

THE POLITICAL ECONOMY OF RESOURCE CURSE AND THE NIGER DELTA CRISIS IN NIGERIA: MATTERS ARISING

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Abstract

Political economy literature is awash with analyses that attempt to identify the core reasons behind the development and or underdevelopment of different states and zones of the world. Two major questions that such studies attempt to answer are, “how does a state’s natural resource wealth influence its economic development?” and “How does natural resource endowment contribute to political conflict in countries that are so endowed?” For some decades now, the exploitation of natural resources has been a determining factor in the stability or otherwise of natural resource rich states. Studies have shown that the exploitation of natural resources like crude oil, columbite and diamond have contributed to a number of civil wars and internal crises in Africa. In Nigeria, it has been a case of armed struggle in the Niger Delta creeks; between militants and federal forces posted to secure the area. The result is that instead of yielding foreign exchange and prosperity to the citizens of the countries so endowed, the presence of such resource, constitute a major source of political conflict within nations, resulting in such countries being referred to as the poorest of the poor in the world. Some studies indicate the fact that these problems evolve from politics surrounding ownership, management, and control of natural resources in Africa. It is in the face of this reality that we attempt to situate Nigeria’s Niger Delta crisis in this resource curse matrix and propose the hypothesis that, there is a relationship between the resource curse theory and the Niger Delta crisis in Nigeria. Our findings agree with the core assumption of this paradigm that instead of ushering in development, poor management of resources, greed and bad governance in the third world contribute greatly to her underdevelopment, strife and poverty, in the midst of abundant natural resources.

Introduction

This work builds on some earlier studies carried out, which have drawn attention to the dangers posed to the economies of resource rich nations, as espoused in the resource curse theory (Ross 1999, UNCTAD 1995, Auty 1993, Mahdavy, 1970). Our work intends to contribute to existing literature by looking specifically at the Nigerian case, with emphasis on the crisis in the Niger Delta. The work also went ahead to examine the environmental and ecological conditions of the inhabitants of this area where crude oil is exploited in commercial quantity on a daily basis. Nigeria is a peculiar case indeed, where crude oil was first discovered at Oloibiri in 1956, and in commercial quantity in 1958 (fifty years ago), along the southern coast of the Niger Delta which, thus led to a rise in the citizens' expectations. By the calculations of her citizens then, the foreign exchange to be earned from the export of this "black gold" (petro-dollars) would definitely turn around their fortunes for good. By 1966, available statistics show that oil became a significant contributor to Nigerian economy, yielding about \$91,942,00, with over ten transnational oil corporations operating in the Niger Delta (see Ogbogbo, 2006). So much welfare services, job creation and general well being were expected from the Government, which serves as the major rent-taker from the oil exploiting conglomerates in the Country, that when these were not forthcoming as anticipated, the citizens became apprehensive. For more than three decades now, oil has remained the highest foreign exchange (external revenue) earner for Nigeria, this account for over 90% of foreign exchange earnings i.e. 80 to 90 percent of the country's Gross National Product.

Study Problems and Questions.

The above painted scene has played out in Nigeria for some time because before the late 1960s different regions of the country experienced financial boom from engaging in the production and export of agricultural products like cocoa, hides and skin, groundnut and palm produce. However, the 1970s witnessed the abandonment of these sources, with all attention focused on crude oil exploration, exploitation and export, which now made the product to become the main stay of the Nigerian economy. The major question at this juncture is what have been the effects of this shift in focus on the country's GDP and the living standards of the people? What lessons, if any have succeeding governments and policy makers learnt from the mistakes of

their predecessors? These are significant questions for our study because an analyst, like Ross (1999) has asked, “How does a state’s natural resource influence its economic development?”(p. 297). It is a truism that those who refuse to recall and do something about history are bound to repeat history.

Objective of our Study

To Sodaro (2001) “political economy refers broadly to the relationship between politics and economics. It constitutes yet another major topic in comparative politics”(p.34). This truism constitute the reason for this research, which attempts to weigh the level of development in the Niger Delta Region of Nigeria with the amount of resources (foreign exchange), earned by the Federal Government from that area as a result of oil exploration and exploitation.

