

NIGER DELTA UNIVERSITY
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5TH INAUGURAL LECTURE

**THE PETROLEUM QUESTION?
TOWARDS HARMONY IN DEVELOPMENT**

By

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DEDICATION

This Inuagural Lecture is dedicated to God Almighty and to the
our children, the promise of our future.

THE PETROLEUM QUESTION: TOWARDS HARMONY IN DEVELOPMENT

PREAMBLE

The forest reserves, water bodies and mineral resources constitute the natural wealth of a nation. The optimal exploitation of the available resources to enhance the course of modernization is the means by which all nation states and people of all races measure and relate the value and contribution of their natural resources, to the quality of life. The exploitation of the natural resources to nurture the well being and development of any nation has both positive and negative externalities and thus, every nation takes measures to optimize the benefits from resource exploitation and minimize the many serious negative externalities associated with heavy resource exploitation, particularly the incidence of environmental damage, pollution and ecological degradation.

The exploitation of oil and gas and the steady heavy industrial expansion to otherwise pristine environment of indigenous societies in Africa [such as the Niger Delta region of Nigeria] has resulted in environmental damage that threatens the ecological security and the survival of the biodiversity of the region's fragile mangrove environment. The Niger Delta harbors most of the Nigerian oil industry operations. Oil company operators, as well as the government, have not taken adequate measures for environmental protection and stewardship to ensure and sustain the biodiversity and ecological security of the people and their land. This feature in oil industry

Before I delve into the specific sources of conflict, let us understand the physical nature of Niger Delta Environment.

Physical Nature of Niger Delta Environment

The Niger Delta region is the world's third largest wetland coming after the Mississippi in North America. It covers an area of about 70,000 square kilometers and accounts for 7.5 per cent of Nigeria's land mass. Early European explorer Mary Kingsley (1889) in describing the importance and grandeur of the Niger Delta said, "I believe the great swamp region of the Bight of Biafra is the greatest in the world and that in its immensity and gloom it has gradeur equal to that of the Himalayas".

Niger Delta like other Deltas is a fragile domain of wetlands

The fate of the great deltas of the world like the Nile Delta in Egypt, the Mississippi –River Delta in the United States and the Mekong Delta in Vietnam has shown that the Nigerian version cannot escape for long the consequences of human activities, which are capable of altering, rearranging or destroying the Niger Delta. For instance, the Nile has lost five of its seven tributaries that contributed to the building of the Nile Delta over the millennia.

The advent of the oil culture with its cash economy has destroyed the traditional value of the communities to such an extent that traditional norms no longer hold the communities together. Where there was peace between the communities, the advent of oil has created competition, rivalry and destruction of lives and property. The estimated population of the region is about 25 million, comprising over forty different ethnic groups speaking 250 different dialects across about 3,000 communities. Nigeria's Niger Delta is bountifully endowed with oil and gas.

Today, the area remains the hot bed of Nigeria's Oil industry Operations and there is a strong indication that the greatest promise for Nigeria lies in its oil and gas reserves. Since, the introduction of heavy technology and extractive activities of the oil industry in the area, it has had a disruptive effect on the indigenous patterns of Ecological Stewardship and other traditional forms of Bio-resources management due to the dislocation of the ecosystem, environmental degradation, soil contamination and oil spillages which are characteristics of oil exploration and exploitation.

The occurrences of these impacts and negative externalities have been a major source of conflict between the oil communities and the oil companies for over fifty years.

To address the issues of oil, conflicts and unbalanced development in the Niger Delta, we must clearly first identify the sources of conflict.

The sources of conflict are identified to be:

- (1) Oil pollution of land, waterways and other cultural resources of the people as to threaten their ecological security on which their wholesome livelihood depend today and for their succeeding generations.
- (2) Oil pollution and environmental damage remain a threat to indigenous economy and traditional modes of livelihood when farmlands and fishing sites are polluted as to threaten the people's food security systems.
- (3) Moral and cultural pollution as to destabilize the oil communities due to the economic power of the transient oil workers, the incidence of waterborne diseases, malaria and AIDS due to poverty, weak public infrastructure, lack of quality healthcare facilities with the situation being made worse by the segregated settlement patterns where the oil camps are better equipped with good water systems, healthcare services, and 24-hour light services. While in deep contrast the oil communities lack such facilities and without power, electricity and water, and therefore remain in perpetual darkness at night and powerless at daylight. Other added problems of the oil areas are: severe unemployment, youth restiveness and a growing mass of teenage unwed mothers and innocent fatherless children created by transient oil workers to which the industry has not taken responsibility for their education and welfare which has, in turn, created community instability and dismantling of cultural values and family stability. This special feature is an immense social cost to an already poverty stricken society, particularly to women and their families.

