

GOVERNANCE OF NATURAL RESOURCES AND ITS IMPLICATIONS FOR PEACE AND SECURITY IN THE NIGER DELTA

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Abstract

This study examined the relationship between natural resource governance and conflict in the Niger Delta, focusing on the socio-economic consequences of poor resource management, environmental degradation, and the role of multinational corporations. The problem of the study lay in the persistent socio-political instability in the Niger Delta, despite the region's wealth in oil resources because of the mode of exploration that made it a curse than a blessing. The aim was to explore how governance structures and corporate practices influenced conflict and development in the region. The study adopted the Resource Curse Theory as the theoretical framework, which explained how resource wealth could exacerbate conflict when not managed effectively. Using a qualitative methodology, the study analysed existing literature, reports, and case studies to assess the impacts of oil extraction on local communities. The findings revealed that lack of utilization of best practices by Multinational Corporations, poor governance, environmental degradation, and exclusion from resource benefits had led to increased militancy, economic inequality, and social unrest. The local communities, despite being the custodians of the oil wealth, remained marginalized, with little to show for their resources. The government's failure to effectively monitor and implement existing regulatory frameworks, to engage with local populations and address their grievances further fueled tensions, while multinational corporations contributed to environmental damage without providing adequate compensation by using different standards of operations in home countries and marketing outposts. The study concluded that effective resource governance, including transparent management, environmental restoration, and inclusive decision-making, was essential for reducing conflict and promoting sustainable development in the region. Recommendations included implementing existing local and international environmental laws, inclusive governance reforms, holding corporations accountable for environmental damage, and establishing collaborative conflict resolution mechanisms to foster trust and long-term peace.

Keywords: *natural resource governance, Niger Delta, conflict, resource curse, environmental degradation, militancy, multinational corporations.*

Introduction

The Niger Delta region of Nigeria, rich in natural resources, is a key player in the country's economy, particularly due to its oil and gas reserves. Natural resource governance refers to the management and regulation of resources within a region, ensuring that their extraction, use, and distribution benefit the local population and the broader national interests. In the Niger Delta, this governance structure has been characterized by a complex interplay of state, corporate, and local stakeholders. However, the governance systems often lack strong Institutions, political will to implement and enforce best practices, transparency, accountability, and inclusivity, leading to a disconnect between the wealth generated from the region and

the economic development of its local communities. This has contributed to widespread dissatisfaction, fueling the rise of violent protests and militancy as local populations demand better resource management and distribution of wealth (Amao, 2023). Effective governance in the Niger Delta is thus vital not only for economic development but for sustainable peace in the region (Akinyemi, 2024).

Conflict in the Niger Delta has been driven by multiple factors, but the mismanagement of natural resources plays a central role. The region's oil industry has spurred both economic growth and environmental degradation, creating a paradox. While oil wealth has generated substantial revenue for the Nigerian government and multinational corporations, it has simultaneously caused devastating environmental damage particularly because of the non-adherence to the global best practices policy of Polluter pay principle that compels a Polluter or degrader to restore the environment to its original state or near original state. Oil spills, gas flaring, and deforestation have left many communities in the region suffering from health problems and loss of livelihood. The Nigerian government and oil companies have struggled to address these issues, leading to prolonged unrest and conflict in the region (Udo, 2024). In addition to environmental concerns, the failure of the government to equitably distribute oil revenues has bred frustration and resentment among local populations, further exacerbating tensions. To address this challenges, the government started creating multiplicities of environmental protection agencies with overlapping functions that are regrettably underfunded. The present situation is the multiplication of environmental protection agencies while infractions and more degradations increasing instead of reducing (Hart, 2023)

The role of local militancy in the Niger Delta has been an enduring challenge to peace and stability. Militants, often from the region's ethnic groups, argue that they are fighting for resource control and environmental justice (Obi, 2023). In many instances, armed groups have taken control of oil pipelines, kidnapped foreign workers, and disrupted oil production as part of their demands. The government's response has been heavy-handed, leading to further alienation of the local population. Therefore, understanding the nexus between natural resource governance and conflict in the Niger Delta requires an exploration of the institutional shortcomings, the role of oil in local power dynamics, and the impact of environmental degradation. Without addressing these underlying issues, it is unlikely that the conflict in the Niger Delta will subside particularly as the government is unstable to adequately fund its regulatory agencies leading to the regulated to fund the regulator and the direct consequence is that he who pays the Piper dictates the tune. This leads to weak enforcement as the staff of the regulatory agencies lobbies to be posted to go and please the Multinationals in exchange for contacts, consultancies and per diem payments.

Statement of the Problem

The Niger Delta region of Nigeria is rich in natural resources, particularly oil, which has been the cornerstone of the country's economy for decades. However, the governance of these resources has been fraught with challenges, leading to significant social, environmental, and economic issues. Despite the enormous wealth generated from oil extraction, local communities in the Niger Delta have not benefitted proportionally. Inadequate governance structures, corruption, and the mismanagement of resources have

