralizing trends arose largely from the character of a political elite that needed a strong interventionist state to facilitate accumulation.11 Thus, the high stake of the central government in the control of crude oil became an important channel for the dominant elite to facilitate the process of appropriating the oil wealth for private use, at the expense of oil producing communities.

The interest of the Nigerian State, which represents an over centralized federation of ruling elite interest from the larger ethnic groups is to continuously produce oil. Acting against the background of a neocolonial state, these forces employ a continuum of strategies to retain control of oil revenue. The expropriation of this revenue has produced a variety of negative consequences for the communities of the Niger Delta. This has led to various forms of responses and agitations, especially the current armed conflicts.

3.0 PRE- INDEPENDENCE CONSTITUTION

The geographical entity known as Nigeria came into existence with the amalgamation of the Northern and Southern protectorates in 1914,12 however, it was not until 1951 that an acceptable constitutional framework was worked out by the colonialist and people of Nigeria. The 1951 constitution introduced fundamental changes into the relationship between the colonialist and the natives on the one hand and between the native Nigerian groups themselves, 13 on the other.

The constitution was promulgated after an unprecedented process of consultation with the peoples of Nigeria as a whole. The consultation was total from the villages to a national conference. The outcome of the consultations marked the first formal introduction of federalism into Nigeria. The conference noted that: We have no doubt at all that the process already given constitutional sanction, and fully justified by experience, of

devolution of authority from center to the regions should be carried much further so that a federal system of government can be developed.14

The general conference was of the opinion that over centralization would be a grave mistake "in this vast country with its widely differing conditions and needs". 15 It meant that when given the opportunity to decide what political arrangement, that would suit living together, the federal system was the popular choice of Nigerians.

Federalism is an arrangement whereby powers are shared between a federal or centre authority and a number of component units in such a way that each unit, including the central authority exists as a government separately and independently from the others, operating directly on persons and property within its territorial area, with a will of its own and its own apparatus for the conduct of affairs and with an authority in some matters exclusive of all others.16 In a federation, each government enjoys autonomy, a separate existence and independence of control of any other government. Each level of government exists, not as an appendage of another government, but as an autonomous entity in the sense of being able to exercise its own will in the conduct of its affairs free from directives from any other government.

It was expected that federalism would help in the effective management of heterogeneity, enhance democratic consolidation and facilitate socio-political and economic co-existence, while at the same time creating unique divergences, which would subsequently facilitate the process of nation building as well as development.

4.0 THE INDEPENDENCE AND POST INDEPENDENCE CONSTITUTIONS OF THE 1960'S

The 1960 independence and 1963 republican constitutions of Nigeria epitomized some element of a true federal system. The 1950 National conference had been followed by other consultations in 1953, 1954, 1957 and 1959, in which the practice of federalism was perfected.17 An important feature of these constitutions was the extensive powers granted the regions, making them effectively autonomous entities and a revenue arrangement, which ensured that the Regions had the resources to carry out the immense responsibilities of governance.

Under these constitutions, the true federal system was made up of strong Regions and a Central government with limited powers. Certain features emphasized the thoroughness of the federal system in this period, these included: 18

- i. Each Region had its own separate constitution, in addition to the federal constitution.
- ii. Each Region had its own separate Coat of Arms and Motto different from that of the federal Government.
- iii. Separate Judicial System for each Region which enabled the Regions to have not only High Courts, but also Regional Courts of Appeal.
- iv. Revenue Allocation system under these constitutions was based on derivation.

The federal constitution of 1960 in Part 2 of chapter 9 allocated the country's revenue to the two levels of government and shared other federally collected revenue between them, section 140 of the 1963 constitution made provision for the sharing of the proceeds of minerals, including mineral oil, it states that:

There shall be paid by the federal government to a region, a sum equal to fifty percent of proceeds of any royalty received by the Federation in respect of any minerals extracted in that region and any mining rents derived by the Federal government from within any region19

Interestingly, each region strove to have a dominant revenue-yielding product, the North had Groundnut and Cotton, the West had Cocoa and Rubber, and the East had oil Palm. Thus, the federal principle at this point was a basis for defining competition between the groups for social and economic progress of Nigeria.20 It was discovered that, the East and the Northern Regions matched any move by the Western Region towards industrialization and vice versa.