- (4) The people are minorities in the political system and therefore do not have the significant number and population to influence public policy to their advantage in the democratic order and thus suffer the consequences of age long marginalization, poverty and underdevelopment while their oil wealth develop others.
- (5) The oil bearing communities and its people suffer from the political and economic disparities in resource allocation in the country, as well as the inequities in wealth distribution within the terms and character of the practice of fiscal federalism in the country.
- (6) The huge oil revenues produced by the oil bearing communities do not necessarily translate into enhanced fiscal capacity that benefit the people for the states and local governments are solely Federal Government dependent. The Federal Government collects the major bulk of the oil revenues and share it to all states of the federation. The heavily populated non-oil states get the lion share and the oil states do not get commensurable value of their wealth contribution to the federal coffers because the federal revenue sharing distribution formulae is not based on the derivation principle.

The existence of the observable political, economic and environmental anomalies and the quest for development that benefits the people remains a challenge. It is in this light that we need to take another initiative or alternative outlook for peace building in the Niger Delta to pomote Harmony in Development. We are in dire need of a new direction in policy initiative that is productive and creative in stimulating positive economic empowerment, that could be interwoven with the people's tradition that will nurture them to better socioeconomic livelihood with sustained growth and balanced development.

**Niger Delta Governors:
Federalism and Resource Control 2000**



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Towards Harmony and Balance In Development

The conceptual idealism in economic production for sustainable balance requires respect and practice of the principles of social justice, economic justice; principle of participation, principle of distribution and ultimately the creation of harmony in Development.

Let me briefly define each term:

- Social justice is a virtue which guides human interaction and institutions, designed to perfect “a just social development” scheme for the good of all.
- Economic justice is a moral guide and freedom desired in the conduct of doing business, exchange of goods, enterprise, promotion and services to enable one to earn a living. This is the material foundation for economic sustenance and the quest for human welfare that involves input, output and feedback for restoration of harmony and balance in the social order.
- The principle of participation is how input is made to the economic production process in order to earn a living. It requires equity and equal rights to make productive contribution to the economy through one's labor, capital or material input in expectation for some gain; on the other hand, the principle of distribution defines the output or outtake rights of economic participants matched by labor, capital and material inputs. The principle of distribution involves the need to sustain the sanctity of property rights and contracts in the market place. All these virtues are expected to work in unison to create the desired balance.

Therefore, harmony is the balancing principle to ensure restoration of a just and balanced economy. A reflection of harmony in truth demands that the balance in the system is consistent with the truism that society seeks peace and works for justice in exclusion of greed and exploitation of others that may destabilize the system.

In true economic harmony, all these principles work together to maintain balance, for any deviation creates imbalances as to produce injustice and consequently exploitation, conflicts, strife and instability.

The principles are interdependent, and as such like a three-legged stool if any one principle is weakened or missing, the economic system of justice is likely to collapse and pave the way for conflicts and even war.

Structures that promote Unbalanced Development

When conflict arises, the powerful entities exploit the weak and the poor vulnerable groups in the system then become engulfed in instability. Consequently, sustainable development cannot thrive where vulnerable persons and groups are exploited and put at serious disadvantage, especially when their means of livelihood today and the future of their biodiversity, economy, and the ecology that they depend are collectively threatened.

These precepts and scenario appear to explain our Niger Delta environment and is the real interest of my lecture today. The quest to build harmony in development in our Niger Delta where the major actor is the oil industry has been a challenge to our people and the Nation.