left the region in a state of underdevelopment and despair. As the wealth derived from oil continues to be siphoned off by multinational corporations and government officials, the local communities remain marginalized, grappling with poverty, unemployment, and poor infrastructure. This disparity has not only hindered economic development but also contributed to the growing dissatisfaction among the local population, culminating in widespread resentment and calls for resource control. These issues have further complicated the region's governance, making it difficult for authorities to effectively manage the resources in a way that benefits both the local populace and the broader national interest. In addition to the challenges of weak Regulatory institutions, lack of adequate technical skills to monitor the oil industry with high technological upswing, resource mismanagement and environmental degradation has become a pressing issue in the Niger Delta. Oil extraction has caused severe environmental damage, including frequent oil spills, gas flaring, and deforestation. The destruction of the region's natural environment has had a detrimental effect on local livelihoods, particularly fishing and farming, which are the primary sources of income for many Niger Delta inhabitants. The environmental damage not only harms the health and well-being of local communities but also exacerbates the ongoing conflict in the region. The government and multinational corporations have been criticized for their lack of accountability and failure to adequately address these environmental concerns. Why has the Nigerian government failed to implement effective policies to mitigate the environmental impacts of oil extraction? Is the oil industry's profitability so entwined with government interests that it overshadows the needs of the local population? These questions reflect the critical issues at the heart of the Niger Delta conflict. The lack of genuine efforts to restore the environment and ensure that local communities are compensated for the damage caused by oil exploration has led to an escalation of militant activities, with groups demanding not only environmental justice but also a fair share of the wealth generated from their land.

The growing militancy in the Niger Delta has been a direct response to the ineffective governance of natural resources. Armed groups such as the Niger Delta Avengers have resorted to violence as a means of protesting the exploitation of their land and demanding a greater share of the oil wealth. These militant groups often target oil pipelines, sabotage production activities, and engage in kidnappings, further destabilizing the region. The Nigerian government has responded to these actions with military force, resulting in a cycle of violence that has yet to be resolved. This escalating conflict raises significant questions about the role of governance in mitigating social unrest: Can the conflict in the Niger Delta be resolved without addressing the root causes of inequality and environmental degradation? Is it possible to achieve peace in the region without equitable resource distribution and sustainable governance practices? These unresolved questions continue to fuel the conflict, making it a persistent challenge for policymakers. It is against this backdrop that this study was undertaken to examine the natural resource governance and conflict in the Niger Delta. The specific objectives of this paper is to:

- 1) assess the impact of natural resource governance on the socio-economic environment
- 2) examine the relationship between environmental degradation caused by oil exploration activities and the rising cases of militancy and other forms of violence

3) analyze the role of governance structures, lack of political will, lack of adequate resources in mitigating conflict in the Niger Delta.

Literature Review Natural Resources

Natural resources are essential to the survival of man, economic growth and environmental sustainability. These are the resources that are air, water, minerals, soil, and living organisms which are regarded as the raw materials through which wealth is generated. Natural resources are vital and cannot be overemphasized because they form the basis of industrial production, agriculture and energy production. The issue of natural resources has great impacts on the national governance, social life and the health of the environment, especially in such regions as Niger Delta where the extraction of natural resources has resulted in both economic prosperity and serious social and environmental problems. It is important to understand what natural resources are to come up with policies that control exploitation of natural resources and manage them sustainably. A widely agreed definition of natural resources is that they are raw materials or goods that are found in the ecosystems of the earth and are usually in their natural form without any human interference (Smith, 2021). These are the resources, which are renewable and non-renewable and can be either mined or harvested to be used in different industries. An example is the nonrenewable resources such as oil, coal and natural gas and renewable resources such as forests and freshwater which can be depleted when not used responsibly. The view highlights the need to have effective management systems that will curb over-exploitation and make sure that the resources are still useful to the future generations. According to Smith (2021), the definition of natural resources has changed, particularly in the aspect of environmental sustainability, to incorporate the necessity of governance structures that can be used to manage these resources in a responsible manner.

The other definition of natural resources, as given by Harris (2022), is based on the economic value of the natural resources especially in the resource-rich nations where the national income is based on the natural resources. Based on this definition, natural resources are precious assets that directly add to the wealth of a country especially in the form of exports and industrialization. Oil, gas, and minerals are some of the most economically valuable assets that may define international trade relations and economic policies of a country. Harris (2022) emphasizes that although natural resources are associated with economic advantages, their unequal distribution among nations and regions tends to cause inequality and conflict, especially in the regions with natural resources, such as the Niger Delta. This economic perspective highlights the importance of open and fair management of resources to prevent so-called resource curse, when the abundance of resources causes economic instability instead of prosperity.

In a more social setting, natural resources have been described by Johnson (2020) as the aspects of the environment that directly affect human well-being. These resources offer the necessities of life such as clean water, air, fertile soil and sources of energy. Johnson (2020) claims that the mining and exploitation of these resources must always be done with the consideration of the welfare of the community, particularly in the vulnerable regions where the local communities depend on the environment to sustain their lives. This definition links natural resources with the well-being of the ecosystem and human society,

acknowledging that their use must be in line with the principles of social justice and ecological stability. This strategy implies that the government must provide equitable distribution of resources and maintain the well-being of the environment to future generations.

Natural resources, as Lewis (2023) explains, may also be perceived as ecological resources that form the basis of sustainable development. He does not only define them as materials to be extracted but as parts of an ecosystem that sustains biodiversity and ecosystem services. The definition also takes into consideration the concept that natural resources must be considered in the wider ecological system where sustainable use is important in ensuring that the integrity of the environment is preserved. Within this context, ecosystem degradation which is frequently caused by unsustainable resource exploitation poses a fundamental threat to long-term environmental and social stability. According to Lewis (2023), sustainability should be the central component of any natural resource governance system, and development should not be paid at the cost of environmental health or community well-being.

However, there is also another and more important definition that puts a great emphasis on sociopolitical aspects of natural resources, especially in the conflict areas such as the Niger Delta. These resources do not only serve as raw materials, but are strong forces that influence the politics of power and local governance systems. Although the current definitions tend to perceive natural resources as commodities to be exploited, this definition requires the interpretation of natural resources as a tool that shapes power relations, political choices, and social consequences. This definition is especially applicable in areas such as the Niger Delta where the production of oil and gas has resulted in serious environmental degradation and social conflicts. It implies that in order to adequately comprehend and deal with natural resources, their effects on governance, human rights and conflict must also be taken into consideration.

