

Natural Resources and Conflicts in Africa: A Study of Nigeria's Niger Delta

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Abstract

This paper "National Resources and Conflicts in Africa: An Study of Nigeria's Niger Delta" examines the nexus between National Resources and Armed Conflicts in Africa with specific focus on the Niger Delta region of Nigeria. This is because neither practical evidence nor extensive literature has thus far been able to clarify whether and how natural resources are inter-related with armed conflicts. Similarly, empirical literature has thus far failed to agree on whether armed conflicts in a country are linked to abundance or scarcity of natural resources. As a consequence, other elements need to be added to the research in order to understand this puzzling nexus. Consequently, this research discusses these elements to establish a nexus between natural resources and armed conflicts in Africa. The research suggests that natural resource abundance is associated with the onset of conflicts and influences the duration and intensity of such conflicts, as it is evident in the Niger Delta region. The study applied secondary sources in its data collection and will be descriptive and analytical.

Introduction

Neither practical evidence nor extensive literature has thus far been able to clarify whether and how natural resources are inter-related with

conflicts. Indeed, the presence or absence of natural resources in a country seems only slightly inter-related with the onset of an armed conflict. Countries like Norway and Botswana are peaceful states with abundance of natural resources, conversely Sierra Leone or the Democratic Republic of Congo (DRC) are countries rich of natural resources which experienced armed conflicts (United Nations, 2006). On the other hand, Japan is a peaceful state whose wealth completely relies on foreign natural resources, while Haiti and Uganda are countries deficient in natural resources that experienced armed conflicts. It could be contended that the examples proposed are incompatible, since the countries aforementioned have different history, location, culture, political organisation, neighbouring states and geographical characteristics.

Similarly, empirical literature has thus far failed to agree on whether armed conflicts in a country are linked to abundance or scarcity of natural resources. If Galtung (1984) argued that “wars are often over resources”, Brock (1998) has on the contrary conceded that “it is easy to exaggerate the importance of natural resources as an object of conflict”, while scholars like Ross, De Soysa and Le Billon recently seemed to privilege a ‘new resource pessimism’ that considers natural resources as a curse for the state which possesses them (see Ross, 2001; De Soysa, 2000 and Le Billon, 2001). As a consequence, other elements need to be added to the research in order to understand this puzzling nexus. The first set of elements refers to the natural and geographic characteristics of the natural resources: lootable, distant and diffuse natural resources have a strong inter-relation with armed conflicts. The second set of elements concerns the political, economic and social characteristics of a country: the link between armed conflicts and natural resources is indeed reinforced when a government does not have a complete control over its natural resources, when the economy of a country is not diversified and when the degree of internal societal opposition in a state is high.

Natural and Geographic Characteristics of the Natural Resources

The first set of elements refers to the natural and geographic features which characterize natural resources. Scholars have found that natural resources differ for at least three natural characteristics. The first is lootability: if a natural resource is lootable it can be easily extracted from the ground or grabbed and sold in the market. Timber, alluvial diamonds, and some drugs like cocoa or opium poppy are examples of lootable natural resources (Ross, 2001). The cost to get these natural resources is low: they can be grabbed and sold in the market legally or illegally even by a private actor, a group of people or a small company. Conversely, oil, bauxite, primary diamonds or mineral gas are examples of non-lootable natural resources. Being able to use them and to enter in their market implies high costs and, as a results, this kind of natural resources are usually controlled by governments or multinational companies that are able to afford the investment costs and risks.

The other two characteristics are related to the geographic location of the natural resources. A natural resource can be proximate or distant to the administrative capital of a country: the more proximate it is, the lower the cost of controlling it for the government. Another geographical characteristic is related to the level of concentration of a natural resource. It can be point, which means concentrated only in one area, or diffuse, that means widely spread. For example, a goldmine is point, while alluvial diamonds in a river are diffuse. Lootable, distant and diffuse natural resources are usually less easy to control for a government and they could represent a tempting booty for non-state actors or other states.