Ideas for Balanced Development in the Niger Delta

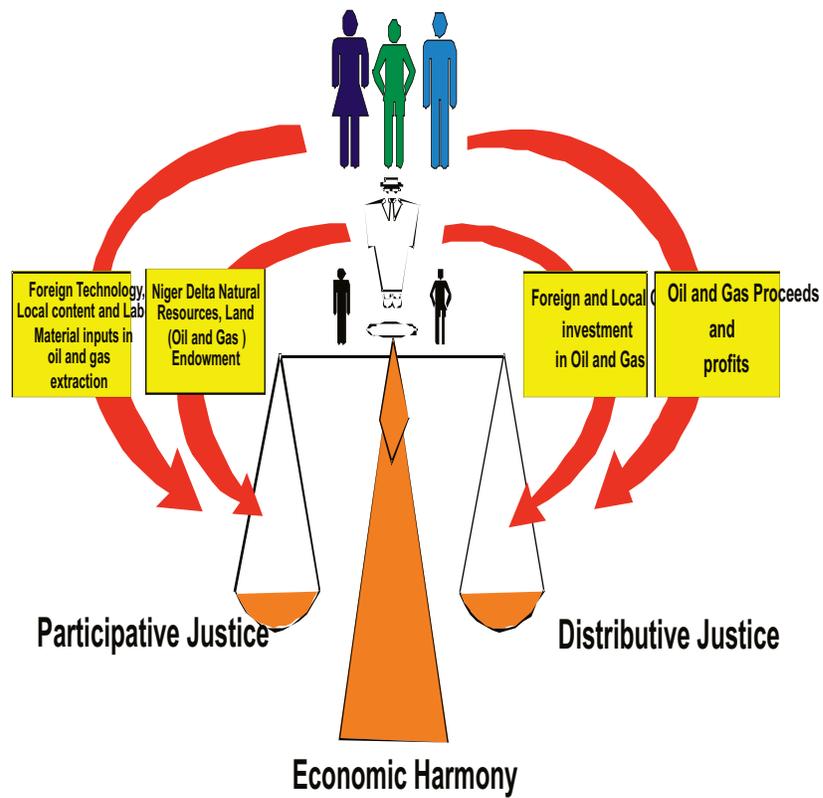
The Development Agenda for the Niger Delta has multitude of ideas and in this lecture, I will attempt to add my little spice of ideas for Niger Delta Development. For the progress of any society depends on new ideas from inquiring minds. Let me share with you today the prospect for Niger Delta Economic Development with a special theme: Towards Harmony in Development. Building Harmony in development requires partnership by the integration of indigenous knowledge in Environmental Management and Conflict Resolution.

The topic may appear novel to some people in the call for integrating indigenous knowledge in the Niger Delta Development Process. This option has been ignored or missing in over fifty years of oil industry operation in the Niger Delta. Indeed, we all know our Niger Delta is faced with development challenges and we need alternative solution ideas to tackle our development problems.

The oil industry operation in our Niger Delta environment ideally like any other economic system has the potential to create its own required economic harmony with the native population of the region. For this reason I have attempted to idealize in a schematic (diagram) what ought to be on oil and economic harmony for the Niger Delta.



Representative Schema of Oil and Economic Harmony



The representative schema is an attempt to suggest that investors, government and the native people can equitably benefit from oil proceeds since Niger Deltans yielded their land and resources as their natural physical capital investment for oil companies to operate in their land and habitat.

It means that the oil industry, government and the host communities are expected be partners working together in the common interest of building harmony in sustainable development. There exists a feasible strategy. The ideal expectation of building sustainable growth demands that every industrial organization will cooperate with the community to foster sustainable development in the society. In reality this is yet to be attainable.

But, one might ask: what is Sustainable Development?

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” it depends on environmental system of Governance

DEFINITION

Environmental governance has been defined in several ways:

- (i) the whole range of rules, practices and institutions related to the management of the environment in its different forms (conservation, protection, exploitation of natural resources, etc.)
- (ii) all the processes and institutions, both formal and informal, that encompass the standards, values, behavior and organizing mechanisms used by citizens, organizations and social movements as well as the different interest groups as a basis for linking up their interests,

defending their differences and exercising their rights and obligations in terms of accessing and using natural resources that are all consistent with tenets of Environmental Governance.

At the international level, global environmental governance is “the sum of organizations, policy instruments, financing mechanisms, rules, procedures and norms that regulate the processes of global environment protection”.

A key principle of environmental governance:

- Conceptualizes cities and communities, economic and political life as a subset of the environment.
- Emphasizes the connection of people to the ecosystems in which they live.

ENVIRONMENTAL GOVERNANCE

Environmental governance is a concept in political ecology or environmental policy related to defining the elements needed to achieve sustainability. All human activities political, social and economic should be understood and managed as subsets of the environment and ecosystems. Governance includes not only government, but also business and civil society, and emphasizes whole environmental system management. To capture this diverse range of dynamic forces, environmental governance often necessitates founding alternative systems of governing, for example watershed based management.

There are factors like **Economic growth** – The development-centric vision that prevails in most countries and international institutions advocates a headlong rush towards yet more development, whereby the development of increasingly advanced technologies and more efficiently scaled economies would help to protect the environment against the damage caused by the very same development. Environmental economists, on the other hand, point to a close correlation between economic growth and environmental degradation, arguing for qualitative development as an alternative to growth. There are those, particularly within the alternative globalization movement, who maintain that it is feasible to change to a de-growth phase without losing social efficiency or lowering the quality of life.

Consumption - The accelerated growth of consumption and the culture of consumption, or consumerist ideology, is the major cause of economic growth. An improper Industrial behavior creates side effects such as destruction of biodiversity and the Ecosystem.