Governance

Governance is a multi-dimensional term that goes beyond the conventional meaning of government and includes processes, institutions and actors of decision-making, policy implementation and regulation. It is the way societies control their resources, make policies and control behaviour on different levels, including local and international. Governance defines how power, authority and responsibility are shared among political leaders, state institutions and nonstate actors and governance is important in defining the success of the socio-economic development of a nation, peace and stability. Governance is crucial in solving the problem of corruption, mismanagement of resources and social inequality, particularly in a complex region like the Niger Delta where governance is a major determinant of resource conflicts.

The United Nations Development Programme (UNDP) gives one of the most popular definitions of governance, stating that governance is the exercise of economic, political, and administrative authority to manage the affairs of a country at all levels (UNDP, 2021, p. 5). This definition emphasizes the fact that governance is an entire system that incorporates multiple levels of authority, such as national, regional, and local governments, and the private sector, civil society, and international organizations. The definition provided by the UNDP also highlights the significance of good governance practices, including accountability, transparency, and participation, as the key factors of sustainable development and the

necessity to make sure that the resources are managed efficiently and equitably. In this regard, governance does not merely imply the application of power, but the application of power in a manner that is inclusive and equitable to all citizens.

The World Bank (2020) provides a more specific definition of governance as the way power is used in the management of the economic and social resources of a country in order to develop. Based on this definition, governance is more concerned with how to manage the resources of the people, and this is why there should be policies that will promote economic growth, social justice, and environmental sustainability. The definition provided by the World Bank associates governance with development, which means that good governance is important in solving poverty, inequality, and other developmental issues. This definition also implies that governance is not only a political issue but also the management of resources in such a manner that can enhance the quality of life of all citizens. Good governance is thus a key to the responsible and equitable utilization of economic resources including those in the Niger Delta.

The third view of governance is offered by Kettunen (2022) who defines governance as the process of decision-making and the process through which decisions are adopted (or not adopted) by the public and the private actors. This definition brings out the fact that governance is a dynamic process that entails the collaboration of various actors, both state and non-state, in the making and implementation of decisions that influence the society. The definition by Kettunen has special focus on the interaction among different stakeholders such as government, civil society, businesses and individuals. This view is significant because it expands the concept of governance to the informal processes of governance that are also involved in decision-making and implementation in addition to the formal institutions of government. Governance in this regard is not only a topdown process, but also a process of collaboration that entails coordination of various sectors of the society to attain common objectives.

However, there is another and important definition of governance which is concerned with its own relationship with the power structures and political economy. This definition extends beyond the functional side of governance to look at how governance is constructed and constructed by power, politics, and inequalities in society. In such a place as the Niger Delta where resource wealth is a blessing and a curse, governance is not only about managing resources but also about sharing power and resolving underlying social, political and economic inequalities. Therefore, the governance in the Niger Delta is a complex issue that needs a sophisticated approach that takes into account the interrelation of the governance institutions, local communities, and multinational corporations that shape the social and political environment of the region.

Conflict

Conflict is a key term in political science, sociology and international relations and it is commonly defined as a situation of disagreement or confrontation between two or more parties whose interests, goals or values are in opposition to each other. Conflict may be of different nature, starting with personal conflicts and ending with large-scale wars and international conflicts. In its essence, conflict is a failure to communicate or collaborate, and the involved parties can fight over control, power, or resources. It is

important to understand the nature of conflict especially in such areas as the Niger Delta where resource wealth has been the main source of conflict and violence. The intricate nature of conflict, however, can be approached in many different ways and its definition is frequently disputed and different according to the situation.

A common definition of conflict is that given by the Uppsala Conflict Data Programme (2021): conflict is a struggle between at least two parties who perceive incompatible goals and who attempt to either deny the other the achievement of those goals or to advance their own interests. This definition identifies two critical elements, the sense of incompatibility and the conflict to attain or avoid objectives. Conflict in this context does not imply violence, but a high degree of resistance, either by negotiation, competition or force. The Uppsala programme approach highlights that conflict is fuelled by perceived differences and it is important to understand the perceptions in order to deal with conflict resolution strategies. As an example, in the Niger Delta, the conflicts are usually based on the belief that local communities are denied the fruits of their natural resources, whereas others, such as multinational corporations, enjoy excessive wealth and power. Galtung (2022) provides a more general definition of conflict as an interaction between parties, which are seeking mutually incompatible goals, and which have a history of past interactions that affect their current strategies and behaviours. This definition brings the attention to the historical background of the conflict and the way the past interactions between the parties influence their current standpoints. The approach of Galtung highlights that conflict is not a one time occurrence but rather a process which is influenced by historical grievances, power struggles and entrenched positions. In the case of the Niger Delta, the long history of exploitation of local resources and the recurrent inability of governance systems to respond to local grievances have helped to establish a deep-rooted culture of conflict. This school of thought emphasizes the significance of knowing the historical origins of conflicts since historical injustices may affect future relations and conflict response.

The other definition is by Richmond (2023) who defines conflict as a process of interaction between parties whose interests, values, and identities are incompatible that may take the form of violence or other forms of resistance. The definition given by Richmond extends the area of conflict beyond material interests to identity and value concerns. This definition is especially applicable when resource control is combined with cultural, ethnic or political identities. As an example, in the Niger Delta the identities of local communities are closely tied to the land and resources, so the conflicts over resource extraction are not only economical but also the struggle to preserve the culture, dignity, and rights. The definition provided by Richmond requires a more profound insight into the role of identity and values in the development of conflicts and emphasizes the necessity to consider these non-material aspects of any conflict resolution.