Theoretical Framework

The question of how states resource wealth influences their economic development has indeed featured prominently in world discourse for the last sixty years. These debates have revolved around paradigms like dependency theories, economic dualism, a proposed New International Economic Order (NIEO), East Asia’s success, otherwise known as the Asian Tigers and Africa’s collapse. Hence, in his contribution to the above, Ross (1999) observes that:

Since the late 1980s, economists and political scientists have produced a flood of new research that bears on this question. There is now strong evidence that states with abundant resource wealth perform less well than their resource – poor counterparts, but there is little agreement on why this occurs (p. 297).

The above stated observation by Ross, among others serves as the major point of departure (theoretical foundation) for this work. Oil has become a curse, than blessing for Nigeria because instead of yielding foreign exchange for the development of the country, it’s proceeds have led to greater impoverishment of the masses. Ogbogbo (2006) has succinctly described this paradox in these words: “Rather than the fortunes of the people increasing with the coming of crude oil exploitation and production, their situation became worse” (p.562). It has also contributed to unprecedented crisis flash points in the Niger Delta. In the midst of these, Nigeria is ranked among the poorest countries of the world.

A lot more literature have linked this poor performance to the series of conflicts and even civil wars fought within African and other third world countries. Such civil conflicts

largely emanate from disagreements on how to share the rents that accrue to the state from the multinational corporations that are involved in the extractive industry. In the words of Collier (2008), “Natural resources generate what economists term ‘rents’ – meaning profits that are much higher than the minimum level needed to keep the activity going. The trouble from natural resources stems from these rents”(p.2). We attempt in the body of this work, to locate the reason(s) behind the poor and degraded nature of the Niger Delta environment. Studies show that as far back as 1980, 80.4% of the developing world export earnings came from primary commodities. For a country like Nigeria, we have observed that this trend has been on for the past three decades. Ross (1999) agrees that there are a few exceptions to this trend. This is especially so, with regard to some countries in East Asia and a handful of “Latin American states which percentage had dropped to 34.2% by 1993” (p. 298). This positive economic trend was a result of the fast growth of manufactured exports, which have brought the ‘Asian Tigers’ from the woods and made them become major players in international politics and trade. Other factors that contribute to such success level recorded by these developing economies are good governance and low levels of official and unofficial corruption. On the other hand, in this millennium, as forecasted by the UNCTAD (1995), three-quarters of states in sub-Saharan Africa and two-third of those in Latin America, the Caribbean, North Africa, and the Middle East still depend heavily on primary commodities for at least half of their export income. We thus argue like Ross (1999) that for such countries, (Nigeria inclusive) “the resource-curse is an urgent puzzle” (p. 298).

It is the desires to unravel this puzzle (a paradox of pronounced poverty in the midst of great wealth), that we attempt to establish a link between the phenomenon of resource curse in Nigeria, and the Niger Delta crisis. It is equally our desire to explore the effects this phenomenon has had on the Nigerian state, in this work, referred to as matters arising.

The Niger Delta Crisis

In his attempt to identify the real and or potential issues that spark political controversy, Sodaro (2001), focused his attention on five main sources of political conflict. These areas, he identifies as power, resources, social identity, ideas, and values. He argues strongly that resources are a source of political contention within and between nations. On natural resources, such as crude oil, Sodaro (2001) posits that it is a source

capable of stimulating intense political contention. Whether the issue concerns drilling rights in Alaska or the more explosive matter of who controls the Middle East's abundant petroleum reserves, oil has provoked conflicts ranging in severity from legislative wrangling to mortal combat (p. 34).

In the same vein, Humphrey (2005) observes that

Highly influential research by Paul Collier and Anke Hoeffler at the World Bank suggests that countries whose wealth is largely dependent on the exportation of primary commodities – a category that includes both agricultural produce and natural resources – are highly prone to civil violence (p. 510).

The Niger Delta crisis has come to constitute a dominant issue in Nigeria's political, social and economic discourse. Historical evidence points to the fact that just before independence, the minority peoples of Nigeria raised an alarm with regard to their fear of future domination and exploitation by the majority ethnic groups in an independent Nigeria. It was this agitation that led to the setting up of the Sir Henry Willinck Commission of 1957. This fear was however, not completely assuaged by the departing colonial administration, which only promised to guarantee the rights of these minority people in an independence Constitution. A few years into the country's independence, it became clear that the fears expressed by the minorities, especially those of the oil-producing Niger Delta were real. Such fear revolved around the argument that the proceeds earned from the natural resources generated from their region will not be channeled to the development of the area. They have argued consistently that not only are they faced with economic marginalization by the dominant groups, but they have not had the opportunity of ruling Nigeria at the federal level, from independence till date, an opportunity all other regions have enjoyed, some, more than once. It should be observed here however that in the present dispensation (2007-2011), the country's vice president hails from one of the Niger Delta states. They have almost lost all sense of belonging. In this regard, Humphrey (2005) observes that the conflict that ensues out of this feeling of marginalization is borne out of the desire to put an end to this age long practice. Humphrey (2005) tends to confirm his findings by observing that "natural resource wealth may be seen as more unjustly distributed than other wealth" (p.512). This negative feeling and world view has contributed in no small measure to the calls for resource control, among other agitations by the Niger Delta militant groups. For this Okoko & Nna (1991) comments thus:

a central theme which runs through the issues of neglect, marginalization, deprivation, poverty and disempowerment and under-development... a dominated perception is that the oil wealth being produced in the Niger Delta with all the attendant hazards for communities is being siphoned away for the development of more politically powerful, non-oil producing areas of Nigeria (p. 13).

Humphrey (2005) has observed strongly that oil politics has led to political instability in many countries. Using Chad as a case study, Humphrey (2005) emphasizes that “the role of oil in Chad’s politics illustrates some of the complexity of the linkages between natural resources and conflict (p.509).

The Niger Delta condition has become increasingly complex as a consequence of the constant degradation of the environment by the activities of the Nigerian (rent taking) Federal Government and the multi-national oil exploring, and producing companies; which include Total Fina Elf, Mobil Producing Unlimited, Texaco, Shell and Chevron. The Niger Delta people who are predominantly farmers and fishermen argue that as a result of the pollution of their environment, they can no longer engage in legitimate sources of livelihood. This is sequel to the fact that the land has been destroyed by oil spillages and rain dust (a direct consequence of gas flaring at oil location/rig sites). They equally complain that the rivers are almost now empty of aquatic and marine life, being a consequence of the over mixture of spilled oil and water. Some argue equally that the dynamites used by the oil-exploring companies contribute a lot to the destruction of marine life in the Niger Delta. The oil companies pollutants and spillages according to Nna (2001) degrade

the environment and devastate fauna and flora, in turn destroying or dislocating the basic economic life of the people... is likely to lead in rural-urban migration, prostitution, intra and inter community conflict, etc, and underlie the nature of crisis in the Niger Delta (p. 8).

In the same vein, Ogbogbo (2006) observes that:

With exploration and exploitation of crude oil in the region came environmental degradation of unimaginable proportion. Apart from massive deforestation, there was the poisoning of the ecosystem through incidents of oil spillages and gas flaring. Indeed the already fragile Niger Delta environment became further devastated. These negative experiences of the region without commensurate compensation was to result in conflict with both the oil companies and the Nigerian state (p562).

This condition of environmental pollution reflects the poor state affairs which has become a recurring decimal in virtually all the Niger Delta creeks. On this condition, the Tell magazine (quoted by Akpan, O. and M. Bonchuk, 2008) comments thus

According to statistics, there have been well over 4000 oil spills in the Niger Delta alone since 1960. Another report on the activities of oil prospecting companies in the Niger Delta has also indicated that companies like Shell Petroleum Development Company, Mobil, Agip and Chevron have added to a “slow poisoning of the waters of this country and a destruction of vegetation by oil spills which occur during petroleum operations”...gas flaring in Nigeria is highly inefficient and releases large amounts of methane, which has very high global warming potential. The methane is accompanied by the other major greenhouse gas, carbon dioxide, of which Nigeria was estimated to have emitted more than 34.38 metric tones in 2002. the consequences chill the bones...According to Sheriff Mulade, President, Kokodiagbene Youth Development Association, “we have lost close to 5,000 fishing ponds around Warri as a result of the activities of these multinationals”. Othuke Omudhuwho, 59, fisherman, who claims he lost five fish ponds to the oil spills that occurred between 1993-94, in which about 1,400 people were reportedly killed, led TELL to the back of his hut and silently pointed at a pawpaw tree with yellow leaves and a fruit that resembled a cancerous breast (pp. 86-87).

The Niger Delta people have through several media, demanded attention from the Federal Government and oil producing companies. These agitations culminated in the recent struggle for resource control or at least, 50% derivation of the income generated from the sale of crude oil. Ekpo (2003) has argued

that crude oil production has been by far the most important economic activity in the Nigerian economy since the early 1970s is not subject to debate. Its impact is not limited to its contributing approximately 90% of Nigeria’s total foreign exchange earnings... (p. 9).