The Development create side effects such as **Destruction of biodiversity** – a complexity of the planet's ecosystems means that the loss of species unexpected consequences. The stronger the biodiversity, the stronger the likelihood of a chain reaction with unpredictable negative effects. Despite all the damage inflicted, a number of ecosystems have proved to be resilient. Environmentalists are endorsing a precautionary principle whereby all potentially damaging activities would have to be analyzed for their environmental impact.

The crisis caused by the accelerated and probably irrevocable impact of human activities on nature calls for collective responses by international institutions, governments and citizens. The global nature of the crisis therefore cancels out the effects of measures adopted unilaterally by a national government or sector-specific institution, irrespective of the degree of power it may enjoy. There is thus a need to invent and apply permanent mechanisms for inter-sector cooperation from the holistic viewpoint of sustainability. Cooperation is necessary between actors and institutions working on environmental issues and in areas including international trade, sustainable development, peace and security.

OUR DRIVE FOR SUSTAINABLE DEVELOPMENT WE MUST REVISIT ENVIRONMENTAL HISTORY AND ENVIRONMENTAL GOVERNANCE

Environmental history is viewed to be the study of human interaction with the natural world over time. It emphasizes the active role nature plays in influencing human affairs. Environmental historians like to claim that “*the question of questions for mankind—the problem which underlies all others*” – was to ascertain “*the place which man occupies in nature ... what are the limits of our power over nature, and nature's power over us?*”

The subject matter of environmental history can be divided into three main components. The first, nature itself and its change over time, includes the physical impact of humans on the Earth's land, water, atmosphere and biosphere. The second category, how humans use nature, includes the environmental consequences of increasing population, more effective technology and changing patterns of production and consumption. The social transition from nomadic hunter-gather communities to settled agriculture in the Neolithic revolution, the effects of colonial expansion and settlements, and the environmental and human consequences of the industrial and technological revolutions. All have had impact on society and human development through the ages.

“The problem with sustainable development according to Timberlake “is that no one has really defined it. It's a concept like justice and equality, which continually needs redefining and means different things in different places.” However, Timberlake did point out a basic description of sustainable development found in *Our Common Future*, a report published by the World Commission on Environment and Development: suggest that “*Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*”

The implication of this definition and its precept acknowledges that all societies are based on all outgrowths: we expect the population to grow, the economy to grow, production, to grow and become accustomed to sustainable development. This development process has the expectation of bringing the needs of the present and future together in a harmonious relationship in the development process, which will indeed identify with the tenets of balance in sustaining harmony in development. The value system of balance that means Man must aim at being in harmony with Nature and this indicates that the harmony and nature must be met with trust and tolerance in the process of development.

In Building a Sustainable Society, Lester Brown of the World-Watch institute's contends that

“Creating a sustainable society will require fundamental economic and social changes, a wholesale alteration of economic priorities and policies.”

To this end, Brown calls for massive changes in the world's economy, agriculture, use of energy and raw materials, growth and distribution. These changes would affect every aspect of public and private life. By then societal values and the desire for materials possessions would not “survive the transition” to a sustainable society. Though not all people may agree with such a radical change, still the change is needed. If Brown view comes to play then:

Our Common Future calls for “a new era of growth in which developing countries play a large role and reap large benefits.” In sustainable growth, former British Prime Minister Margaret Thatcher stated to a conference of the Inter-Parliamentary Union (IPU) in September, 1989 that Economic growth and environmental protection are compatible.” She went on to say “Indeed proper protection is not possible without adequate growth.” If we go by Thatcher's view, sustainable growth can coexist with environmental protection in the process of development.

This idealism of sustainable philosophy are not always in consonance with pragmatism in the development process. The Development practices in our land – The Niger Delta, is in serious contradictions with the ideals and visions of sustainable development. Today there is laxity and failures of both human and corporate behavior in industrial actions towards sustaining the desired harmony in development, because of the greed in the profit motive as well as the inordinate ambition to create wealth without ensuring equity in distribution of proceeds derived from oil resource development. This may be as a consequence of the Conflict of Values and Conflict of Interests between the indigenous population and the corporate organizations exploiting oil resources. The oil industry or other human actors have created inherent imbalances among the competing forces of interest where the resource owners of the land are put at a disadvantage in the wealth creating scheme. The divergence of interests has created intractable problems for the Niger Delta.

CHALLENGES IN OIL AND DEVELOPMENT IN OUR LAND: THE PROBLEMS OF OIL AND DEVELOPMENT IN THE NIGER DELTA HAS LINKS TO OIL AND DEVELOPMENT IN HUMAN HISTORY

Oil endowment and its vices have been known to mankind since the Biblical era. The progressive evolution of petroleum or oil as a fossil energy resource has been used by man before modern discoveries were made. However, one fact remains, in that by nature, oil only exists in selected habitats in few lucky nations considering many hundreds of Nations that habit the world oil in reality is sparingly and unevenly distributed to benefit relatively few nations. Hence these nations endowed with oil now see themselves as specially privileged group to have oil in their habitat by divine order. Those who control and sit on oil wealth now own the petro-wealth, cash, power and pride. They have the potential to hold the rest the world to ransom with their oil since it remain the vital fuel to power the engine of growth and development for all modern Nations.

