THE OIL INDUSTRY AND CONFLICT IN THE NIGER DELTA
IN NIGERIA 2006-2016
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Abstract

Oil resources are very important for a country. For Nigeria, through the oil resources they are able to enhance the country’s development and economic growth. The contribution to the improvement of the economy through oil resources is not detached from the presence of oil companies who work closely together with the Federal Government of Nigeria through a joint venture. Since the presence of the oil industry in Niger Delta, the region has been becoming a veritable prone of conflict.

This undergraduate thesis aims to analyze the effect of oil industrialization as the driven factor of the conflict and violence that happen in the Niger Delta by using relative deprivation theory. The data collected in this thesis are secondary data that obtained from books, journal article, conference reports, electronic source and website. This undergraduate thesis shows that the factors that driving the conflict and violence in Niger Delta were because the deprivation and grievance of Niger Delta people on economic conditions, the loss of land ownership, and also environmental degradation.

Keywords: Nigeria Oil Industry, Conflict in Niger Delta, Oil Companies, Oil Resource Conflict.
Introduction

African continent is home for five countries from 30 of the country's top producer of petroleum in the world. (Coper, 2015) In recent years, economic growth in Africa has been experiencing rapid development. With the presence of oil, several countries in Africa depend his economy under the oil sector. This was because the industry relies on, are expected to help the development of the country. There are many oil producing countries in Africa starting from Nigeria, Algeria, Egypt, Angola, Gabon, Republic of Congo, Sudan, Libya, South Africa, and many more.

In the West African there is a country that renowned with its abundant resources of oil and natural gas, Nigeria. Nigeria is located within the West Africa region surrounded by Cameroon on the North, Niger to the East, Benin to the West, and Chad to the Northeast. A huge amount of oil and natural gas of Nigeria is primarily located in the southern Niger Delta area. Nigeria joined ranks of oil producers and exporter in 1958 after its oil production reached 5,100 barrel per day. (NNPC, n.d.)

Nigeria now become the third biggest country in Africa that success of raising its country's economic growth. The success of Nigeria economic growth was due to the share of crude oil in its exports. In 2000, Nigeria has reached 98% of revenue from oil and gas exports and the production of oil itself around 2 million barrels of crude oil per day. (Odularu, 2008) After successfully produced oil 2 million barrels per day, the country then tried to apply the development strategy with the purpose of production of oil can be added to 4 million barrels per day by
the year 2010. In recent years, Nigeria's economic and financial conditions has been beneficial. Oil revenues totaled $50.3 billion in 2011 and generated 70 percent of government revenues. (Natural Resource Government Institute, 2011)

Nigeria that is rich in oil, gas and mineral face both opportunity and a challenge. When it is used well, these resources can create a greater prosperity for current and future generations. The challenge of Natural resources can do provoke and created internal conflicts. It can also be described as the oil curse. Since 1990, oil-producing countries have been facing a civil war often if it compared to non-oil-producing countries. Nigeria is a country whose relationship with oil over the decades has been volatile. The elite political leaders of Nigerian state have a control over resources and this created other problem. An enormous revenue from oil resources has been gone without transparency for what use. Since then, it cause conflict in society because they demanded rights over the welfare of the living. Conflict can also be accompanied by violence as happened in Niger delta. The Niger Delta oil-rich region has become the site of an intense and controversial struggle between the state and the indigenous population. Local indigenous people have become incensed by foreign oil corporation reaping the rewards of this resource.

Robert E Looney stated that the “gravest danger of oil and gas producer is the possibility of armed conflict”. (2012) With statement coming from Looney, it indicates that being the oil producing countries Nigeria would also be possible to suffer internal rebellion. Rebellion, in oil-rich countries is relatively easy to happen because oil wealth also encourages separatism.
Relative Deprivation Theory

Relative deprivation theory was coined by Robert Ted Gurr in his book *Why Men Rebel*. He defined relative deprivation as “actors’ perception of discrepancy between their value expectations and their value capabilities.” (1970, p. 24) Based on the definitions expressed by Gurr, two important sentences can be underlined which are the value expectations and the value capabilities. It can be seen that the value expectations are the view of which people believe that they are rightfully entitled or it has intended for them. While the value of its capabilities is the capacity to get and to keep the desire or something. Furthermore, Gurr expand that relative deprivation is the tension that develops from a discrepancy between the ‘ought’ and the ‘is’ of collective value of satisfaction, and this disposes people to violence (1970). Relative deprivation can be also the idea to measure fairness, inequalities, or explains the complaints, social hostility, or aggression. All the things about relative deprivation have been mentioned by Gurr in his book *Why Men Rebel*.