These issues call to question the kind of fiscal federalism practiced by the Nigerian state. It has remained questionable because from 1966 till date, the adopted revenue sharing formulae seem to be directed at the domination of the minority ethnic groups. A number of analysts have taken this position in their assessment of Nigeria’s fiscal federalism. We must recall the fact that by the 1960 constitution, the picture was different from what it has become, after 1966. In the words of Ogbogbo (2006) “before oil became a significant factor, the revenue allocation formula provided for 50% derivation. This was a time when the dominant three groups of

Hausa-Fulani, Yoruba and Igbo provided the major agricultural exports of the country” (p.563). However, after oil became the mainstay of the nation’s economic base, derivation has been drastically reduced.

We started this work on an introductory note, where we among others located the various attempts made at explaining the resource curse phenomenon. We observed that the resource curse theory and implications has indeed impacted negatively on the development of a number of countries, hence, the need to further test this typology with the contemporary Nigerian experience. We then proceeded to identify the Nigerian case, with regard to the Niger Delta environment and the ensuing crisis. The next section is devoted to an analysis of the Nigerian case, otherwise referred to in this work as ‘matters arising’

The Political Economy of Resource Curse in Nigeria and the Niger Delta Crisis: Matters Arising

Nigeria, as seen from the foregoing was considered a prospective economic giant in Africa with the discovery of crude oil in commercial quantity in her territory (Oloibiri) as far back as 1958. This expectation was confirmed in the 1970s when the country earned multi-million U.S. dollars from the sale of this natural resource. The economic boom for the nation in the 1970s was so much that, for ‘lack of internal projects that begged for attention and execution,’ the leaders then began to look for poor African countries which had need for economic aid, to bail out of such woes. Some of these, they located and extended a lot of goodwill. Groups struggling for independence and or freedom from apartheid regimes in Africa got enough monetary support from Nigerian governments. The 1970s thus witnessed regime types that declared Africa as the centerpiece of Nigeria’s foreign policy.

Many analysts have described this outward show by Nigerian governments in the 1970s as playing the ‘Father Christmas’ outside, while her citizens suffered from abject poverty and gradual environmental degradation. That was a period of visionless leadership, which would later lead the country into economic woes which three decades after, she is still struggling to come out of. The wise economic policy initiative then was for the leaders of the country to initiate policies that would lead Nigeria to economic diversification. This would have required plunging majority of the foreign exchange earned into other sources of economic activities, like agriculture, manufacturing, industry and human capacity development.

The oil boom of the 1970s was not to last as long as the ‘visionless’ leadership of that era anticipated. By the beginning of the succeeding decade (1980s), the country began to experience grave economic recession, what some analysts have referred to as ‘economic doom’. This was largely a result of reckless spending, encouraged by poor and corrupt leadership. Growth-propelling ventures were abandoned for white-elephant projects, which had little or no bearing with economic growth or development. Apart from rendering financial assistance to needy African countries and sponsoring a number of resistance armies in the Southern parts of Africa (Horn of Africa), the nation lavishly hosted the Continent in 1977, Festival of Arts and Culture (FESTAC). That project and others like the All African Games, gulped millions of dollars, bulk of which were diverted into the personal accounts of top government officials, through over-invoicing and award of contracts to themselves and their cronies. This trend clearly depicts the postulations of theorists who belong to the state-centered explanations of the resource curse. These have argued among others that because governments like Nigeria’s gain most of their revenues from external sources, such as rents accruing from oil companies, they become less accountable to the societies they govern. By implication, Mahdavy (cited by Ross, 1999) has argued that the state officials concerned become ‘myopic and risk-averse’ (p. 312). This reasoning explains the boldness with which tyrants like Babangida and Abacha held the whole country to ransom through an unprecedented looting of the nation’s treasury.

The downturn, recorded by Nigeria’s economy from the 1980s signaled tough times for her citizens. This is irrespective of the fact that the amount of crude oil drilled from the land and territorial waters of the nation has been on a steady rise. According to a study sponsored by the World Bank during the 1971-83 economic boom years (Auty, 1993), both major oil exporters and major hard-rock mineral oil exporters performed less well than their resource-poor counterparts. This World Bank report was confirmed by further research conducted by Jeffrey D. Sachs and Andres Warner (cited in Ross, 1999). They used 97 (ninety seven) countries which were studied over nineteen years period; applying regression analysis in measuring the impact of mineral and other resource export on GDP growth. They concluded their study on the note that a high “ratio of natural resource exports to GDP in 1971 had abnormally slow growth rates between 1971 and 1989” (p. 300). We corroborate this finding by adding that the trend has not changed significantly with regard to a country like Nigeria as at 2009.