This is the very reason why those nations without oil or heavily dependent on oil imports are likely to envy those endowed with it and they profoundly wish they had it too. Consider these statements of profound envy and lamentation over oil. We recall: Former Israeli Prime Minister Mrs. Golda Meir, in March 17 1969: She said *“Let me tell you something that we Israelis have against Moses. He took us 40 years through the desert in order to bring us to one spot the Middle East that has no oil”*.

In an apparent lamentation over oil, the CEO Halliburton and later Vice President of United States of America Dick Cheney said: *“The problem is that the good Lord didn't see fit to put oil and gas reserves where there are democratic governments”*. As one Petropolitic Journal writer puts it: Laying the blame on the divine is a bit of a stretch, but when looking at the United States as a major

oil importer, and consumer it seems that the Vice President is right. For those blessed with oil as King Fahd of Saudi Arabia 1983 puts it: “The main resource to depend upon after God is oil”.

Now we know Oil is divine blessing for some in creating wealth and economic growth, and to others it is a curse, it is a mixed blessing with differential system of governance and control. It is also observable that the most heavily oil endowed kingdoms and nations are governed by emirate systems and some nations with oil are communists (and therefore non democratic systems) in eyes of Liberal democracies of the West while it also true that some oil endowed nations are going democratic to replace military autocracy.

The challenges to oil and the quest for development with balance is partly linked to the unique character of the substance and its essentiality to the global economy and geopolitical security of nations and to greater extent the influencing factors in national politics of producer nations. It is in this light that Judith Miller and L. Myroie 1990 wrote in their book “The Blackgold: Saddam Hussein and the Crisis in the Gulf stated that *Oil is the modern world's heroin. The pleasure it provides fuels a way of life no other energy source can satisfy so plentifully and cheaply. Today, the trade in petroleum, like the traffic in drugs, is so much in the veins of nations that most countries whether rich or poor find their economies held hostage to this remarkable substance.*”

Thus, the rivalry, greed and competition to control oil in the international scene has its domestic equivalence in producer nations like Nigeria, in that there is fierce competition and rivalry amongst the diverse ethnic groups in the country to control the distribution of wealth derived from oil. The freedom rivalry and collusion oil brings into the international competition and political power has its domestic equivalent within the internal politics of producer nations like Nigeria where the struggle to control nations' wealth derived from oil resource has the potential to foster national unity or create divisiveness amongst the diverse ethnic groups with capacity to threaten otherwise “unified” diverse groups in the political entity. The tugs and Tussle for oil is always played out in national politics of resource control and revenue sharing plan.

The politics of resource control has colonial origin and the imperial doctrines of European strategic resource interests in Africa. In 1939, Hitler propounded a law in which he reasoned that originally war was nothing but struggle for the possession of pastureland, today it is a struggle for the material riches. These riches by the virtue of an imminent law belong to him who conquers. In accordance with this law, the European powers made laws to take possession of the natural riches for their conquered territories. For example in Nigeria, Shell's Arcy operated under British mineral oil ordinance of 1914 which allowed only companies registered in Britain or its protectorates, the right to prospect oil in Nigeria.

In similar vein, the creator of modern Nigeria, Lord Lugard in his book, the Dual Mandate in which he wrote: The tropics are the heritage of mankind, and neither on the one hand has the suzerain power a right to their exclusive exploitation nor on the other hand have the races which inhabit them a right to deny their bounties to those who need them.

The successors of the post colonial state have identical themes and thoughts on resource control with regard to the rivalry and competition to control and share the oil wealth of the Niger Delta.

We note that the story of oil has its character of joy and envy in both national and international political order.

The envy for oil and resource control is often played out in Nigerian politics.

Consider this psycho-pseudo geological claim of Niger Delta Oil by a notable academe Prof. Bala Usman 1980. He said *oil located in the Niger Delta is the results of geographical process that took place in the upper reaches of the Niger and Benue Rivers. As such it is the people upcountry that actually lay claim to the oil in the Niger Delta.* Other envious of the oil, even desires to get the oil by force. Consider this; *In a forum held in New York to discuss minority position at the then proposed national conference (1994), there was anger at a statement credited to Alhaji Tanko Yakassai that whenever the Northern oligarchy feels like, it will send Yoruba mercenaries to conquer un-cooperating oil producers and cart away oil resources under armed occupation.* Then there is also inter-ethnic rivalry for the control of oil resources.