Relative deprivation is divided into three patterns; decremental deprivation, aspirational deprivation, and progressive deprivation. The definition as follows:

1. Decremental deprivation is one's capacities decrease when expectations remain high. According to Ross and Mcmillen in their research, decremental deprivation occurs in a situation where men’s expectations remain stable but what they receive is more less. People get frustrated as they compare themselves to their own situation in the past and realize the gap between their value expectations and capabilities (1973).
2. Aspirational deprivation is one's capacities staying the same when expectations rise.

3. Progressive deprivation is when the expectation and capabilities increase but the former cannot keep up.

There is a continuity between relative deprivation with a frustration concept where it can be a cause or trigger the existence of aggression. Relative deprivation is a mechanism on explaining the causes which emerge the frustration.

As it relates to the Niger Delta violent and conflict, in this research paper, relative deprivation is used to assess that the existence of a gap between expectations and capabilities which lead to violence. Also this theory is one competing theory that is used to explain the militancy that exist in Niger Delta. A violence action is mostly organized by a group of people who are trying to poses the protest to the government in their country.

**ANALYSIS ON THE EFFECT OF INDUSTRIALIZATION AS THE DRIVERS FACTOR OF REBELLION IN NIGER DELTA**

Based on explanation about relative deprivation theory above, the writer will be explained about the underlying reason for the existence of a rebellion in the Niger Delta. will be explained about the underlying reason for the existence of a rebellion in the Niger Delta
A. Economics Factors

The huge amount of revenue from oil industry brings expectations of Niger delta people for changing a better condition and development. A benefit of this industry is extremely useful if used for the construction of infrastructure and public facilities such as education, health, road repair, and also for electricity. Besides for the development, people in Niger delta would also have an opportunity to apply and finding for the job easily. Ironically, expectations that happened did not fit with reality. Changes and development never materialized and it coupled with poor economic conditions. poverty and unemployment became a problem that often occurs along the absence of solutions to the problems in the Niger delta.

1. Poverty in Niger Delta

Poverty levels in the Niger delta are rated very high when compared to the income and expenditure of their daily needs. In the area of this southern zone also about 77 percent of the population were living below the poverty line which if when it compared to the standard poverty figures that are in the 35 percent (WorldBank, 2008).

2. Corruption

Corruption has become part of the system that exists in the Government of Nigeria. Corruption could happen freely because the funds from oil earnings are not transparent and could not be published. Corrupt practices usually involve between the political elite with the Director of the oil companies operating there. This was done so that the oil companies can explore more widely the oil resources outside of
the agreement which has been determined by the Government. The Ministry of Niger Delta has committed fraud and embezzlement of $100,000 or equivalent to N655 million from Ministry account (Premium Times, 2015). In addition Nigeria's Information Minister, Lai Mohammed stated that the corruption case involving 55 State Minister, Governor of the State, public officials, bankers and businessmen has caused Nigeria to lose 1.34 trillion naira or equivalent to Rp92,9 trillion in public funds for seven years (CNN, 2016).

3. The Unemployment

According to Trading Economics, unemployment Rate in Nigeria averaged 9.52 percent from 2006 until 2016 (TRADING ECONOMICS, n.d.). Unemployment and underemployment in Niger delta are rated high compared to other region in Nigeria. According Aderoju Oyefusi, “Lack of available and appropriate work limits the possibilities for young people to move out of poverty. Limited employment also reduces the opportunity cost of turning to violent forms of struggle and criminal activities” (Oyefusi, 2007).

The unemployment rate in the region of Akwa-Ibom features 37.1%, Bayelsa 24.1% and Rivers 35.2% in the rural area. Whereas, three of this area are the main oil-producing region. The high level of unemployment experienced by youths have affected the high level of criminal action across the region in the Niger delta. Thus, this action culminated with the formation of the youth into the linkup of rebel group.
B. Loss of Land Ownership

When the activity of the oil has taken the land that are belong to the people, it was began in 1956 where as it is known that the oil industry has been exploiting natural resources that exist in Niger delta palpably without thinking of the fate of originate people who live in those abundant natural resources. Of course it is forcing people to leave the land they have for later to be used for oil industry activities. Lose a very valuable land making the public indignation. What's more, the federal Government passed a law that contains that state have access to all of the land in the Niger delta. The purpose of this legislation is of course to facilitate the activities of the oil industry because oil has taken an important role for the advancement of Nigeria.