The observable trend in Nigeria for the past three decades is that with huge, ever flowing revenue accruing from the sale of crude oil and recently natural gas, virtually all other sources of revenue generation have been neglected and abandoned. This practice has been sustained because it serves the corrupt intentions of the privileged ruling class (military and civilian), who device different means of diverting a proportion of foreign exchange earned, into their foreign personal accounts. Recent Nigerian history (1999-2009) has shown that from the Federal to State and Local Government levels, as soon as the oil money accruing to the Federation Account is shared, majority of the amount find their way into different foreign personal accounts owned by the leadership class. In order to keep such deals secret, these government officials imbibed the habit of sourcing foreign exchange from the “black market”. Consequently, after the handover of power from the previous (2003-2007) to the present administration (May 29, 2007 to date), reports on states bankruptcy and heavy indebtedness has been making the rounds. From Sokoto to Plateau, Plateau to Adamawa, to Akwa Ibom and Niger States, the reports have remained the same; that the previous administrations did not only corruptly spend all the funds in their states treasuries, but left such states with heavy debts to settle.

This poor condition of the states and local governments’ purses is hard to explain because the nation’s news magazines regularly show cased the summary of gross revenue allocation by the Federation Account Allocation Committee accruing to the Federal, State and Local governments on monthly basis (the practice of publishing such accounts though has been jettisoned by the Yar’Adua administration). For example, the December 2006 allocation indicated that the 774 Local Government Areas in the country received a total sum of ₦55,636,472,011.55 (Fifty five billion, six hundred and thirty six million, four hundred and seventy two thousand, eleven naira and fifty-five kobo (Tell, Jan. 22, 2007). Going by the nation’s revenue allocation formula, the thirty-six states received more than this amount, while the Federal Government got even a higher percentage than the states from the Federation Account. However, projects execution hardly equals the amount of revenue that accrues to each level of government at the end of the year.

It must be noted that in the not too distant past (2008), Nigeria recorded an all time high excess crude oil sales (foreign exchange earnings). If Nigeria’s leadership class were made up of people who with a full grasp of history (1970s), such excess would have been wisely

invested, be it in stocks purchase. But, a lot of voices clamored for immediate sharing of the excess revenue and had their way. Shortly after this, though, the global price of oil came crashing. The world faced an economic recession and the windfall from oil ceased.

In the midst of these huge revenue received by the different levels of government, the citizens remain largely poor, sickly and unemployed. Nigeria's poverty index remains on a steady rise, especially, with the absence of a middle class. This is so because successive administrations have failed to consider and implement various proposals on the need to inject a good fraction of the foreign exchange earned from crude oil sales into the development of the country and indeed the Niger Delta States. Rather, what is daily experienced in the Niger Delta areas of Nigeria is a paradox situation, already extensively discussed by Dode (2007) and others. The picture is that of an area where on a daily basis, millions of barrels of crude oil are drilled from a region where more than 90% of Nigeria's foreign exchange is earned; yet, the citizens live below the poverty line. These environments lack the basic essentials of life like good shelter, electricity, roads, water and medical facilities. Yet oil workers occupying the rig sites enjoy all of these, in addition to chopper (helicopter) services for those that work offshore.

Measures put in place by stake holders and previous administrations to improve the conditions of the Niger Delta area have all, to a large extent, been taken advantage of by a privileged few. Such measures include the establishment of agencies like the River Basin Development Authorities, Oil Mineral Producing Areas Development Commission (OMPADEC) and the Niger Delta Development Commission (NDDC), and the development of a master plan. Recently, the Yar'Adua administration put in place for the first time, the Niger Delta Ministry, with Ufot Ekaette as the pioneer Minister. These agencies to a large extent have been further used as conduit pipes by the political class and a few cronies of theirs in the oil-bearing communities, to divert government funds meant for development, to private accounts. Recent records in the country have it that about 10% of the crude oil tapped from the Nigerian territory are sold out (bunkered) illegally in international black markets, to the benefit of those involved in the crime.