Theoretical Underpinning

The paper is based on the Resource Curse Theory that describes the contradiction that natural resource-rich countries tend to have lower rates of economic growth, greater corruption, and more conflict than resource-poor countries. Resource Curse Theory, or Paradox of Plenty, was initially discovered by an economist Richard Auty in the early 90s (Auty, 1993). The theory holds that rather than lead to economic

growth, natural resource wealth may cause economic mismanagement, bad governance, and social inequality, especially where the governance of resources is weak. Within the Niger Delta context, this theory is useful in explaining why there is constant conflict and underdevelopment in the face of the oil wealth in the region. According to the theory, resource wealth tends to cause overdependence on the extractive industry at the expense of other sectors such as agriculture and manufacturing that are critical to diversified economic development. Moreover, the wealth in the possession of the elites worsens the social inequalities and generates resentment, which leads to unrest and conflict. The relevance of the theory to the study is the realization that natural resource governance or its absence can result in a vicious cycle of poverty, inequality and conflict especially in a region such as the Niger Delta where oil wealth has failed to translate into better living conditions of the locals.

Results and Discussions Impact of natural resource governance on the socio-economic development of local communities in the Niger Delta.

Nigeria has a lot of natural resources especially oil which has been the mainstay of the Nigerian economy over the last several decades in the Niger Delta region. Nevertheless, the local population has not experienced any considerable changes in their socio-economic status despite the fact that the region is rich in natural resources. The governance of natural resources is vital in the process of defining how such resources are governed and whether they lead to positive results to the population. Good governance may result in increased economic growth, improved infrastructure, health and education system and poverty reduction. Conversely, bad governance usually leads to mismanagement of resources, environmental degradation, social unrest and deep-rooted inequalities. Management of oil resources in the Niger Delta has been a controversial topic and the inability to manage the resources appropriately has greatly impacted negatively on the socioeconomic development of the region. This goal examines how natural resource governance affects the socio-economic development of the Niger Delta in terms of the major sub-themes of economic growth, environmental degradation and socio-political instability. The government do not have the political will to implement regulations due to the overriding position of oil revenue as the primary revenue earner. The Multinationals are instead treated with kid gloves and are allowed to use outdated equipment that are not technologically efficient and safe, which results in constant equipment failures. The government has also been underfunding its regulators, thereby making them ineffective, as the latest technology for monitoring is not available to them (Hart, 2024).

Economic Growth and Development: Natural resources governance in the Niger Delta has played a major role in the economic growth and development of the region. The oil sector which forms the core of the Nigerian economy makes a huge contribution to the Gross Domestic Product (GDP) of the country. In 2020, oil and gas contributed almost 10 percent to the GDP of Nigeria and the sector contributed over 90 percent of the export earnings of Nigeria (World Bank, 2020). Nevertheless, the benefits have been very uneven even though the region has been making a lot of money out of its oil reserves. Akinyemi (2023) points out the absence of transparent governance and accountability in the oil wealth management, which results in the accumulation of wealth in the possession of a small group of elites, both in the government and

multinational corporations. Niger Delta Local communities, who reside in the region where the oil wealth of the country is mined, are still living in abject poverty, poor infrastructure, and high unemployment levels. As an example, in Rivers and Bayelsa states, the areas of the Niger Delta, the poverty level is estimated at up to 70%, and access to such basic services as healthcare, education, and electricity is minimal (National Bureau of Statistics, 2021). This is a sharp contrast between the richness created by oil and the pathetic living standards of the people in the area and this is a direct result of the bad governance systems. The inability to manage oil revenues in a transparent manner and to invest in local development has resulted in the underdevelopment of the infrastructure, the low rates of industrialisation, and the absence of the entrepreneurship opportunities. The local communities in most areas of the Niger Delta depend largely on subsistence farming and fishing to earn their living, which are becoming more and more endangered by the environmental degradation due to oil mining, such as oil spills and gas flaring.

Smith (2022) also highlights that failing to share the wealth created by natural resources in an equitable way, the governance systems perpetuate poverty and increase economic inequality. Even with the immense oil wealth, some areas such as the Niger Delta are underdeveloped because of failure to reinvest in other important sectors such as agriculture, manufacturing and education (Hart, 2024). The Nigerian government and oil companies have over the years been unable to diversify the economy and the country has been so much dependent on oil. This excessive dependence has hampered the growth of other industries that are necessary to develop sustainable economic growth and vulnerability to the changes in the global markets. As an illustration, in 2016, the global oil prices crashed and this had a severe effect on the economy of Nigeria, which went into recession. The fact that the economy of the Niger Delta is oil dependent implies that communities are susceptible to such changes. Conversely, more diversified economies have been better placed to absorb shocks and the necessity of governance reforms that encourage diversification is even greater. Unless the Niger Delta diversifies into other industries like manufacturing and agriculture, which offer more employment opportunities and boost local industries, the region will remain economically stagnant, which further widens the gap between the rich and the poor and adds to the socio-economic ills of the region.

