

THE POLITICS OF RESOURCE CONTROL IN NIGERIA: AGITATION AND INNOVATION

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ABSTRACT

This paper conducts a comprehensive interrogation on resource control; its meaning, agitation, innovation and politics as well as its manifestation as one of the most highly contentious issues in Nigeria's federalism. The paper adopts a historical/descriptive method of enquiry and generates data largely from books, journal articles, magazines/newspapers and the Internet. The paper argues that the central control of oil resources and the utilization of the revenue derived therefrom to fast-track the development of the nation tends to favour the major ethnic groups rather than the minority from which the oil is exploited. The conflict over the distribution of State resources and its control within communal territories exacerbated the difficulties of political accommodation in Nigeria's federation. Findings have revealed that there has been innovation in the agitation for resource control in Nigeria, which ranges from regional cleavages, States, minority/majority ethnic groups to geo-political zones. The paper makes conceptual and practical recommendations for rethinking and restructuring of the nation's federalism for mutual co-existence and management of the nation's resources.

Key words: Politics, Resource Control, Nigeria, Agitation, Innovation

Introduction

Structurally, Nigeria is a heterogeneous society, made up of different ethnic nationalities with diverse belief systems, customs and institutions. Though the exact number of ethnic groups is not

known, some scholars put the number at 250, while others believe that it has more than 350 ethnic groups (Obikeze and Anthony, 2003). Professor Okwudiba Nnoli, a leading expert on ethnic politics in Africa attributed this uncertainty to lack of agreement on the criteria used in identifying ethnic groups (Nnoli, 2008). According to him, some analysts who relied on linguistic factor identified 394 ethnic groups in Nigeria, while others put the figure at between 550 and 619. Based on these ethnic configurations, the country is governed by a system of government that operates in accordance with the provisions of a Federal Constitution except during military regimes where the Constitution is often suspended.

According to Wheare (1964: 187), federalism is the method of sharing powers so that the central and regional governments are each within a sphere coordinate and independent. This definition has remained the benchmark for the practice of federalism in all States structured along its principles. Its principles of coordinate, independent and on different levels of government promote the concept of separation of powers between the central government and the component units within a given territory. This means that federalism is a system of arrangement that promotes the sharing of governmental powers within a country. The definition of federalism as given by Tamuno (1998: 13) is, however, all-embracing and underscores its *raison d' etre*. According to him, federalism is “a form of government where the component units of a political organization participate in sharing powers and functions in a cooperative manner through the combined forces of ethnic pluralism and cultural diversity among others, which tends to pull people apart”. This implies that federalism is a device for dealing with the problem of unity in a plural society.

Differently put, federalism is compromised unity in diversity. It is important to note that a federation often emerges either by aggregation of previously independent sovereignties to become a single sovereign State such as Australia, Canada, and the United States, or by devolution, that is, decentralization of certain levels of political authority to sub-national governments within a sovereign State such as Nigeria, India, and Pakistan (Aboyade, 1985; Anyafo, 1996; Dang, 2013). It is equally pertinent to observe that, unlike the conventional

federalisms that hitherto separate entities come together to form a union, Nigeria became a union through amalgamation.

Consequently, as Adeyeri (2010) has pointed out, Nigeria's federal system has oscillated between the excessive regionalism that marked the First Republic (1960 - 1966) and the excessive centralization of the military, and relatively the post-military era. Contradictions in Nigeria's federal system such as the colonial factor, military rule, structural imbalance, over-centralization of power in the central government, among others, have overtime perpetuated various thorny issues and challenges within the Nigerian federation. The contending issues in the Nigerian federalism include but are not limited to resource control, revenue allocation, State creation, federal character question and leadership crisis.

From the pre-colonial to post-independence era and up to the present democratic dispensation, resource control has remained the most contentious issue among the tiers of government. Of note, like most federal systems, Nigeria operates a system in which the federal government harnesses the natural resources and shares revenue with the States and Local Government. This, as Tambuwal and Gbajabiamila (cited in Agbaje, 2013) have pointed out, is a departure from an ideal federal constitution in which, the regions or states are the federating units and control resources located in their territories. The implication of this is a pointer to the fact that fiscal federalism in Nigeria has not been able to contribute optimally to socio-economic development of the States.

Conceptual and Theoretical Explications

This study is premised on two concepts, namely, "politics", and "resource control". Their definitions are therefore necessary for the purpose of clarity. Like other concepts in political science the word politics is faced with a definitional problem. This is because, on the one hand, the concept of politics may mean different things to different people, and may have different meanings in different national contexts. On the other hand, scholars may define politics, largely from their particularistic perspective and persuasions. Given the nature of politics, a plethora of definitions have been put forward by scholars. Although there is no agreement among scholars as

to the exact meaning of politics, its traditional meaning has focused on State. Therefore, politics narrowly construed is the activity of government (Weldon, 2013).