It was a period in which the competition among the various Regions of the federation generated economic gains that ushered in industrialization, and massive investment in education. This progress was made not because of natural resources, but because of the competitiveness which caused the leaders in the 1960's to become creative and rigorous in public choice making.21 There was a steady progress, especially between 1956 and 1966, before the military intervened in politics, and crude oil assumed the position of the largest single foreign exchange earner.

5.0 CENTRALIZATION OF REVENUE SOURCES

As noted earlier, at independence in 1960, Nigeria was a federation of three powerful regions. Each region was provided a tax base composed largely of revenues easily identifiable as originating from these regions. A pooling account was also established for sharing revenues considered to be of national significance such as mining rents and royalties and custom duties- import and export- excise duties and company taxes.22 The principle of derivation played an important role in the sharing of pooled resources at this time because the country was concerned with setting the right incentives for tapping local revenue sources and encouraging fiscal responsibility in the regions.23

The first misguided, but direct attack on federalism in Nigeria was by the military in January 1966, when General Aguiyi Ironsi overthrew the democratic government and promulgated Decree No. 33 and 34 of May 1966, abolishing the federal system and replacing it with a unitary form of government.24 Because of the general inclination of Nigerians for a federal system of government, the abolition was resisted and repulsion for Aguiyi Ironsi's unification of the country by military fiat led to violent and bloody riots in the North, which culminated in a second military coup in July 1966; then a reversion to the federal system and later a civil war.

The abrupt and unexpected termination of democratic rule by the military initiated a process that steadily eroded the powers of the Regions (later States) with the transfer of several items hitherto in the residual and concurrent lists to the exclusive list.

However, the first major development that made the dominant political elite at this time to rethink its role in the control of the oil industry was the Nigerian civil war.25 While the control over oil cannot be said to be at the heart of the civil war, the contest of the right to revenue payments between the federal government and the government of the secessionist Biafra brought to the fore the need for a closer control of the industry by the dominant ruling elite. Also, given the atmosphere of the civil war, the ruling elite saw the concentration of power at the centre as a strategy for strengthening the political class and building some platform for cohesion.

In 1967, the military introduced a 12 state structure to replace the existing four regions26 and through a series of decrees issued from 1969, set about the process of centralizing fiscal powers, with exclusive powers to legislate on solid/mineral oil and natural gas, "these decrees completely undermined and subverted the federal basis of association",27 especially the petroleum Act of 1969 and the Land Use Act of 1978. In 1970 the federal military government allocated the bulk of federally collected revenue to the Central government. It also jettisoned the principle of derivation (for need) and a lump sum transferred to cover the fixed cost of running a government, in state allocation. It also introduced a dichotomy between onshore and offshore mining and assigned offshore rents and royalties to itself.28 The channeling of all distributable revenues through a pool account in 1975 expanded the scope of revenues collectable by the Federal government and shared by the various governments.

The process of centralization was completed with the introduction in 1980 of the Federation Account (FA) to hold all federally collected revenue, including the 20 percent onshore mining rents and royalties hitherto conceded on the basis of derivation, 29 and inclusion of local governments in the federation account revenue sharing arrangements. The principle of derivation was now given only a token recognition by the introduction of a special fund for mineral producing areas to receive a small transfer of between one and one point five percent from the federation account and to be shared by states on the basis of derivation. The Federal government, which had become unitary in practically every sense of the word, relied on "periodic grants" or special allocations to the states.

This arrangement did not change significantly during the brief civilian administration of 1979 to 1983 and the second military period of 1983 to 1999. In order to find avenue for expending the increased resources at its disposal as a result of this centralization of revenue, the Federal government began to extend its activities to areas of expenditure once reserved for states, first by the process of encroachment and later by formal legislations-backed take over. 30 The Federal Government became directly involved in primary and basic education, agriculture, banking, industry and commerce e.t.c. Some of these involvements were later formalized in the 1979 and 1999 constitutions.