In Nigeria, the ethnocentric or regional orientation and cleavages in national wealth distribution and drive for oil interest may be linked to this comment. According to Abubakar Jika (1994):

Historically, since the amalgamation in 1914 to the time oil was exported in commercial quantities after the civil war in 1970, the North virtually sustained the Nigerian Federation through export of groundnut, cotton, grains, cows and sheep etc. Contemporary Nigeria also relies almost exclusively in the North for its food needs, grains, cereals, meat, etc. It is true we do not have oil for now. It is also true that the South- West, the most vocal accuser of the North does not have oil as well. In addition, it does not feed the rest of Nigeria. While we admire the Yoruba's for dominating the economy, education and finance, we recognize that this domination took over 100 years to be perfected through the Federal Government seat in Lagos. We do not envy them and call on others to insist on re-sharing what is obviously our collective heritage. We are prepared to let things gradually evolve. In any case, the North has as much claim on the oil, which comes from the East as the Yoruba's claim, Nigerian times New york 1994

Also, Alhaji Mahmoud Attah opines that the protagonists of resource control are wallowing in self-deceit. That if they will go to history, they will find out that Nigerians fought for the survival of the Niger Delta and Independence of the country,. They should be careful because the money used to develop these resources has not been paid; for people fought and sacrificed their lives to keep the oil producing areas...(This Day July 30 2000 p.6)

This is a clear misinformation for at no time in Nigerian history that the Niger Delta was ever a resource poor region rather it has been an Eldora-do of resource endowment that attracted the British the region was later annexed and named oil rivers protectorate by the colonists as haven for oil, even before crude oil was discovered. The Niger Delta was known to be the leading producer of palm oil in the world that made Nigeria great in pre-oil era.

If the federal government invested in the development of the oil resources then the proceeds from palm oil went both to the federal and regional government in the development of the country while the Niger Delta was neglected and underdeveloped to this day. Therefore, Niger Delta palm oil resources helped to develop the oil fields from the sweats and taxes paid by Niger Delta peasants and still suffer neglect, poverty and underdevelopment. We also know that initial oil development was undertaken by foreign private oil companies at their own risk and the government role then was principally a passive tax collector.

However, we can also acknowledge some progressive thinkers on resource control as stated by Governor Attahiru Bafarawa of Sokoto State that “There is no Northern agenda against resource control. We support resource control. But the issue should be made to look pan-Nigerian”. Since neither the South West nor South-East produces oil, we should align with them. If they support resource control, the North will support,” For this penance to take effect, he continued, “the issue has to be revisited. Once the three zones agree among themselves, let whatever their position should prevail. That is how to make resource control a Nigerian agenda”. [The Vanguard, June 23, 2005, p.11]

For southern minority oil producers Ben Naanen stated, “*the oil producing communities of the southern minority states, have continued to bear the burden of generating the national wealth and prosperity from oil mineral operations and the communities are not given any satisfactory treatment for their onerous contribution except abject poverty and neglect. (*) [Nigerian Guardian, February 28, 1994, p. 40]* ...the patterns of power distribution between central government and the component units on one hand and between the various ethnic groups on the other, have politically emasculated the minority people causing them to lose control of their resources and their environment and producing social misery and environmental disaster to which the people have responded with non-violent revolution. (*) [Ben Naanen, *Journal of Commonwealth Comparative Politics*, 1995].

To this end, the crude rivalry, greed and competition to control the oil wealth have kept the oil region neglected and underdeveloped to this day. It is where poverty thrives most in the midst of plenty. Even, the very cradle and birth place of Nigerian oil industry at Oloibiri, Shell Oil company and Government have left the historical oil wells and its community fallow and desolate for over fifty years without commensurate development and environmental remediation, the people are still yearning for material benefits from oil wealth to enhance the people's livelihood. Ojukwu has provided right empathy for Niger Delta plight. He said that: *he happiness of the citizen is and must remain more important than the forum and, structure of the Nigerian policy....*

... federalism became for some the philosophy which would guarantee them first a share ... when the lever for control and finally the right to acquire the resource which they lacked. For others Federalism became the debilitating philosophy which ensured the continued hemorrhage of their precious resources.... Our Brother and Sisters have been crying. Before Biafra they cried. They have not stopped. It is our duty to stop, listen to their woes and bring help to them-that is, if we truly believe that they are our Brothers and Sisters. They say they are being cheated in the matter of the exploitation of Resources. The oil, the gas, the mineral found under a man's property belongs to the man. This is a principle we must establish in this country. Every owner decides how much to pay and how much services to give. The fact that the areas that provide the national wealth look poorest in the country is provocative. [Chief Emeka Odumegwu, "The Truth Which are Self Evident." TSM Diamond Lecture, February 22, 1994]