This framework entails that a country with a high presence of alluvial diamonds should experience numerous wars and conflicts. Statistical data seem to confirm this expectation that countries with secondary diamonds production for example are more prone to experience an outbreak of a civil war, their risk of having a conflict increases by 85%, and their probability of ethnic wars by more than 200%. (Le Billion, 2001). Angola, Sierra Leone and many other countries can be

considered good examples confirming this trend. Conversely Botswana, whose economy highly relies on primary diamonds to the point that the country “produces one-third of the world’s gem diamonds by value”, (Dunning, 2005) experienced peace and prosperity and from 1960 to 2005 increased its GDP per capita more than 100 times. Yet Snyder and Bhavnani (2005) pointed out that two other African countries, Ghana and Guinea, despite the presence of risk factors such as semi-democracy, political instability, low per capita income and, above all, the presence of alluvial diamonds in their territory, experienced peace during the period 1990 – 2005. The three general and geographical characteristics of lootability, distance and diffusion are not therefore always sufficient to explain the possible link between natural resources and conflicts. Some other elements such as the political, economic and social characteristics of a country could also play a pivotal role in this inter-relation.

Political, Economic and Social Characteristics of a Country

A second set of elements reinforcing the nexus between armed conflicts and natural resources concerns the political control of a government over its natural resources, the diversification of a country’s economy, and the level of internal societal opposition in a state. A low level of governmental control over its natural resources can indeed sustain the onset of an armed conflict. Controlling natural resources does not only imply that a country is able to grab them even if they are lootable, distant and diffuse, but is also entails that a government can get the revenues originated by these natural resources. Obtaining these revenues is particularly important for two reasons: firstly, non-state groups cannot exploit the natural resources and earn money instead of the state; secondly, the government can spend the revenues and provide security or social services with the money earned through taxation.

Government’s control over the natural resources and the subsequent ability of the state to earn revenues even from lootable natural resources is strictly correlated to the mode these natural resources are

extracted. As stressed by Snyder and Bhavnani (2005), when the mode of extraction is mainly industrial “the state can potentially control a large share of the income” in order to govern. If artisan extraction is the dominant mode in the lootable sector, the state will not probably “control very much of the income generated” by this sector, and these earnings could reinforce rival or private groups instead, increasing the risk of state collapse. For example, the two scholars argued that one of the causes that led to the civil war in Sierra Leone was the change in the extraction mode of alluvial diamonds after the transfer of power from Siaka Stevens to Joseph Momoh in 1985. They also argued that Guinea did not experience conflicts because the non-lootable natural resources of bauxite and alluvial diamonds were extracted industrially, while in Ghana the presence of lootable gold and alluvial diamonds did not cause armed conflicts because gold was extracted industrially.

A second element reinforcing the inter-relation between natural resources and armed conflict is the grade of diversification of the economy of a country. The presence of other natural resources or a well diversified economy can make a state more stable and peaceful. Conversely, if the economy of a country is dependent only on one or more lootable natural resources, an uncontrolled exploitation could result in a grave crisis for the state. Snyder and Bhavnani (2005) argued that the presence of other natural resources in addition to alluvial diamonds assured peace in Ghana and Guinea during the years 1990 – 2005.

The third element which plays a role in the inter-relation between natural resources and armed conflict is the degree of internal opposition in the state. When the degree of societal opposition to state elite is high, the presence of natural resources, together with a low governmental control over them, may allow rival groups such as rebels, contestatory or secessionist movements to obtain them and to try to challenge the power of the state. In this situation, the diversification of the economy may empower and reinforce elites able to militarily threaten the political power of a country. This point is discussed by Dunning (2005) in his analysis of

the regime of Mobutu in Zaire. Mobutu deliberately decided neither to diversify the economy nor to invest in infrastructure because of the high level of internal opposition in the country. As a consequence of his choice to rely almost exclusively on a nationalised resource sector, to concentrate the productive potential in his allies, and to reduce the national infrastructure, he was able to maintain his power for almost 30 years. His political actions “limited the development of sources of autonomous societal power that could threaten his rule”. This example shows how not only the presence of natural resources in a state, but also political decisions and economic and social characteristics of a country have consequences on armed conflicts.