6.0 CONSEQUENCES OF CENTRALIZATION

A few questions are pertinent:

- i. What happened to the resources, which the governments of the former four Regions depended upon to fund their respective economic and infrastructure development programmes before the advent of Oil?
- ii. What happened to the groundnut pyramids, the cotton, the plywood, the rubber, the timber, the cocoa and the palm oil/kernel? 31

Economic indices show that the per capita income and overall standard of living of Nigerians were higher in the era of regionalism and fiscal federalism.

The perennial haggling over revenue allocation is indicative of how the country has deviated from the original idea of federalism, which was adopted by the founding fathers of the nation. They would never have imagined that the federation of their dream would give rise to States that cannot survive without handouts from the Federal Government.32 It is disheartening therefore to note that an overwhelming majority of the States can hardly survive without the constant support of the Federal Government. Rather than develop locally based resources, most of the States now wait for largesse from the Federal Government, in the name of allocation from Oil revenue.

Over centralization of power has stifled local initiative. Instead it has promoted inefficiency and fostered a sense of over dependence on the federal Government. In fact it has created a situation, a system or mechanism that discourages work by having "booty"33 which is shared every month. If people are not working but depend on booty sharing, there cannot be increased economic activity. You cannot nurture a people on a system of booty sharing without production and expect development. This paternalistic form of federalism, which is the order of the day in Nigeria, cannot be sustained, especially with the increasing crisis and conflicts in the Niger Delta region.

7.0 EFFECT OF CENTRALIZATION ON THE NIGER-DELTA REGION

7.1 Poverty:

Beginning from 1969, the politics of Nigeria, whether Military or Civil became that of determining the control of Oil resources. As Saro-Wiwa aptly observes, Oil is not only money, it has been at the centre of Nigerian federalism, for a long time, with the federal government reserving for itself, "a huge chunk of Oil revenue". 34 However, the nature of rent-based income that accrued from Oil production and the neo-colonial ruling elite has elicited a pattern of development that is excessively distorted. One area in which the underlying crisis in the economy has been felt most in recent times is in the Niger-Delta, the main crude oil producing region.

Today, only thirteen percent of rents and royalties from Oil exploration is now allocated on the basis of derivation, meaning far less resources to the Niger Delta, despite the degradation and underdevelopment associated with Oil production in the region. The

Federal Government controls the rents and royalties, allocates it and decides polices on investment, technology, the environment, and employment.

Even at the peak of the false oil boom in the economy, the oil producing regions were subjected to abject neglect. The oil producing areas remain the most underdeveloped areas of the country, lacking in modern infrastructure, such as roads, education, medical facilities, electricity e.t.c.

The traditional economic activities of the region such as fishing and farming have been ravaged by pollution and environmental degradation associated with oil extraction. The region has the highest rates of unemployment in the country today. Thus the striking paradox of the Niger Delta is that while it is a treasure base, it is also paradoxically Nigeria's poverty enclave.35 According to a 1995 World Bank Report:

Despite it's vast oil reserves, the (Niger Delta) region remains poor. GNP per capita is below the national average of US\$280. Unemployment in Port Harcourt, is 30 percent and is believed to be equally high in the rural areas. The rural population commonly fish or practice subsistence agriculture, and supplement their diet and income with a wide variety of forest products. Education levels are below national average and are particularly low for women. While 70 percent of Nigerian Children attend primary school, this level drops to 30-40 percent in some parts of the Niger Delta. The poverty level in the Niger Delta is exacerbated by the high cost of living. In the urban areas of Rivers State, the cost of living index is the highest in Nigeria.36

To make matters worse, the extractions of oil over the years have taken a rather high toll on the ecology and environment of the region.