The inability of the natural resource governance in the Niger Delta to guarantee the equitable distribution of oil wealth also has a direct effect on local entrepreneurship. As an example, low industrialisation in the area has been caused by the absence of infrastructural development and support of local businesses. According to the World Bank, in 2020, the industrial sector of Nigeria contributed to the GDP of the country only 11.4%, which is much lower than in other resourcerich countries (World Bank, 2020). This is especially so in the Niger Delta where the local entrepreneurship is suppressed by poor infrastructure such as bad roads, poor electricity supply, and access to financial services. Most of the small and medium-sized enterprises (SMEs) in the Niger Delta have difficulties accessing capital and when they do, the cost of financing is high and this restricts their growth. Moreover, the oil industry damages the environment, including the pollution of water resources and the destruction of agricultural lands, which decreases the resources of local entrepreneurs, especially in the agricultural and fishing sectors. As an example, in such

communities as Ogoniland, the environmental destruction of oil spills has resulted in the loss of local livelihoods, with fish stocks declining and arable land becoming unusable in farming (Hart, 2022) These obstacles to entrepreneurship and economic diversification in the Niger Delta demonstrate how the lack of good governance, combined with overdependence on oil, harms the socio-economic development of the region and exposes it to economic shocks.

Environmental Degradation and its Socio-Economic Effects: Environmental degradation in the Niger Delta has emerged as one of the most burning problems that have emerged as a result of mismanagement of natural resources especially oil extraction. Environmental degradation has been rampant through oil spills, gas flaring, and deforestation, which have had a huge impact on the livelihoods of the local communities that rely on agriculture and fishing activities to survive (Hart, 2019). According to Harris (2021), the oil extraction processes that are usually unregulated and performed without considering the environmental safety, have resulted in the pollution of the soil and water resources, which are no longer suitable to be used in farming and fishing. Among the most notable instances of such harm is the Ogoniland oil spill that has led to the loss of large areas of agricultural land, leaving the local farmers with no means of livelihood and sustenance.

Furthermore, gas flaring, which is a normal process in the oil mining industry, has emitted toxic pollutants into the air leading to serious air pollution and lung diseases among the local people. This has also affected the local fishing industry in a severe manner since the rivers and creeks have been contaminated by oil spills killing aquatic life and rendering the fishing industry impossible. The United Nations Environment Programme (2011) estimates that there are more than 1,000 oil spill contaminated sites in the Ogoniland region alone and that the area will not recover until at least 30 years. This ecological destruction has seen the local communities fighting to sustain their traditional livelihoods with many of them moving to the urban centres to seek alternative sources of income. Nevertheless, this movement has been in most cases fruitless because cities such as Port Harcourt and Warri have few job opportunities especially to the uneducated or unskilled. This crisis has been worsened by the inability of oil companies and the Nigerian government to put in place effective environmental governance and regulatory systems that would promote the socioeconomic welfare of the people living in the Niger Delta. Harris (2021) also highlights that the destruction of livelihoods through environmental degradation has led to more poverty and social instabilities in the region as the affected communities seek compensation and justice on the damages caused by the oil companies and government policies. The fact that the environmental degradation has continued and directly affected the livelihood of the inhabitants of the Niger Delta necessitates the need to have sustainable resource management practices to restore the ecological balance and give long term socio-economic stability.

Socio-Political Instability and Unrest: Socio-political instability and unrest in the Niger Delta is a direct result of poor management of natural resources especially oil. Increasing militancy and violent conflict has been caused by the inability of the Nigerian government to respond to the grievances of local communities in the region. The local communities in the Niger Delta, who are the custodians of the most valuable natural

resource in Nigeria, oil, have always been left out of the cake of the wealth that the oil extraction brings. According to Obi (2022), this economic marginalization, coupled with environmental degradation and underdevelopment has led to increased injustice among the population. In their quest to get a fair share of the oil wealth, the Niger Delta Avengers, a militant group formed to address these injustices, have staged a series of attacks on oil infrastructure such as bombing pipelines and kidnapping foreign workers. These militancy acts have also been fueled by the destruction of the environment of the region through uncontrolled oil extraction activities that have rendered the local farmers and fishermen without the means of sustaining their livelihood. As an illustration, the 2008 explosion of the Bonga oil field in the Niger Delta resulted in the serious oil spills that further harmed the local environment and economy.

This therefore worsened the already prevailing socio-economic miseries in the area and led to further anger against the government and the multinational oil companies. When these grievances are not addressed, they create a cycle of violence and instability that has derailed the economy of the region and its development. The economic potential of the region has not been fully exploited because the violence discourages investment and the failure of the government to interact meaningfully with the local communities worsens the social unrest. Consequently, the locals still live in poverty, without infrastructure and access to basic amenities, despite being in one of the richest parts of Nigeria. Obi (2022) also states that unless there is good governance to deal with the root cause of these conflicts, including resource control, environmental justice, and equitable development, the Niger Delta will remain unstable, and the region will not achieve its full socioeconomic potential. The constant unrest does not only undermine the growth of the region but also destabilises the country in general, which is why the problem of the comprehensive and inclusive governance reforms that would help to address the socio-political and economic issues of the communities of the Niger Delta should be considered as the priority.

The governance of the natural resources, especially oil, is closely connected with the socioeconomic development of the Niger Delta. This poor governance has led to economic inequality, environmental degradation and social unrest which have had a devastating effect on the development of the region. The governance of natural resources is one of the most important factors that determine whether oil wealth will be converted into practical advantages to the local communities or will increase the existing disparities. In order to promote sustainable development in the Niger Delta, it is important to introduce governance systems that will guarantee transparency, accountability, and equitable distribution of resources. In addition, the Nigerian government should focus on environmental conservation and have a constructive dialogue with the local communities to discuss their issues. The Niger Delta will only be able to develop socioeconomically and be stable in the long-term through inclusive and sustainable governance.