Natural Resources and Armed Conflicts in Africa

Some analyses of civil conflict find that natural resources abundance leads to greed-motivated rebellion, as others argued that it is the scarcity of natural resources that flickers civil war. Collier (2007) found strong empirical support for the proposition that natural resources motivate rebellious behaviour, leading to civil war and conflict from macroeconomic perspective. In other words, it can be stated that natural resources availability spawns violent conflict because it provides incentives for rebel groups to form on the basis of capturing loot at the same time sustaining their activities. Moreover, violence and rebellion also can be generated by the weakening of institutional structures that usually safeguard collecting taxes, providing other public goods, ensuring growth of other sectors than natural resources, and property rights. Within the context of literature many have raised issues of type, duration and intensity of civil wars and conflict within the resource-rich economies.

Sub-literature on natural resource abundance and civil war contains analysis and empirical evidences of the link between different types of natural resources and different types of conflicts. According to Le Billion (2001) there are four different types of natural resources, each is associated with different types of violent conflict. According to the author,

there are two dynamics with each of the resources. First, due to its concentration in particular locations, point source resources can be obtained easily by single group, however, diffuse source resources are harder for any single group to capture because they are spread out over a broad geographical area. Secondly, natural resources close to the capital can be easily controlled by the government, resources that are distant from the capital are easier for rebels to capture. As a result, he concludes that point source resources that are close to the capital tend to be associated with conflicts over state control; point source resources that are distant from capital tend to be associated with separatist conflict. Diffuse source resources that are close to the capital will tend to be associated with rebellions and rioting; and diffuse resources that are distant from the capital will tend to be associated with warlordism (Collier, 2007).

On the other hand, Ross (2001) has presented empirical outcomes based on a series of case studies from Sub-Saharan Africa, suggesting that the incidence of a particular type of civil war largely depends on the 'lootableness' of natural resources. He stated that whereas unlootable resources are more likely to produce separatist conflicts because it demands skilled labour and capital for extraction which leads to workers from outside, workers and involvement of firms and government, lootable resources are more likely to produce non-separatist conflicts because it does not require skilled labour where locals can benefit.

Within the contextual argument on natural resources and conflict, there are other literatures that focused more on the duration of conflict to explain such links. These literature on duration of civil wars suggests that there are four ways to prolong the conflict: i) by enabling weaker sides in resource conflicts to raise funds through looting and in so doing sustain itself over time (Ross, 2001; Ballantine, 2003); ii) by giving combatants incentive to avoid a peace deal (Sherman 2000); iii) by reducing likelihood that governments will initiate a peace deal that gives fiscal autonomy, in case of separatist conflict (Ross, 2001); and iv) by enabling the weaker side in a conflict to raise money by selling future exploitation rights to minerals

that they want to control (Ross, 2001) (Collier, 2007). However, there is still a debate over which one is more valid..

In relations with intensity of civil war, Ross (2001), suggested that natural resources abundance may increase the causality rate during civil war by 'encouraging combatants to fight for resource-rich territory which otherwise might have little value'; and 'giving the government an incentive to react to small challenges with usually harsher countermeasures'. On the other hand, other researchers have stated that in the case of Sierra Leone and Democratic Republic of Congo, encouraging combatants to cooperate in resource exploitation can reduce the intensity of conflict (Ballentine, 2003). All in all, mechanisms affecting intensity and duration of civil wars focus more on the economic incentives facing combatants which are more consistent with the view of greed rather than grievances (Collier, 2007).