7.2 Degradation of the Environment:

Several decades of Oil Companies' activities in the Niger Delta have damaged much of the ecosystem of the region. According to official estimate of the NNPC, based on the quantities reported by operating companies, between 1976 and 1996, there were a total of 4,835 incidents resulting in the spillage of at least 2,446,322 barrels (102.7 million US gallons), of which an estimated 1,896,930 barrels (79.7 million US gallons; 77 percent) were lost to the environment.37

Another calculation based on oil industry sources, estimates that:

More than 1.07 million barrels (45million US gallons Of Oil were spilled in Nigeria from 1960 to 1997. Nigeria's largest spill was an offshore well blow out

in January 1980, when at least 200,000 barrels of oil (8.4 million US gallons), according to industry sources, spewed into the Atlantic Ocean from Texaco facility and destroyed 340 hectares of mangroves. Directorate of Petroleum Resources estimates were that more than 400,000 barrels (16.8 million US gallons) were spilled in this incident.38

The entire Niger Delta region is the longest mangrove forest. The mangrove is particularly vulnerable to oil spills, because the soil soaks up the oil like a sponge and releases it every raining season, thereby causing more damage to wider area than anticipated.

One of the most devastating forms of pollution is, of course, pollution by gas flaring. Before the Nigerian Liquefied Natural Gas plant went into production in October 1999, 95 percent of the gas produced along with oil known as associated gas, was flared after separation from the crude oil. In volume, this came to two million standard cubic feet of gas, which was flared into the Niger Delta environment everyday. Apart from the enormous economic loss to the nation, the cost in the degradation of the environment and to the health of the people of the oil producing communities is incalculable. Unburned carbon is transported into their homes and working areas, all vegetation around is destroyed, the soil is rendered completely infertile and tremendous heat creates unceasing hardship and discomfort.39

The net effect of these and other consequences of oil exploration in the Niger Delta have been to produce weak societies that are characterized by a high degree of fragmentation, low levels of social solidarity and a great deal of anomic behaviour. There is very little or no identity with what has been described as the Nigerian project. Hence, the situation has resulted in a great deal of unrest in the core oil producing regions of the country.

8.0 AGITATIONS IN THE NIGER DELTA

The agitations against degradation and underdevelopment of the Niger Delta are not really novel. They belong to a long tradition of the resistance against political and economic external domination spanning centuries. Thus, the resource control struggle represents a stage in the history of Niger Delta resistance.

There is a linkage in all the agitations in the region: from the Isaac Boro resistance; agitations for State creation in the first and second republics; Governor Ambrose Alli of defunct Bendel State's litigation against the Federal Government on the derivation principle of revenue allocation; Ken Saro-Wiwa's Movement for the Survival of Ogoni People (MOSOP); Kaima declaration; environment rights struggles; and then the current agitations for resource control and fiscal federalism, 40 which now constitutes core issues in the advocacy plank of some of the elected Governors and other political leaders in the Niger Delta States today.

The organizational forms, the scale of mobilization and the specific agendas canvassed by the protest groups have changed according to the historical circumstances, but the common striving for equity and autonomous space is unmistakable.41 However, despite the common thread, the individual interests of ethnic nationalities largely drove the previous forms of the struggle. A pan Niger Delta Consciousness was feeble - a weakness that made it possible for the Nigerian State and the multinational oil companies to play one group against the other. The Nigerian State used this in isolating the various earlier agitations from enjoying the active solidarity of its other Niger Delta neighbors who are also victims of the same environmental and developmental fate.42

This limiting of consciousness to ethnic basis also fostered a political leadership in the previous civil administrations in the first and second republics, which deliberately accepted political satellisation as a means of benefiting crumbs from the tables of political parties constituted by the larger ethnic nationalities. In their role as willing appendages, the pressing issues of the Niger Delta region did not feature in the manifestoes of the dominant political parties.43 Consequently, the political behavior of several of the appended leaders was determined by personal accumulation rather than the interest of the collectivity.