The care for the minorities and to ensure equitable distribution of national wealth with balanced development. This could be a catalyst to lasting peace, harmony and development and, turn, minimizing the incidence of socio-political strife, poverty and oil related tensions and conflicts in the country. On oil, wealth and distributive inequities, a notable Islamic scholar, *Ali M. ferrat (1981) pointed to a pattern of pervasive underdevelopment side by side with extreme and highly concentrated wealth which resulted from the oil boom.* Such a disparity between the rich and the poor is, in his view, diametrically opposed to the fundamental precepts of Islam and thus leads to a widening gap between the Islamic socio-economic ideals on the one hand, and actual state of economic affairs on the other. (Ali Frekat, as quoted in *Journal of South Asian and Middle Eastern Studies*, 1981, No.4,p.7).

As stewards we commit ourselves to love and justice among persons and nations in the equitable distribution of income and wealth. We affirm the ownership of property as a trust from God. We acknowledge the responsibility to share the abundance of creation. We regard the conditions created by poverty to be demeaning to the human spirit. (United Methodist Church Publishing House, Nashville, TN, (1988, p.35).

A notable Nigerian social critic, Professor Bala Usman (1983), observed that the petro dollar has not blessed Nigerian producers with the essentials of existence, rather its abundance is part of the process of denying them the benefits of what they produce. They continue in their poverty.

So now we know:

- Oil is wealth; oil is poverty, conflicts and wars. According to Michael L. Ross (2008), *“The world has grown much more peaceful over the past 15 years except for oil-rich countries (including Nigeria). Oil wealth often wreaks havoc on a country's economy, politics, helps fund insurgents and aggravates ethnic grievances”*. That the Niger Delta is a precarious Region is true to Michael L. Ross's observation on oil and conflict; he went further to predict that *“since oil is more in demand, the problems will spread further”* to more of blood barrels except something is done urgently to stop the trend and avert any possible oil related conflicts in the Niger Delta.
- Oil is dirty. Oil is a curse; for Nigeria, perhaps the most tragic manifestation of the curse of oil in Nigeria is the growing underdevelopment and the depiction of poverty and suffering in the mist of plenty
- Oil causes economic crisis and instability. Our nation experiences periodic Energy crisis. A nation crude plenty import dependent, subsidy politics, shortages and the appearance of cabal induced constricted fuel scarcities to the detriment of the poor masses.
- Oil is the devil's excreta. Yes oil has caused more crude pain for its producers. Crude oil has produced more crude blood barrels than revenues to benefit the poor and the land owners. Oil has

become a fairy tale to its owners. *Oil creates the illusion of a completely changed life, life without work, life for free money....the concept of oil expresses.....dream wealth achieved through lucky accidentin this sense oil is a fairy tale and like every fairy tale a bit of a lie states (Watts 2006)*

- Oil is terror. Oil has brought more blood barrels than peaceful co-existence and social justice in the Niger Delta. Successive governments did not address the issues of Niger Delta underdevelopment and neglect in a timely manner and that has created space for militancy, oil theft and oil related crisis so the country is paying for the failure and the consequences are poverty, inequality and underdevelopment exacerbated by devastating ecological and environmental impacts from oil exploration and production. Thus, Oil has caused degradation of values with moral and environmental pollution of habitats to the detriment of the masses and the rural poor. So the riches of oil has also created elite mass estrangement to the extent that oil breeds corruption, mismanagement and primitive accumulation of stupendous wealth at the expense of the poor masses. But it is also a reality
- Oil has created a level of sumptuous and conspicuous enclaves of wealth in predominately poverty stricken societies. However, it is also true that oil has enhanced social, economic and physical infrastructural development to benefit the people.
- Indeed truly, oil has caused some reduction of poverty and has enhanced quality of life in an otherwise poverty stricken host communities, so oil comes with modernity. Look around in our villages and towns, the mud and thatch buildings giving way to block buildings and even attractive mansions along side muddy streets and 'poto-poto' or "marsh" driven roads and neighborhoods. Oil wealth has provided the means of building well macadamized super high ways and attractive cities with skyscrapers and the building of new capital city, Abuja.

- In all this, the real side effect of oil and its contradictions is that in most cases, oil driven riches create “extreme” wealth existing side by side with abject poverty because the power of oil wealth induces plunder and exploitation of the weak by powerful entities. Therefore, oil creates social decay and inequalities with widening gap between the rich and the poor in our society.
- Oil is also the weapon of choice in our National and International geo-politics.
- Oil creates and aggregates Nation states into organized monopsony and monopoly powers, cartels and oligarchies and transforms National and International economies into boom and burst cycles, causing instabilities in political and economic development of nations around the world.
- The dynamics of oil driven growth and development is hardly sustainable, while I must acknowledge here the success stories of oil and development in Canada, USA, Norway, Russia and some selected countries of the Middle East.
- Hence, one can reasonably assert that oil and the challenges of development are in the character of the substance as well as the erratic behaviour of major oil producing and consuming countries.