The incidence of natural resources in a conflict therefore depends on their natural characteristics and on some other political, economic and societal elements that interact and reinforce or weaken this inter-relation. Hence many studies have tried to study this link in depth, in order to understand which natural resources are more related to armed conflicts, and how the presence of the former can influence the latter. The results of these studies seem to show little agreement among scholars, yet all of these researches suggest some commonalities: oil is associated to the onset of conflicts, the presence of lootable resources usually prolongs a conflict, and agricultural commodities do not influence armed conflicts (Adeyemi, 2010).

The first commonality identifies oil as a natural resource strongly associated with the onset of conflicts. In particular, oil and some other minerals seem to be linked to separatist conflicts, such as the rebellion in the south of Sudan, the struggle over Cabinda in Angola and the secessionist movements in the conflict over the Western Sahara in Morocco (United Nations, 2006). This evidence is also confirmed by some statistical data by Ross, who in his study of thirteen civil wars indicates

that the only two separatist conflicts originated by natural resources occurred in Indonesia and Sudan, countries in which natural resources involved were natural gas and oil (Ross, 2001). The possibility to earn the rents available from oil gives therefore a non-state group or a foreign country the financial incentive to initiate conflict, and this incentive appears to be higher when the population is less educated and when the economic value of the natural resource is more difficult to estimate, since oil wealth has an exaggerated effect on popular political imagination.

The second commonality indicates that lootable natural resources like drugs and gemstones are correlated with the duration of a conflict. Timber, narcotics and gemstones such as alluvial diamonds are not necessarily linked to the onset of a conflict, but they tend to lengthen it, since the control over these lootable natural resources can reinforce and finance non-state movements. Buhaug and Lujala (2004) for example found that civil conflicts “tend to last longer in countries with gemstone deposits and in countries with coca cultivation”. Le Bellion (2001) analysed the role played by alluvial diamonds in civil wars and found that such diamonds can prolong armed conflicts. Conflict diamonds, also called ‘blood diamonds’ or ‘war diamonds’ have been defined by the UN as “rough diamonds which are used by rebel movements to finance the military activities, including attempts to undermine or overthrow legitimate Governments”. They are small-volume, high-value and highly-portable commodities, their availability, their spatial distribution and the political economy of their market have made them a tempting booty for non-state forces and a good way to finance their struggles once easily grabbed.

Numerous studies suggest that natural resources abundance is associated with the onset of conflicts and influences the duration and intensity of conflicts. Some researchers have also suggested that natural resources abundance may lengthen the duration of conflicts. Collier and Hoeffler (2008) in their study found that natural resource abundance and the duration of civil wars also had a curvilinear relationship. Similarly,

Doyle and Sambanis (2000) found that natural resource wealth was significantly and negatively correlated with the success of peace-building initiatives. As Ross (2001) has noted, in so far as there is a link between the failure of such initiatives and duration of civil wars, this finding suggests that natural resources wealth is associated with long wars. Fearon (2004) found that countries that are rich in contraband resources such as opium, diamonds, or coca tend to experience longer conflict scenarios.

Resource Governance and Conflict in the Niger Delta

Governance of oil wealth has always been related to the management of the resources of the Nigerian State. The concept of resource management is closely tied to that of resource control as the latter "... largely deal with the need to regain ownership, control, use and management of resources primarily for the benefit of the communities and the people on whose land the resource originate, and secondarily, for the good governance and development of the entire country" (Adeyemi, 2010).