However, the complimentary indifference of the Nigerian State to the problems of the region, coupled with the brutal repression of the Ogoni agitations, as well as the international isolation of the General Abacha regime deepened frustration and produced a variety of rebellious youth movements in the Niger Delta and other parts of the country in the 1990's. Today, in the Niger Delta, many communities have been overwhelmed by their youths. Monarchs, chiefs, elders, community notables and a crop of compensation agents who used to mediate relationships with the oil companies lost most authority they hitherto had.44 The youths forcibly took over as a new social force in the Niger Delta struggle, though intense fractionalization and some element of criminality also exist within the ranks of the youth formations.

9.0 THE EMERGENCE OF NEW POLITICAL LEADERSHIP AND THE AGITATION FOR RESOURCE CONTROL

The significant development in the agitations in the Niger Delta is the very fact of a democratic transition-albeit a nascent experience in 1999. The development constituted an opportunity for a legitimate constitutional public postulation of the problems and the public bargaining about the solutions to the crisis of the region. Indeed,45 the elected representatives, particularly State Governors and Legislatures seized the constitutional opening to raise the issues affecting the region.

The free expression which came as an immediate dividend of the democratization process, created the opportunity for broadening the trans Niger-Delta consciousness. Hence the near unanimous discontent expressed by all the Niger Delta States against the lopsided allocation of resources which came largely from the region, and the expansion of the definition of resource control beyond gas. The argument of the political leaders in the Niger Delta is that, the current crisis and conflicts in the region is the result of neglect by

successive central governments, hence the leaders opened up a serious debate pointing increasingly in the direction of the demand for a thorough-going fiscal federalism, which could free up more resources for the development of the region.

Most intriguing, is the courage of the Delta State Governor, Chief James Onanefe Ibori, who initiated and spearheaded the struggle for resource control and fiscal federalism. Of particular interest is the fact that he was elected under the platform of the ruling Peoples Democratic Party. His position therefore contradicts the satellisation, which characterized the political leadership within the region in the earlier civil political dispensations.

Chief Ibori showed courage in the face of intimidation and blackmail in restating that, the underdevelopment of the Niger Delta region is the root cause of the conflicts sweeping across the region, and that this is a direct consequence of the plunder of the region by the Nigerian State. Resource control is therefore, a statement that the Nigerian State has deprived the region the necessary resources for development and that the way out, is a return to fiscal federalism, which could guarantee the region the needed resources for its development. The most precise definition of resource control is that put forward by the Southern Governors, in a communiqué from their meeting in Benin City. It read:

"The practice of true federalism and natural law in which the federating units express their rights to primarily control the natural resources within their borders and make agreed contribution towards maintenance of common services of sovereign nation state to which46 they belong. In the case of Nigeria, the federating units are the 36 states and the Sovereign nation is the Federal Republic of Nigeria.

The central theme of resource control as argued by the Southern Governors, is that the federal system does not tolerate subordination, particularly financial subordination, which a centralized federal system has enthroned on Nigerian polity. It stands to reason therefore, that each component unit must have the power to harness its resources for its own development purposes. In other words, the federal system must emphasize the self-governing status of each component unit, and adequate provisions must be made to guarantee the economic independence of the states that make the polity.

The agitation for resource control is therefore rooted in the desire to promote the practice of fiscal federalism as the most efficient means of freeing Nigerians from the hangover of military authoritarianism and misrule. It enunciates a competitive federal system in which every component unit is able to exploit its vast economic potentials towards rapid development and progress of every section of the country.

Though the resource control agitation has not produced the desired results, however, its critical achievement is that it has drawn the attention of policy makers at the centre to the crisis of oil exploration in the Niger Delta region. The deluge of views on the subject

confirms the success of the sensitization campaign of the Niger Delta political leaders. It has also opened up a strong debate over the practice of the federal system in Nigeria.47

10.0 THE NIGERIAN STATE AND THE NIGER DELTA QUESTION

The question is: how has the Nigerian State fared in respect of its responsibilities to the environment and development of the oil producing communities of the Niger Delta region? Crude Oil was discovered in the Niger Delta in 1956. Since then, it has become the main stay of the national economy, producing even the effect of a monocultural economy. Oil is the main incentive for those who seek government offices and patronage, it is the major source of national revenue, and indeed the benchmark for budgetary projections, 48 and it is also the main symbol of the national question in Nigeria. And yet very little attention has been paid to the environment and people of the oil producing communities.