Dahl (1984: 9-10) defines politics as relating to power and political system as “any persistent pattern of human relationships that involves to a significant extent, control, influence, power or authority”. Nnoli (1986: 7) provides a definition of politics which establishes the nexus or deals with the State and the political society as “all those activities which are directly or indirectly associated with the seizure of State power, the consolidation of State power and the use of State power”. Millet (1970) sees power as “the essence of politics”, and defines politics as “power structured relationships, arrangements whereby one group of persons is controlled by another”.

Others connect politics to distributions and to normative (meaning value-laden) considerations. For instance, Harold Lasswell (cited in Eminue, 2005, Weldon, 2013) defined politics as an empirical science that studies the shaping and sharing of power about “who gets what, when and how”. Dudley (1975: 18) adds “why”, so that the question should be “who gets what, when, how and why? This, as Vande (2013) notes implies that politics extends beyond the realm of State affairs. It therefore borders on whether power – the main object of politics is obtained as an end in itself to ensure binding decisions or as a means to an end.

From the standpoint of Easton (1965) politics is the persistent pattern of human interaction in a society mainly oriented towards “authoritative allocation of values. From this definition, it is clear that politics has to do with making authoritative or binding decisions concerning the distribution of states resources. Thus, once a decision is made, it conveys the idea of legitimacy and binding compulsion. Scholars have, however, critiqued these analytic approaches that focus on distribution, arguing that they obscure the power dynamics that produce these distributions, thereby depoliticizing them (Young, 1990). From the definitions, it is, however, important to state here that the way people understand politics is dynamic, as a group’s status changes, its understanding of politics changes too.

Similarly, there is no agreement among scholars as to the exact meaning of Resource Control. As Roberts and Oladeji (2005: 277) rightly observed, while one group conceives it as the total takeover of the resources located in the resource producing states by the people of those states, others understand it to mean that the stakeholders in the resource-bearing area should manage greater proportions of the resources harnessed in those areas. This implies that scholars and even agitators define the concept largely from different and individualistic perspectives. According to Henryik, (2009), resource control can be broadly defined as “the control and management of resources by State or Local Governments from whose jurisdiction the resources are extracted. The State or Local Governments would manage the resources from their territories under federal guidelines (especially, environmental ones), and then remit prescribed percentage to the federal centre”. Arguing similarly, Ifedayo (2010: 14) opine that resource control involves the access of communities and State governments to natural resources located within their boundaries and the freedom to develop and utilize these resources without reference from the federal government. In the view of Ofeimum (2005), resource control is the principle that every federating unit must be empowered to be self-governing. It amounts to an expression of self-determination by the zone which places a collaborative duty on other parts of the country to assist the zone in the realization of their objectives.

According to Afoyemi (2013: 11), resource control is the way and manner the government revenue is shared among the various tiers of government - the Federal, State and Local Governments, as well as how resources available are harnessed and determined. For Ya’u, (2001:46), resource control may be taken to mean “the substantive power for the community to collect monetary and other benefits accruing from the exploration, exploitation and use of resources in their domain and deploy same to its developmental purposes. From the definitions reviewed so far, it is clear that, resource producing areas ought to have control over resources located in their areas, with minimal intervention from the federal government, as it is the practice in the United States of America.

The Theory of Resource Curse provides theoretical underpinning for this paper. Also known as the Paradox of Plenty, this theory has been the dominant lens through which social scientists,

commentators and analysts alike have understood resource control conundrum. One of the leading proponents of the theory is Paul Collier. The central argument of the theory is that “countries and areas that are richly blessed with an abundance of resources like oil and gas turn out to have poor economic growth than countries and regions with fewer natural resources”. As Karl (2005) put it, in most rich countries, natural wealth does not translate into prosperity for the majority of inhabitants, but instead leads to environmental and economic devastation and hampers democratic reforms. Consequently, Collier (cited in Maass, 2009: 55) argue that:

*Dependence on primary commodities substantially increases the risk of conflict...
In a country or region with no primary commodity exports, the risk is about one per cent in a five year period. In a country or region with high dependence on primary commodities, the risk is about 23%.*

The above view point implies that abundance of natural resources especially oil encourages violent conflicts as a result of agitation for control. Proponents of this theory argue that abundance of resources rather than stimulate economic development, can act as an impediment to it. The reasons adduced for this negative relationship between resources and underdevelopment and conflict include corruption, decline in the competitiveness of other sectors, overdependence on one source of income (oil resources) and mismanagement of resources etc.