Resource-rich nations like Nigeria, and especially in the developing world, have always had the central government taking over the management of resource wealth. Nigeria's oil and gas resources are controlled by the Federal Government which then issues oil exploration and production right to corporate partners in exchange for a share of profits, as well as joint ventures with multinational oil corporations (MNOCs). Poor management of resources, as noted by Onigbinde (2008), has been responsible for the Niger Delta debacle. She notes that many decades of neglect of people in the region while corrupt and repressive governments kept amassing unimaginable wealth from the proceeds from the area led to the marginalized groups seeking to redress the injustices and inequities in resource distribution. Thus, insurgency became their inherent method of showing their grievance for a change in the system. She goes on to show that with the Nigerian government's sole ownership of oil and gas wealth via the Petroleum Act of 1969, Offshore Oil Revenue

Act of 1971 and Land Use Act 1978, with which government entered into a 50-50 joint venture agreement with Shell in the 1950s, and which the government has refused to change after more than 60 years despite the injustice of the landowners not getting anything, helped to trigger the Niger Delta conflict. The implication of the Land Use Act of 1978 is that “the title to any land where oil is found is automatically transferred to the Federal government without adequate compensation to the landowners” (Adeyemi, 2010).

Moreover, the government has over the past six decades been on the side of the MNOCs whom it collects rents from, such that decision on oil and gas resources are made directly between government and the MNOCs, shutting out the people, who feel alienated and want to show their grievance. This hobnobbing with government has always given the MNOCs the opportunity of getting things done their way. According to Obi (2009), oil multinationals feed the Nigerian state giving room for an unequal partnership formalized through three types of joints agreements in the oil industry – the joint venture agreements, production-sharing agreements, and risk-sharing contracts. Thus most of Nigeria’s oil is produced by oil companies as “operators or technical partners” of the state.

Basedau and Lay (2009) contradict the long-held beliefs in the resource curse theory which has been linking the extraction of natural resources to corruption, authoritarianism, economic decline and conflicts and state however, that “resource-conflict link is more complex than conceptualized in the scientific mainstream”. They also note that the rentier state theory which identifies economic stagnation, corruption and authoritarianism as part of the political economy of resource-rich states goes contrary to the resource curse theory in the sense that “governments use abundant resources to buy off opposition or suppress armed rebellion, thereby contributing to political stability and preventing armed conflicts (Basedau and Lay, 2009). Their arguments are that very high per capita revenues from oil allow governments of resource-rich countries to avoid

conflict and maintain peace by a combination of large-scale distribution, high spending on the security apparatus, protection by outsiders and relatively more favourable state institutions.

Collier and Hoeffler (2008) note that large rents are not intrinsically a curse; they obviously have the potential to accelerate peaceful development, and this potential has occasionally been realized, as in Botswana clearly, in some circumstances resource rents induce or prolong conflict, and in others they do not. They go further to state that not only can resources finance conflict, but it can also induce patronage politics and motivate conflict, especially in the form of secessions, as currently being seen in the Niger Delta region of Nigeria.

As they noted:

There is now a case for extending controls to oil: in the Delta region of Nigeria, large-scale organized crime is bunkering oil from pipelines to the scale of around \$1 billion per year, selling it in the East Asia. There is obviously scope for this massive criminal activity to link with the political secessionists of the Delta region.

As noted by Onigbinde (2008), oil-related rents (royalties, taxes, oil export earnings, interest on joint venture investments, etc) are the lifeblood of Nigeria's economy. The domestic budget and the huge import trade sector are mainly financed by oil revenues. Factions of the country's elite, with strong interests in the allocation, appropriation, and use of oil revenues, dominate all levels of government. Their interest conveniently combine with those of the state to support a regime of predatory accumulation and lawlessness... Thus, the actions of some MNOCs – insensitivity to the local environment; destruction of biodiversity; inflation of contracts, imports, and supplies; and collusion with state officials to subvert tax and investment policies – are made possible by the accumulation climate encouraged by the rent-seeking political economy. According to Adeyemi (2010), the possession of oil resources, and the revenues that accrue to governments from the exploitation of this

resource, has had a decisive impact on the security and stability of nearly every African country that has significant amounts of oil. This has been true in the past and oil is certain to have a similar impact on those countries where it is only now being discovered and exploited.