State power is the main instrument for allocating oil resources, and those associated with State power over the years are not from the Niger Delta region, as such they have little to do with issues that affect the region. Thus, the focus of the Nigerian State is strictly on oil, its production, distribution and sales. The State is less bothered about the environment and developmental problems associated with oil exploration and production activities. Hence every agitation whether armed rebellion or intellectual in the form of resource control agitation, are met with State violence and intimidation.

Since the 1990's violence has represented by far the most important strategy in the pacification of the peoples of the Oil producing communities of the Niger Delta by the Nigerian state.49 Violence means the use of military force against the people. Human Rights Watch reports for example, that day-to-day protest and repression are the order of the day in the Niger Delta:

Virtually every oil producing community has experienced an incident along the following lines. Community members stage a protest demanding compensation for Oil company activities.... In response to the protests, members of the Mobile Police or other security forces come to the scene, the security forces carry out indiscriminate beatings, killings, arrest and detentions; the protest is then abandoned.... 50

To drive this point home we need to reproduce another documentation by Human Rights Watch of the mass murder at Umuechem on 31st October 1990:

On October 30 and 31, 1990, a protest took place at Shell's facility at Umuechem, east of Port

Harcourt, Rivers State that led to the police killing some eighty unarmed demonstrators and destroying or badly damaging 495 houses....
Youths from Umuechem community demanded the provision of electricity, water, roads and other compensation for oil pollution of crops and water supplies.51

The Nigerian State being a State maintained and sustained by military force, all forms of peaceful popular agitations in the Niger Delta between 1960 and now, has always been repressed as epitomized above. These include the crushing of the Adaka Boro rebellion of the 1960's, the MOSOP rebellion of the 1990's, the notorious Major Okutimo Internal Security Task Force of the 1990's, the notorious Odi invasion of 1999, the Joint Task Force of 2003, the Operation Restore Hope led by Brig. Gen. Elias Zamani, and the Mobile Police Units of the Nigerian Police that are currently laying siege across the Niger Delta. 52

Beyond the use of violence, ample use has been made of various carrot and stick tactics. In the process, a combination of appeasement, subterfuge/infiltration and dilution through alliances have been used. Thus the creation of States at different points, the grudging upward revision of revenue allocation to thirteen percent for derivation, the creation of intervention agencies such as, Oil Mineral Areas Development commission [OMPADEC in 1992], the Petroleum Trust Fund (PTF 1994), and the recent establishment of the Niger Delta Development Commission (NDDC 2002) by President Olusegun Obasanjo.53

In the same vein, the Federal government has instituted various environmental programmes to deal with the problems faced by the oil producing communities. These include, the Federal Environmental Protection Agency Act [Decree No. 58 of 1988) and the Environmental Impact Assessment Act [Decree No. 86 of 1992]. 54 The purpose of all these is to legitimatize the Nigerian State and the oil companies. However, the very nature of the State makes all these ineffectual

Most recently the Federal Government has resorted to the use of blackmail and intimidation of political leaders from the region, particularly, over their stand on resource control agitations. Almost two years into the assumption of office for a second term, legal cases are still at the various courts in Abuja over attempts by the federal government to blackmail and intimidate the Governor of Delta State, Chief James O. Ibori, for daring to spearhead the agitations for resource control.

The Akwa/Cross Congress (ACC), an organization of Akwa Ibom and Cross River States indigenes described the on-going trial of the Delta State Governor "as an attempt to rubbish the Niger Delta cause for resource control by blackmailing the regions leading lights", 55 in a release signed by its President, Tony Ufot, and Secretary King Nkono, the organization stated inter-alia:

We cannot fold our arms and allow a few focused Leaders in the Niger Delta to be harassed, molested And rubbished with a view to caging them from Fighting the Niger Delta cause.56

All the intervention measures by the Nigerian State aimed at remedying the Niger Delta situation have been half hearted, non participatory and have merely enabled the ruling elite to privatize public funds.