Method and Materials

This study is basically *historical* and *descriptive*. A historical research is “a systematic and critical investigation of events, experience and developments of the past and their influencing factors to formulate progressive ideas for the present and future” (Ndiyo, 2005:45). From the point of view of Anikpo (1986:56), a historical research (also called historical method) is essentially “an attempt to understand a phenomenon or determine its process of growth, innovation and dynamics of internal changes. On the other hand, descriptive method is concerned with interpreting existing conditions such as prevailing practices, beliefs, attitude, and ongoing processes (Ndagi, 1984). As Best (1970) has noted, “descriptive researches look at the individual, groups, institutions, methods and materials in order to describe, compare, contrast,

classify, analyze and interpret the entities and events”. Juxtaposing the historical and descriptive methods, therefore, the study explores the origins of resource control; its meaning, agitation, innovation and politics as well as its manifestations as one of the most highly contentious and divisive issues in Nigeria’s federalism. This study relies on secondary sources of data generated from books, journal articles, magazines/newspapers and the Internet. The method of data analysis for this study is qualitative-descriptive analysis. This method is suitable for analyzing data collected through qualitative method.

The Origin of Resource Control: Agitation and Innovation

The history of the area now known as Nigeria is characterized by agitation for resource control. First, after the abolition of slave trade in 1807, local traders engaged in resource control struggles to participate actively in the trade of palm oil (Ako and Okonmah, 2009). Similarly, resource control was one of the highlights of the Ijaws’ representation to the Willink Commission. Thus, it should be emphasized from the outset that in Nigeria, States, majority as well as minority groups have on one occasion or the other in history agitated for resource control. However, the demand for resource control reached its crescendo as soon as the Military Government of General Yakubu Gowon created a twelve-State federal structure on May 27, 1967 from the former four regions. On the one hand, some of the States that were created e.g., the oil-rich Rivers and Eastern States as well as Lagos immediately demanded for the control of the natural resources located and extracted from their areas. On the other hand, major areas that were not granted statehood but were economically viable equally demanded for resource control out of frustration (Ekwuruke, 2005). Before this time, however, the struggles for the control of the nation’s resources have also, to some extent, been based on the regional cleavages. This, entwined with political conflict, has sometimes led to political manipulations and delineations with the aim of influencing wealth allocation. Therefore, agitation by these regions, States as well as ethnic groups in the country had been recurrent events. Eminue (2005:165) clarify the above viewpoint thus:

Resource control became a prominent issue in Federal-State relations in Obasanjo’s Nigeria, with the littoral states (Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Ogun, Ondo and Rivers) claiming that the natural resources located offshore ought to be treated or regarded as located within their respective states. The claim by the littoral states was more so accentuated by Decree No. 106(1992)

which abrogated the onshore/offshore dichotomy for the purpose of calculating the amount of revenue accruing directly from any natural resources derived from any state pursuant to Section 162(2) of the Constitution of the Federal Republic of Nigeria 1999.

It is also important to observe that Section 162(2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) states that: (a) the natural resources located within the boundaries of any State are deemed to be derived from that State; (b) the seaward boundary of each of the littoral States is the low water mark of the land surface thereof or inland waters within the States; (c) the natural resources located within the territorial waters of Nigeria and the Federal Capital Territory are deemed to be derived from the federation and not from any State; and that (d) the natural resources located within the Exclusive Economic Zone and the Continental Shelf of Nigeria are subject to the provisions of any treaty or other written agreement between Nigeria and any neighbouring littoral foreign State, derived from the federal and not from the State.

Flowing from the above, it could be argued that the agitations for resource control by both the Federal and State governments must have been pursuant to the proviso to the sections of the constitution highlighted above. In recent times, States and some sections of the Nigerian State have on one occasion or the other agitated for resource control for a number of reasons. For instance, the continued agitation for resource control by the Niger Delta region is, perceived as one of the manifestations of the struggles to redress perceived injustices and inequalities in fiscal relations among ethnic nationalities, regions and political units within the Nigerian federation. It is also perceived as a necessary fall-out of the degradation of their environment and the neglect of their conditions by the central government, which is seen as advancing the interests of the ethnic majorities to the detriment of the minorities.

Despite these, the Niger Delta people suffered untold deprivation and disinheritance, leading to agitation for resource control. It is important to point out that the agitations by the minority group in the Niger Delta, over the control of oil revenue, compensation for environmental degradation arising from oil exploration appear to be the greatest challenge to nation-building and national stability in Nigeria in recent times.