Countries without oil certainly can become militarized and experience conflict with their neighbours or serious internal violence, but the possession of oil resources has unique consequence for national security and internal stability. This is due to the special characteristics of oil production. On the one hand, oil production is capital intensive; it can only be undertaken by companies willing to invest immense amounts of capital and, thus, requires the cooperation of central governments willing and able to protect these large foreign investments. On the other hand, oil production yields vast revenues for African governments. This allows them to make large arms purchases, to build up their military forces, and to strengthen internal security forces. However, it also can lead to internal political conflict and violence because it increases the stakes of political competition and encourage rival leaders and parties to resort to the use of force to gain control of the oil revenues. Moreover, because oil revenues are managed by central governments that are often neither democratic nor financially transparent, the money generated by oil production often does not contribute to national economic development, but is instead diverted into the bank accounts of government officials or used to finance unnecessary prestige projects. The misuse of oil revenues exacerbates political discontent and often provokes internal political violence. Thus, because oil production is often carried out with few, if any, environmental controls, it can have a devastating effect on people living in the oil-producing areas, thus further aggravating public unrest. As some aspect of the literature suggest, oil production does not always cause militarization and violence, but it usually has a negative impact on the security and stability of those countries that have large oil resources.

Talking about institutional weakness of resource-rich states and the linkage with the performance of their governments, Postali (2009) notes

that countries with abundance of resource wealth exhibit problematic fiscal policies and small levels of domestic savings in which case the resource rents are wasted in financing ordinary governmental expenses. Perhaps the most contentious role of the Nigerian state relates to the sharing of oil revenues. At its heart is the feeling that oil wealth from the Niger Delta has been largely used for developing other parts of the country or taken abroad, while the “goose that lays the golden eggs” has been neglected and underdeveloped. This is based on the policy shifts in the allocative principle that national revenues should be shared on the principle that resources should be returned to the site of their generation on the basis of the ratio of their contribution to the national purse. The argument is when regions that cohere with ethnic majority groups produced the bulk of national revenues they enjoyed the derivation principle which ensured that they retained the bulk of the wealth generated within their regions. Since the end of the civil war in 1970 when the bulk of revenues came from oil from the ethnic minority region of the Niger Delta, derivation was increasingly reduced from 50 to 30% in the 1980’s and only increased to 13% in 2001. The domination of the oil wealth produced from the region by non-Deltans had also fuelled resentment and anger amidst claims that the oil of the region is being stolen by other groups, leaving the source of the wealth to wallow in paradoxical poverty (Onigbinde, 2008; Adeyemi, 2010 and Omoweh, 2010).

According to Onigbinde (2008) petroleum exploitation in the Niger Delta region of the country has mainly been carried out by transnational companies that operate joint ventures with the federal government. With this arrangement, oil and gas revenues and taxes are paid to the federal government. A system of revenue sharing exists whereby the federal government transfers some petroleum revenues to all the 36 states and 774 local government councils in the country. Under the arrangement, an attempt is made to pay 13% of petroleum revenues as derivation fund to the oil producing states as stipulate by the 1999 constitution. However, the fate of revenues and the derivation fund has continued to be a source of

controversy and tension between the federal government and the state governments. The general understanding is that a Federation Account exists to which oil and gas revenues are paid with a revenue sharing formula existing somehow as follows: Federal Government, 52.6%; States, 26.72%; and Local Government, 20.60% (Onigbinde, 2008). Thus, the dynamics of violence in the Niger Delta is best understood when put through the test of the conditions and contextual factors that accentuated them.