Despite the rising environmental and developmental consciousness among the people of the Niger Delta and the continued international outrage, the Nigerian State remains unrepentant and belligerent. At the same time resentment continues to rise in the oil producing communities. We are therefore, looking forward to a more bizarre and frightening scenario and frightening novelty of the accumulation of terror which could ultimately destabilize the entire country.

11.0 THE WAY FORWARD: TOWARDS A TRUE FEDERALISM

The resolution of the conflicts in the Oil producing communities of the Niger Delta is fundamental to the survival of the Nigerian state and the current attempts at democratization, 57 there is need therefore, for the fundamental restructuring of the Nigerian polity. This is necessary since it will create the just framework for the resolution of the conflicts, a framework that empowers the states to own and exercise full control over their resources.58

However, the interim intervention measures such as the Niger Delta Development Commission must involve genuine representatives of the oil producing states at the levels of programme conception and implementation as well as the overall management of those structures. Nonetheless, these measures would become untenable in the long run, in the absence of the institution of a genuine federal system.

But in the short term, the revenue allocation formula has to be adjusted fundamentally in favour of the states and local governments that are oil producing, and it should be premised on derivation.59 Basically, the manner the federal system has been operated since the first military intervention in July 1966 has given rise to so much agitation, not only from the Oil producing communities, but also from other communities. In fact, interethnic intolerance that has become chronic, confirms that Nigeria is clearly a country of many mutually distrustful nationalities, 60 this is evident from the clashes we have experienced since the return of civil democratic rule in 1999.

There is therefore clearly a need for the nationalities within Nigeria to enjoy separate and autonomous existence as states, whilst uniting with each other through a Federal Government exercising some basic powers, and running some common services.61 Accordingly, if a new fiscal federalism were elaborated assuring the component units of the country of their rights to development, a giant step would have been taken towards enhancing mutual respect and social harmony.

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- 5. Prof. Julius Ihonvbere "A recipe for Perpetual Crisis: The Nigerian States and the Niger Delta Question" in Boiling Point. A Committee for the Defence of human rights publication on the crisis in the Oil Producing Communities in Nigeria, Layer: Frankard Publications 2000 pp 89 90.
- 6. Festus Iyayi "Oil Companies and the Politics of Community Relations in Nigeria" in Boiling Point p. 186.
- 7. Dan Omoweh, Oil Exploration and Production in Nigeria: A theoretical Overview" in Boiling Point, pp. 36 & 40.
- 8. Professor Eboe Hutchful "The Modern State and Violence: The peripheral formation" Mimeo, University of Port Harcourt, 1984 p. 17.
- 9. Ibid.
- 10. Ibid p. 18
- 11. Julius Ihonvbere "A recipe for perpetual crisis: The Nigerian State and the Niger Delta" in Boiling Point p. 82.
- 12. Ibid p. 83
- 13. Professor Marian Ikejiani Clank "Igbo in Contempary Nigeria" in a Survey of the Igbo Nation, G. E. K. Ofomata (ed.) Enugu: Africana First Publishers Ltd 2004 p.628
- 14. Prof. Itse Sagay, "Nigeria: Federalism, the constitution and Resource Control". Lecture delivered at the Forth sensitization programme on Resource Control organized by the Ibori Vanguard, Lagos on Saturday, 19 May 2001.
- 15. Ibid
- 16. Ibid
- 17. K. C. Wheare, Federal Government, London: OUP, 3rd edition 1953 p.53
- 18. Professor Itse Sagay
- 19. Ibid
- 20. Ibid
- 21. Prof. Pat Utomi, "Resource Control, Fiscal Federalism and Political Stability in Nigeria", paper delivered at the Seminar on Niger Delta and Nigerian Federalism, p. 15
- 22. Ibid p. 16
- 23. World bank: Nigeria State Finances Study, Report No. 25710 April, 2003 p. 25.
- 24. Ibid
- 25. Julius O. Ihonvbere "A recipe for Perpetual Crisis: The Nigeria State and the Niger Delta Question", in Boiling Point p. 88.
- 26. Peter Ozo Eson, "the Political Economy of Oil Extraction in Nigeria" in Boiling Point p. 48.