Relationship between environmental degradation caused by oil extraction and the intensification of conflict in the Niger Delta.

Niger Delta region of Nigeria is a region with oil reserves and has been a major source of revenue to the country over the decades. Nevertheless, the environmental destruction which has occurred as a result of the oil extraction process has been catastrophic to the local communities resulting in a cycle of poverty,

social unrest and violent conflict. The extraction of oil in the area has led to massive pollution of the land, water, and air, which directly impacts agriculture, fishing, and the health of the local communities. The inability of the government and oil companies to take care of the environment and compensate the people properly has worsened the socio-political tensions as these communities have been becoming more and more disenfranchised. This has resulted in the formation of militant groups and other social unrests as people struggle to control resources, environmental justice and equitable sharing of the wealth that their land produces. The connection between the oil extraction-related environmental degradation and the escalation of conflict in the Niger Delta is therefore a highly complicated and interconnected matter, both in socio-economic and political terms. This goal examines how environmental degradation has contributed to conflict in the Niger Delta through some of the major factors like loss of livelihoods, health problems, and the consequent increase in militancy.

Destruction of Livelihoods and Conflict Aggravation: Environmental degradation in the Niger Delta has caused a devastating effect on the livelihoods of the local people who are mainly farmers and fishers and whose livelihoods are dependent on these activities. These traditional sources of livelihood have been eroded by oil spills, gas flaring and destruction of ecosystems that have led to economic hardship and resentment among the local people. According to Harris (2021), oil spills are not an unusual phenomenon in the Niger Delta, and some estimates indicate that the area has over 300 oil spills every year, and most of them are not reported. Such spills pollute agricultural lands and fishing grounds making them unfit to be used in farming or commercial activities. An example is the Bodo oil spill of 2008 which spilled an estimated 11 million gallons of oil into the environment and impacted thousands of people in the area. The destruction of farmlands and fish resources causes a decline in food security and income to the local communities (Obi, 2022).

Consequently, most communities are left with few survival options and this has caused more dissatisfaction and frustration. This disenfranchisement, coupled with the feeling that the multinational corporations and the Nigerian government are benefiting off the oil resources and leaving the local communities to shoulder the environmental costs has led to increasing resentment. Obi (2022) argues that loss of livelihoods has led to the recruitment of many people in the Niger Delta to militant groups that have insisted on resource control and compensation of environmental damages caused by oil extraction. The economic instability and unemployment in the area are the growth areas of recruitment into such groups, which consider violence as a way of making the government and oil companies listen to their complaints.

Health Concerns and the Worsening of Social Conflict: Besides the loss of livelihoods, the environmental degradation that has been occasioned by oil exploitation in the Niger Delta has led to severe health complications among the locals. Gas flaring is a common practice in the oil industry that emits harmful pollutants into the air that causes respiratory diseases, skin diseases, and other health complications. The World Health Organization (WHO, 2020) states that the gas flaring emissions are the cause of a considerable rise in respiratory illnesses in the Niger Delta, and the local population has a higher rate of asthma and bronchitis than the national one. Oil spills also contaminate water, which is a significant threat

to health because the contaminated water sources can cause waterborne diseases like cholera and dysentery (Hart, 2023). The health issues that have been caused by the degradation of the environment have compounded the frustrations that the local community has been experiencing, as they feel that they are being ignored by the government and oil companies. The inability to solve these health problems has not only increased the socio-economic problems in the area but also led to the escalation of social unrest. With the negative health outcomes of oil production still affecting local communities, the feeling of injustice is only increasing, which results in the rise of violent protests and oil infrastructure attacks (Hart, 2023). A study conducted by Akinyemi (2023) revealed that the adverse health effects of environmental degradation play a significant role in radicalising the youth in the Niger Delta since they believe that the government and the multinational oil companies have neglected their plight. With the worsening health crisis, the call to justice and compensation grows louder, which continues the cycle of conflict in the region.

Political Exclusion and Militancy: Political exclusion of the local communities in the Niger Delta, coupled with the continued environmental degradation that oil extraction has brought about, has resulted in the escalation of militancy in the region. The feeling of injustice has been increased by the fact that local communities have been politically and economically marginalised despite the massive wealth that has been created through oil extraction. According to Richmond (2023), this disenfranchisement, combined with the absence of participation in the decision-making process related to oil extraction and wealth distribution, has led to the so-called resource curse situation where oil wealth turns into a conflict instead of prosperity. The Niger Delta has oil-rich states such as Bayelsa, Rivers, and Delta, where poverty levels are high, with some regions recording up to 70 percent poverty levels, despite the oil wealth that is created in the region (World Bank, 2021). This disparity has led to the emergence of militant groups such as the Niger Delta Avengers who have taken up arms to seek a more equitable distribution of oil revenues and compensation of the environmental degradation caused by oil production. It is important to note that in 2016, the Forcados oil terminal was attacked by the Niger Delta Avengers, which led to the loss of more than 250,000 barrels of crude oil per day, which had serious economic consequences (Richmond, 2023). These acts of militancy are not just about violence but years of frustration and the need to be included in politics.

Moreover, the Nigerian government reaction to militancy that more frequently includes heavyhanded military action has only increased the violence instead of addressing the root causes. The presence of military activities in the region like the Operation Pulo Shield has resulted in the death of hundreds of civilians and destruction of villages. According to a report by Human Rights Watch published in 2018, the military operations in the Niger Delta had led to the death of more than 300 civilians and displacement of thousands of others (Human Rights Watch, 2018). These figures reflect the growing violence, as communities are experiencing the direct impact of military crackdowns as well as the continued economic impact of environmental degradation.