This section concludes with an observation that in a true federalism, the component states constitutionally control the resources, which are found within their geographical spread, and pay a certain percentage of revenue derived from such resources to the federal government. Practically, therefore, resource control rests on the component states of the federation. But in Nigeria, the reverse is the case. Federal Government controls the resources. Thus, the violent conflict experienced in some parts of the country, particularly the Niger Delta region is as a result of the structure of the Nigerian federal and State as well as the nature of the control of natural resources.

Analysis

The paradox associated with regions in Nigeria agitating for resource control, particularly in recent time is that although the region practically represents the proverbial “Goose that lays the Golden Eggs” and, therefore, Nigeria’s “Treasure Chest”, the region suffers from a “Resource Curse”. The region is very rich in natural resources and is said to be the world’s largest wetland. With an estimated crude oil reserve of about 35 billion barrels and an estimated 4.5 trillion cubic metres of proven natural gas reserves (both onshore and offshore), Nigeria’s Niger Delta region undisputedly inhabits much of Africa’s oil and gas reserves and is Africa’s largest producer and the 7th largest exporter of crude oil in the world. This is a region where oil accounts for about 95% of Nigeria’s export earnings and 80% of Federal Government revenue. Little wonder then, that oil development has culminated in the devastation of the natural environment of the Niger Delta.

With regard to the role of oil in the acrimonious political competition in Nigeria, Obi (cited in Onwudiwe and Suberu, 2005: 195) posited that:

...Oil is an object of the struggles between classes, factions of classes acting either through State structures or ethnic identity groups. Since oil is power, and power is oil in the context of Nigeria’s political economy, the struggle for oil power becomes a primary object of politics, and the inequitable distribution of oil highlights existing inequalities, competing claims, grievances, and even conflicts, which conspire to threaten the Federal foundations of the Nigerian State.

The above argument is a pointer to the fact that the agitation for resource control in Nigeria is, due largely, to lopsidedness in the practice of federalism. As stated earlier the main political problem of the nation called Nigeria is the application of federalism, true federalism is a situation whereby the centre and the sub units are economically autonomous and administratively responsible for most of their activities, i.e. a situation whereby there is devolution of constitutional responsibilities of power between the centre and regions/sub units. In other words, the state, regions and the centre share sovereignty. An ideal federal system should have independent revenue control mechanism or rather opportunity for the state/region to control/manage the resources from their areas. In practice, Nigeria's federalism is a mere gimmick as it ends at the pronouncement of the word federation.

Unfortunately, states or regions have no control of the resources. In fact the Land Use Decree of 1976 allocates the land and its resources to the federal government in addition, all mineral resources that are six feet deep or beyond belongs to the federal government (Land Use Decree, 1976). These laws were made so as to strip the Nigerian people off of asking for their inalienable rights to the resource from their areas. The Central Government controls every major activities of this nation, thereby, making the Nigerian Federation a Federalism only by name as the branches (i.e. states) have little or no power or influence in major economic/social issues such as mineral resources, revenue allocation/distribution and of course the armed forces of Nigeria.

Conclusion and Policy Recommendations

From what has been discussed above, this paper concludes with an observation that in a true federalism, the component states constitutionally control the resources, which are found within their geographical spread, and pay a certain percentage of revenue derived from such resources to the federal government. Practically, therefore, resource control rests on the component states of the federation. But in Nigeria, the reverse is the case, where the Federal Government controls the resources. Thus, the violent conflict experienced in some parts of the country, particularly the Niger Delta region is as a result of the structure of the Nigerian federal state and the nature of the control of natural resources.

Though the politics of resource control has been a ding-dong affair for a very long time the issues got exacerbated by the discovery, exploration, sale and the management of oil revenue in Nigeria. The politics of oil revenue has really made Nigeria a polarized state. In fact with the discovery of oil, Nigeria drifted from being an Agro-based nation to oil based nation. Most of the goods, being exported like groundnut and cotton from the north, palm produce from the east, while cocoa and rubber from the west were de-emphasized and in fact they were almost stopped. Hides and Skins which used to be the pride of the Northern Nigerians were no longer remembered. The government attention was over focused on oil because it became the benchmark for the federal government budget. Findings from the study also reveal that there has been innovation in the agitation for resource control in Nigeria. This ranges from regional cleavages, to states, to minority/majority ethnic groups and geo-political zones.

It is therefore, recommended that the principle of federalism should be fully applied. Federalism as being practiced in developed countries such as the United States will enhance unified, peaceful, political and socio-economic development. It will encourage the states to look inward and develop economic independence. The issue of resource control and dependence on revenue allocation from the federation account and other federal sources of revenue, such as, revenues from excess crude oil, income from excise duties, etc, would be de-emphasized. Rather the whole system should be constituted in such a way that high taxes be paid to the federal government on revenues generated from such mineral resources that yield high income, provided such resources are left for the people to control their resources by themselves.

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