- 27. It is important to note that the process of State creation was repeatedly used by the Military both to whittle-down the political influence of the State and to create rivalry among the numerous players in the polity thereby effectively reducing opposition to the centre.
- 28. See World Bank: Nigerian State Finances p. 25.
- 29. Ibid.
- 30. At the exit of the Military in 1999, this fund received only 1% of the Federation account revenues.
- 31. See World Bank: Nigerian State Finances p. 26.
- 32. Hon. Justice Kayode Eso "Enduring Democracy and Federalism in a new Democratic Nigeria, Lecture delivered at the commemoration of Chief F. R. A. Williams (SAN) 60 years in Legal Practice in Lagos on Wednesday 18th, February 2004 published in the Guardian, Tuesday, February 24, 2004 p. 9.
- 33. Ibid.
- 34. Bamidele Osha "Nigeria can't develop sharing Niger Delta resources as booty" in an interview with Henry Boyo in Daily Independent, Thursday, July 22, 2004 p. A10.
- 35. Ken Saro-Wiwa, Similia: Essays on Anomic Nigeria, Saros International publishers, London 1991, p. 169.
- 36. Festus Iyayi "Oil Companies and the Politics of Community Relations in Nigeria" in Boiling Point, p. 175.
- 37. World Bank Report 1995 quoted in Festus Iyayi "Oil Companies and the Politics of Community Relations in Nigeria" in Boiling Point.
- 38. Professor Itse Sagay, "Federalism, the Constitution and Resource Control: My Response" p. 5 in www.nigerdeltacongress.com
- 39. Ibid
- 40. Ibid
- 41. Professor Omafume Onoge "Political Leadership and the Struggle for the Transformation and Development of the Niger Delta: Discussion Notes", Paper presented at the seminar on the Niger Delta and Nigerian Federalism, p. 6.
- 42. Ibid pp.6 7
- 43. Ibid p.7
- 44. Ibid
- 45. Ibid pp. 7-8
- 46. Ibid
- 47. This definition was adopted by Governor of Delta State, Chief James O. Ibori in his remarks at a dinner/lecture on "Federalism, the Constitution and Resource Control", at the Lagoon Restaurant Lagos on Saturday, 19 May, 2001 p. 5.
- 48. Professor Itse Sagay "Federalism, the Constitution and Resource control: My response" p. 1.
- 49. See Garvin Williams, State and Society in Nigeria, Afrografika Publishers, Idanre Nigeria 1982 p. 72.
- 50. Festus Iyayi "Oil Companies and the Politics of Community Relations in Nigeria" in Boiling Point p. 165.

- 51. Human Rights Watch, "The price of oil: Corporate Responsibility and Human Rights violations in Nigeria's Oil producing Communities". Human Rights Watch, New, York, 1999, p. 11.
- 52. Ibid p. 123.
- 53. See Ken Saro Wiwa in Omotoye Olorode et.al 1998, Appendix ii and iii.
- 54. Omotoye Olorode "The Crisis in the Oil Producing Communities in Nigeria" in Boiling Point, p. 17.
- 55. Ibid
- 56. Vincent Obia, "Ibori trial an attempt to rubbish Resource Control Struggle", in the Daily Independent, Wednesday, July 21, 2004 p. A8.
- 57. Ibid
- 58. For a fuller discussion on the way out of the Niger Delta Crisis see the communiqué issued at the end of the conference on the "Crisis in the Oil Producing Communities in Nigeria" organized by the Committee for the Defence of Human Rights (CDHR) in collaboration with the Ford Foundation in Boiling Point, p. 263.
- 59. Ibid
- 60. Ibid
- 61. See Professor Itse Sagay "Nigeria: Federalism, the Constitution and Resource Control".
- 62. Ibid