Richmond (2023) also points out that military strategies used by the government have further escalated the conflict by making the local population alienated. The heavy-handed strategy that involves airstrikes and ground operations has increased tensions with local communities often finding themselves in the

middle of militant groups and the military. This military approach has not dealt with the causes of the violence, which are economic inequality, political exclusion and environmental destruction. A 2017 report by the International Crisis Group revealed that the conflict in the Niger Delta had claimed over 1,000 lives in the last 10 years, with the majority of the fatalities being as a result of the confrontation between militants and the government (International Crisis Group, 2017). In addition, the militants have destroyed oil infrastructure and the military has retaliated leading to a major disruption of oil production and export that has cost the Nigerian economy billions of dollars in lost revenues. These figures highlight the fact that the socio-political instability of the Niger Delta, which is based on the poor management of resources, has resulted in violence and death, which has further contributed to the conflict cycle and development in the region. The cycle of violence will most likely persist unless the systemic problems of political exclusion, environmental degradation, and unfair distribution of resources are addressed, which will further weaken the attempts to achieve peace and development.

The current cycle of violence and socio-political instability in Niger Delta region points to the inability of the governance systems to meet the basic needs of the local people. Political exclusion and unequal sharing of oil wealth have contributed to the rising militancy which has been further aggravated by the environmental destruction that oil extraction has caused. According to Richmond (2023), the reaction of the Nigerian government has been mostly ineffective and it tends to suppress unrest with military force, instead of trying to solve the underlying causes of the conflict. As the number of civilian deaths and violence is increasing, it is even more urgent to have more inclusive and sustainable governance in the Niger Delta. According to a 2020 report by the Nigerian Ministry of Petroleum Resources, the ongoing unrest in the Niger Delta has cost Nigeria more than 15 billion dollars a year in lost oil production, which has a direct impact on the economic stability of the country (Nigerian Ministry of Petroleum Resources, 2020). With the region still experiencing environmental and political problems, it is evident that good governance that guarantees fair resource allocation, environmental justice and political participation is the only solution to the conflict and sustainable development in the Niger Delta.

The connection between the environmental degradation that oil production brings and the escalation of the conflict in the Niger Delta is obvious: environmental degradation contributes to the economic deprivation, health problems, and political marginalization, which are the factors that contribute to the social unrest and militancy. The inability of the government and oil companies to resolve the environmental and socio-political concerns of the local communities has established a vicious cycle of conflict that negatively affects the socio-economic development of the region. The only way to end this cycle is to introduce more efficient governance mechanisms that will focus on environmental protection, equal resource distribution, and active involvement of local communities. The Niger Delta can only expect to enjoy long term peace and sustainable development by dealing with the causes of conflict.

The role of governance structures and multinational corporations in managing natural resources and mitigating conflict in the Niger Delta.

The Niger Delta region is a region with large oil deposits and it contributes a lot to the economy of Nigeria as it earns the country a lot of revenue. The management of these resources has however been characterized by gross inefficiencies, corruption and mismanagement leading to environmental degradation, economic disparities and protracted conflict. Multinational oil companies that have been in the region since decades are also perceived to be a part of such governance failures since their business operations have led to mismanagement of resources and worsening of local grievances. The local and national governance structures have been unable to deal with the root causes of conflict like equitable sharing of oil wealth, environmental justice and local involvement in decision making.

Governance Structures and their effects on Conflict in the Niger Delta: Good governance is the most important aspect in ensuring that natural resources such as oil in the Niger Delta are managed in a manner that is beneficial to the local people and that leads to sustainable development. But in the Niger Delta, both the local and national governance systems have not been able to fulfill these goals to a large extent. Akinyemi (2023) notes that the centralised system of governance in Nigeria has been a common source of lack of accountability and transparency especially in the management of oil revenues. Although the Niger Delta is the source of the wealth of the country, it has been underdeveloped, and the local communities have been living in severe poverty and poor infrastructure. Government elites have been draining the revenue earned in oil extraction at the expense of the local population who have to bear the socio-economic impact of mismanagement of the resources. The inability of the Nigerian government to involve the local communities in the decision making processes in terms of oil extraction and sharing the benefits of the same has resulted in a feeling of political and economic exclusion, which, in its turn, has contributed to the development of resentment and militancy.

According to Richmond (2023), lack of inclusive governance in Niger Delta has led to a resource curse situation whereby resource wealth has led to the worsening of conflict rather than development. The absence of proper governance structures to deal with the challenges of environmental degradation, wealth distribution, and local involvement in the decision-making process has enabled such grievances to brew and result in the emergence of armed groups like the Niger Delta Avengers. Such groups have turned to violence such as bombing of pipelines and kidnapping as a way of demanding more control over the resources of the region. Therefore, the ineffective governance systems have not only failed to solve the causes of the conflict but also have led to the continuation of violence in the Niger Delta (Akinyemi, 2023).

Multinational Corporations and their Role in Resource Management: Multinational corporations especially oil companies have been at the center stage of management of natural resources in the Niger Delta. Their participation has however been controversial with their business activities being a major cause of environmental degradation, human rights violations and a cause of increased socio-political tensions in the region. Multinational corporations such as Shell and ExxonMobil have been exploiting the Niger Delta since decades, pumping out huge quantities of oil without taking sufficient care of the environmental and social impacts of their operations. Harris (2021) notes that these companies have caused many oil spills, gas flaring, and other environmental devastations that have been disastrous to the lives of local

communities. The inability of these corporations to make investments in local development, compensate properly the damage to the environment, and consider the rights of the indigenous people has helped to increase resentment and conflict in the region. As an illustration, the oil spill in Bodo in 2008, which was perpetrated by Shell, destroyed local farmlands and fishing waters, which affected the livelihoods of thousands of people in a serious way. The communities that were affected were not compensated years after the damage, which resulted in protests and demands of justice despite the enormous size of the damage (Harris, 2021).