There is ample proof that oil and gas resources in Nigeria are not well managed. This has resulted in oil spillages that are not taken care of, not by the multination oil corporations nor by the Nigerian government. Again, Nigeria is one of the major gas flarers in the world (second after Russia), and this poses environmental challenges to the region. Moreover, the manner of distribution of resource wealth leaves much to be desired and this has fired the resolve of the Niger Delta people to fight for their rights to be taken seriously as they wallow in poverty when there is abundance under their feet. A combination of these factors ensures that the violence in the oil-rich Niger Delta continues. Thus, Adeyemi (2010) contended that: Poverty had been prevalent in Nigeria before the "oil era," but it increased drastically in the context of the declining oil revenues in the second half of the 1980s. The economic crisis, and the structural policy reforms, all of which were related to the ineffective and unsustainable resource management are contributors to the poverty in the country. The percentage of the population living in extreme poverty rose from approximately 35% in 1970 to 70% in the middle of the 1990s

The geographical location of the Niger Delta region makes it inaccessible; it has marshes, creeks and dense mangrove forests. This makes it easier for oil spills, bush burning due to gas flaring and contamination of drinking water to affect the region easily. To further underscore the point being made, as it relates to the entire Gulf of Guinea region, Adeyemi (2010) states as follows: Deep offshore oil production in the Gulf of Guinea has only recently become more relevant. Today this

offshore production represents 15% of Nigeria's total oil production. Offshore exploitation is far more expensive; nevertheless, it has become more attractive to multinational oil companies in the context of the increased attacks on oil facilities in the Niger Delta. Although the attacks on offshore oil platforms by the Movement for the Emancipation of the Niger Delta (MEND) in June 2008 showed that offshore oil production is not beyond the reach of militant aggression, offshore operations are still markedly less vulnerable than operations in the Delta. A further shift of oil production into the Gulf of Guinea could moreover at least somewhat reduce the grievance related conflict potential, as the people in the Delta would be less affected by air, land, and drinking water pollution.

Nigeria's rentier nature has made its supervisory agency in the oil and gas sector to be redundant. The Nigerian National Petroleum Company (NNPC) has been more of an observer in the oil and gas exploration as it does not engage in exploration but in monitoring the multinational oil companies, who employ experts to do its work and pay rents to the Nigeria government, excluding the local oil companies in the process. With a 57% stake in the joint venture contracts it has with all oil companies operating in Nigeria, the NNPC does not seem to care how much is made as long as money keeps coming into the coffers of government. The problem with this kind of arrangement is that in the process it had negatively affected the benefits Nigeria should get from the resources. As noted by Mahler (2010:20):

because of their economic importance (for example, technical know-how), the multinationals and especially shell have influenced the dynamics of the violent conflicts, mainly through three causal channels: firstly, they obviously carry at least part of the blame for the environmental pollution caused by oil production in the delta.

Furthermore, they have indirectly contributed to the increased militarization of the conflicts, for example, by demanding that the Nigerian state provide official security services, even when the civil protests were still mainly peaceful, as in the mid 1970s. The oil companies

also make use of private security services, some of which are extremely brutal. Some oil companies have also provided financial assistance to potential militant actors in order to “pacify” them. While this might reduce violence in the short term, the risks of further empowerment of militant groups in the long run are obvious.

Conclusion

This study investigated the relationship between natural resources and armed conflicts in Africa with specific focus on the Niger Delta region of Nigeria. The study demonstrated that neither practical evidence nor extensive literature has been able to clarify how natural resources are inter-related with armed conflicts. But posit that the presence or absence of natural resources in a country have been slightly inter-related with the onset of armed conflicts. Empirical literature has also failed to agree on whether armed conflicts in a country are linked to abundance or scarcity of natural resources as scholars have contending views on the issue. Consequently, the study discussed other element in order to understand the puzzling nexus. Some analyses of civil conflicts find that natural resources abundance leads to greed – motivated rebellion, as others agreed that it is the scarcity of natural resources that flickers civil war. The incidence of natural resources in a conflict therefore depends on their natural characteristics and on some other political, economic and social elements that interact and reinforce or weaken this inter-relating as evident in the Niger Delta conflicts.

Governance of oil wealth has always been related to the management of the resources of the Nigeria state. Resource-rich nations like Nigeria, and especially in the developing world, have always had the central government taking over the management of resource wealth. Nigeria’s oil and gas resources are controlled by the Federal Government. Poor management of these resources has been responsible for the Niger Delta debacle.

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