The implementation of the Land Use Act is become the source of conflict in Niger delta because under this Land Use Act, has caused agriculture to be not functioning and also economic prosperity have become extinct which then turns into poverty. The Land Use Act of 2004 is made up of eight parts of fifty-one sections. The General principles of the Act state that: subject to the provisions of this Decree, all land comprised in the territory of each State in the Federation are hereby vested in the Governor of the State and such land shall be held in trust and administered for the use and common benefit of all Nigerians. It is important to note that the provisions of the Land Use Act of 2004 have been enshrined in the constitution of the Federal Republic of Nigeria. This implies that the provisions of the Act cannot be amended or expunged, altered or repealed except as provided by
the stringent conditions stated in the constitution for the alteration of its provisions (Guardian, 2015).

C. Environmental Degradation

The problems of environmental degradation in the Niger Delta are very closely related to the oil industry operating in the region. Environmental degradation are the conditions where ecosystem experiencing declination. This ecosystem includes the water resources, the air, and also the soil. The Niger delta has a very beautiful environment and endowed with a very rich biodiversity, there are many fish populations in abundant amounts, there are also a variety of animal species and plants. Oil production activities is believed to be the cause of major problems of environmental damage. Environmental damage inflicted can be derived from the exploration and production activities. Due to oil exploration and production industry, the Niger delta condition slowly become deteriorated.

1. Oil Spill

Oil spill jobs often occur in Nigeria as part of the consequences of the oil industry. As much as 50% of the oil spill occurred due to corrosion and leakage accident of pipeline and tanker to reserve oil. According to data taken from National Oil Spill Detection and Response Agency, the estimated of oil spill occurred in Niger delta from 2006 to 2015 has reached as many as 5000 to 9000 oil spill. And other source took from Available static reported that in the last 30 years more than 400,000 tons of oil have spilled into the creeks and soils of southern Nigeria. Some 70 per cent of the oil has not been recovered (UNDP, 2006).
2. Disposal Waste

Exploration and production activities of oil produce a variety of hazardous chemical waste. This chemical waste resulting from production processes. chemical wastes in the Niger delta have been polluting land and water. fish and agriculture ever join the polluted by chemical and disposal waste. Wastewater is one of the significant wellsprings of waste material. At the point when oil is pumped out of the ground, a blend of oil, gas and water develops.

3. Gas Flaring

The Niger delta region are known to have about 123 gas flaring sites (The Energetic Solution, 2004). In every year, Nigeria has flares 17.2 billion m3 of natural gas related with the exploration of crude oil in the Niger Delta. The Nigerian government has not implemented environmental regulations correctly. However, Federal Environmental Protection Agency (FEPA)) has had authority to issue gauges for water, air and land contamination and has made regulations for oil industry.

4. Water Pollution

The ecosystem and wetlands that exist in the Niger delta is no longer beautiful and useful as it used to be. According to research conducted by amnesty international, water systems such as rivers have been polluted by oil spills and waste resulting from the activities of the oil industry. Many rivers are experiencing the canalization and dredging. Damage to the water system that occur in the Niger delta is the impact of the oil industry. damage to water systems also have nothing to do
with sabotage perpetrated by persons who are not responsible, but purely because of the impact of industry activities.

In Niger delta, water contamination or pollution happens when poisons are released specifically or in a roundabout way into water bodies without satisfactory treatment to expel unsafe compounds. Water contamination in Niger delta happens in rural and urban areas. In provincial zones, drinking water from common sources, for example, waterways and streams is generally dirtied by natural substances from upstream clients who utilize water for farming exercises. Many oil companies that operate in Niger delta are located on river banks and use the rivers as waste disposal channels. Obviously the petroleum industry presents the greatest threat to water quality. Since the water system suffered damage and pollution, it makes the Niger delta people trouble of getting clean water for drinking and other needs. Although the river water they use for ordinary daily life is polluted, there is no way other than to keep using the river water that has been polluted to be consumed. Consuming contaminated water can lead to health problems. Many people are already affected by having to consume unsafe drinking water. Thousands of people lost access to their main source of drinking water after an oil spill, and children reported skin and eye problems after diving in the oil-contaminated river.

**Conclusion**

In conclusion, as it relates to the Niger Delta rebellion, the factors that driven the existence of rebellion are ranging from economic conditions: poverty,
corruption and unemployment and also land ownership violation and environmental degradation in the region.

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