The absence of good corporate social responsibility (CSR) has exposed the multinational companies to local militancy as communities demand them to pay the environmental and social prices of their activities. Obi (2022) points out that multinational corporations have in many cases been more concerned with profit than the welfare of the local communities, which has further exacerbated the economic and environmental issues that the communities in the Niger Delta have to deal with. In response to increasing militancy and social unrest, some multinational corporations have introduced CSR programs, although these initiatives have been widely criticised as inadequate and motivated by the desire to safeguard their commercial interests, not a genuine desire to improve the lives of the local community (Obi, 2022).

The Need of Collaborative Governance Models in Niger Delta: The intricate nature of governance structures, multinational corporations, and the local people in the Niger Delta necessitates a collaborative governance model of natural resource management and conflict resolution. Although the Nigerian government has the primary responsibility in the governance of the resources, multinational corporations should also take an active part in making sure that their activities promote the development of the region and do not worsen social and environmental problems. Richmond (2023) argues that good governance in the Niger Delta should include the inclusion of local communities in the decision-making process and the fair sharing of oil revenues. This implies that the government and multinational corporations should collaborate to develop policies and structures that will focus on the needs and rights of the local people and at the same time, the sustainable management of natural resources.

The possible model of collaborative governance in the Niger Delta is the creation of multistakeholder platforms where the government officials, oil companies, civil society organisations, and local communities could discuss the issues of resource management, environmental protection, and social development. Such platforms would offer an avenue of dialogue, negotiation and collective decision making, which would help to solve the root cause of political exclusion and economic marginalisation that is the source of conflict in the region. The socio-political tensions that have led to militancy and violence in the Niger Delta can be minimized by engaging local communities in the process of governance and making sure that they enjoy the wealth that oil extraction brings (Richmond, 2023). Nevertheless, this form of collaboration will demand a lot of political will on the part of the Nigerian government and a change in the corporate culture where long-term social and environmental sustainability is valued more than short-term profits.

Conclusion

Going by the findings provided, it is evident that the absence of political will, poor funding, governance structures and failure by the multinational corporation to use the Pullutter pay principle that is a global rule and use of various standards of operations in their home countries and trading posts in the Niger Delta has greatly affected the socio-economic development of the region and escalation of conflict. The Resource Curse Theory is a good theory that explains the paradox that the wealth that is created by natural resources such as oil has not been converted into development but has instead increased economic inequality, social unrest, and environmental degradation. One of the major causes of the ongoing conflict in the region has been the failures in governance in the management of oil wealth that has resulted in the concentration of resources in the hands of the elites at the expense of the local communities. The absence of transparency, accountability and inclusivity in the management of oil revenues has created frustration and as a result, there has been more militancy and social instability as communities seek a better share of the wealth that is created on their land.

In addition, these problems have been aggravated by the involvement of multinational companies in the extraction of resources. The oil extraction has led to environmental degradation through oil spills, gas flaring and deforestation, which has compromised local livelihoods especially in the agricultural and fishing sectors, which has resulted in economic deprivation and social conflicts. The inability of oil companies to properly respond to the environmental destruction and compensate the people living in the affected areas has increased the feeling of injustice, which has caused additional conflict. The Nigerian government has also been using heavy-handed military solutions to militant activities without considering the causes of the conflict, which has only escalated tensions and destabilised the region.

In accordance with the theoretical framework, the study highlights the necessity of more inclusive and transparent systems of governance. Natural resources should be managed by involving the local communities, equal distribution of resources, and sustainable environmental management. There is need to develop collaborative governance models that will incorporate the government and multinational corporations in order to deal with the socio-political and economic issues in the Niger Delta. It is only such reforms that can bring long term peace, sustainable development and social stability in the region.

Recommendations

The recommendations that were made following the identified findings of the study were as follows:

- 1) **Inclusive Governance Reforms:** In order to ensure that the root causes of the socioeconomic and political grievances are tackled, there is a need to ensure that inclusive governance structures are put in place that will ensure the local communities are actively engaged in the decision making processes. This will guarantee fair sharing of oil revenues and resources, local development and the elimination of the sense of political marginalization, which has been a factor of militancy and conflict in the Niger Delta.
- 2) **Environmental Restoration and Compensation** by implementing the global best standards of Pullutter pay principle: Multinational corporations in the Niger Delta must assume responsibility of the environmental degradation that their operations have caused. Businesses should invest in environmental

mitigations and restoration initiatives, compensate the affected communities fairly, and make sure that their operations are sustainable. This would assist in reducing the environmental degradation and long-term socio-economic stability in the region.

3) The local, National and International environmental laws should be fully observed and their compliance followed to ensure full obedience. The home governments of the Multinationals where they were incorporated should also take the responsibilities to ensure that it operates the same way it does in its home countries in the business operating countries.

4) Collaborative Conflict Resolution Mechanisms: The government of Nigeria ought to set up multi-stakeholder forums of dialogue between the local communities, the government and the multinational corporations. These forums will enable peaceful talks, issues concerning management of resources, and a long-term solution to the conflicts in the Niger Delta. The result of inclusive dialogue will be trust and cooperation, less violence and a more stable and prosperous region.

5) The government must be able to finance its regulatory bodies instead of the regulated financing the regulator which creates the situation of he who pays the Piper dictates the tunes.

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