These recorded realities tend to support our hypothesis that while Nigeria remains a country highly endowed with crude oil and the huge revenue it generates, majority of her citizens, and indeed the Niger Delta people form a significant segment of the poorest people in the world. That the average growth rate of the country does not match with the amount

generated from the sales of crude oil annually is a reality. The world economic index places Nigeria among the category of the poorest countries in the world. It was in 2006 that the Obasanjo administration succeeded in reducing significantly, the heavy external indebtedness of the nation. Many have however, argued that the widely advertised gains of that debt settlement scheme is likely to be temporary because having not put enough measures in place to diversify the economy; Nigeria would soon slide into huge borrowing again. This fear, the Yar'Adua administration has confirmed by accessing foreign loans in the last quarter of 2008.

We therefore argue further that to a large extent, the higher dependence of the Nigerian economy on this natural resource (crude oil) has become a problem, not a solution to the nation's development problems. One of these problems is the Niger Delta crisis. This condition is made worse by the near perpetual existence of corrupt, visionless, bad and quick-fix mentality leadership style from 1960 till date.

The Niger Delta crisis has reached a level of urgent national attention. It has gone beyond agitations for resource control and or derivation principle, to the taking (kidnapping) and killing of (oil company workers) hostages and soldiers. The Niger Delta region has as a result of these incidents, been described as the hot bed of Nigeria during the lifetime of the last administration (2003-2007). No effort should be spared in attempting to salvage this bad situation and move towards debunking the continuous confirmation of the resource curse theory in Nigeria and other resource rich states.

Conclusion

The preoccupation of modern political economy, we have noted, has been the various attempts and analysis aimed at explaining the reason(s) behind the development and or underdevelopment of the various nations of the world. We noted though that in the course of trying to explain these phenomena, using the "resource curse paradigm", majority of the analysts depended on data that to a large extent appear incontrovertible.

In this article we examined the application of this theory to Nigeria, an African nation, especially with regard to the Niger Delta region crisis. We observed that for more than three decades now, Nigeria has remained a mono-product economy. Oil remains her major foreign exchange earner; with the percentage dangling between 85% and 90% of money accruing to the Federation Account.

The Niger Delta crisis was reviewed and related to the reality of the resource curse paradigm, typifying the Nigerian economic system for more than three decades now. The factors identified as contributing to these problems included visionless, corrupt and ill-equipped leadership. Above all, the issue of lack of economic diversification serves as a major element that hinders the country from economic development and getting erased from countries to which the resource curse paradigm applies.

Recommendations

We proceeded in this work by proposing the following recommendations. We strongly recommend that majority of the wealth accruing to the country through oil 'rent' should be channeled into facilitating economic activities at the rural level. This should be targeted at rural farmers and artisans. This is important because as observed above, there are so many dangers identified with resource rents, which when it appreciates, the real exchange rate causes the 'Dutch disease', whereby, the rest of the export economy contracts. This experience impacts negatively on the local economy. This point is buttressed by the recently experienced world economic recession and low prices for crude oil, which went a long way in determining how far countries like Nigeria could go, with regard to budget implementation.

In the urban and semi-urban centers, funds should be channeled into empowering small and medium scale enterprises (SME), to reduce incidents of hostage taking which has become a recurring decimal in Nigerian major oil cities. This will lead to youths training and empowerment and thus, reduce drastically, Nigeria's poverty level. Botswana has achieved success in this area from her diamond trade and increased her level of per capita income. The government should approach development of the Niger Delta with man as the index of development (see Folarin, 2008).

Good governance is a sine qua non for the fair distribution of oil rents accruing to the country. With this strategy, the contention over who owns this or that natural resource may come to an end in Nigeria. This suggestion will equally serve as a veritable solution to the problem of black-marketing of stolen crude in the country.

We strongly recommend that the national assembly put in place, mechanisms aimed at abrogating the obnoxious Land Use Act, which has been used for decades to deprive Nigerian

citizens of their landed (private) property, such, being the only tangible inheritance of some Nigerians.

The practice of true fiscal federalism should not only be paid lip-service as is presently done, but political leaders should do their best to ensure the achievement of a stable federal state. The nation should have the political will to revert to the 1960 sharing formula, which was based on 50% derivation. This objective can be achieved through adequate subscription to the rules of good governance under properly guided and practiced federal form of government.

The obnoxious Land Use Act should be abrogated. This will give the people direct control over their landed property, with which they will have the liberty to do business with banks and other organizations, and thus lead to their economic enhancement.

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