The Niger Delta and its oil-bearing states have not been able to resolve the socio-economic, environmental and development challenges created by oil activities in their environment. In the 1960s Isaac Boro lamented the Niger Delta condition this way:

Let us examine with some latitude whether the state of development is to any extent commensurate with tint of the bulk of the already tapped mineral and agricultural resources. First, we may run our eyes through the health services. From the area concerned, converging a territory of 1,000 square miles..... there are just a few hospitals of ordinary health center status. Of all parts of the country, the Niger Delta is the richest in water and so the government has not found it necessary to give the inhabitants pipe borne water..... People drink from the most squalid wells and so dysentery and water-borne diseases are rife.

In a similar vein,

Twenty years later, in 1980 Prof. Angaye and his research team noted that the environmental and socio-economic impact of oil mining in riverine areas of Nigeria, suggest that “although petroleum has created economic boom for the entire nation, it has also led to environmental and socio-economic problems for the entire nation, and that the inhabitants of the ecological zones of Nigeria where petroleum is produced are the most obvious victims of environmental and socio-economic hardship that oil mining and spillages have produced daily in the country.’

In another study by Paul Collier of International Labor Organization, Geneva, 1978 revealed that the dream wealth from oil was unequally distributed - that the socio-economic status of the people was determined by access to land and that oil exploitation had displaced the use of part of the vast land on which rural people depend. The rapid exploitation of crude oil has actually reinforced income reduction in rural areas; candidly one would have expected their income to rise. Nearly forty years after Boro's observation, the same theme of underdevelopment reechoes.

In response to a lecture on resource control on November 15th 2002, the Governor of Bayelsa State, Chief Dr. D.S.P Alamiyeseigha said, “I traveled through the creek to my hometown, Amassoma, o o o. The effects of oil exploration and exploitation are evident everywhere in the sheer ecological abuse of the environment. Marine life is virtually extinct. Indigenous occupational industries are no more. Erosion is widespread and unrelenting. Pollution of the very sources of life for the ordinary people manifests in everything from our fishing equipment to the water we drink.”

At the dawn of the 21st century in the year 2008 in another lamentation in his autobiography, Prof. Gesiye Angaye alluded to the nurturing impact of Niger Delta creeks to his person, intellect and his generation. He wrote:

In the 1940s and 1950s, the rivers and creeks had not been polluted by oil exploitation and my mother fed me with real fresh and dried fish, not iced fish. This must have had some positive impact on my brain and intellectual development. (in Autobiography of Gesiye Salo Angaye, Adept Publishers Limited, Bayelsa – Nigeria, 2008 P.26).

So for over fifty years of lucrative oil industry operations in the Niger Delta the plight of underdevelopment is still staring at us.

Over the past five decades, the issues confronting the Niger Delta region have caused increasing national and international concern. The region produces immense oil wealth and has become the engine of Nigeria's economy. But it also presents a paradox, because the vast revenues have barely touched the Niger Delta's own pervasive poverty. Today, there are formidable challenges to sustainable human development in the region. The manifestations of these challenges include the conflicts over resources among communities, and between communities and oil companies. The impoverishment of the Niger Delta and other oil producing areas in Africa may be linked to William Bradford's observation of Plato's reasoning that *the taking away of property and bringing community into a commonwealth would make them happy and flourishing. Bradford noted it has created discontentment and retardation of much needed employment that would have been to their benefit and comfort.*

The development problems of the Niger Delta may also be consistent with Douglas North 1987 observation on Institutions, transactions costs and economic growth. In his article in *Economic Inquiry* in 1987, North noted that *the rise of impersonal rules and contracts means the rise of the state and its unequal distribution of coercive power. This provides the opportunity for individuals with superior coercive power to enforce the rules to their advantage, regardless of their effects on efficiency.*

The Niger Delta development dilemma raises the question of why abundant human and natural resources have had so little impact on poverty. Minorities inhabit the oil areas. The minority discontentment is further compounded by the growing contribution of their oil resources to the economic development of Nigeria and at the same time they are denied many of the benefits of development such as clean water, power, health facilities, road and education.

The minorities demand benefits from the lucrative opportunities brought by oil. These features are certainly not compatible with creating harmony in development and therefore must be removed through partnership for a change. Therefore, it has become imperative to forge out a new development agenda with need-based assessment. This thinking arises from the fact that past development planning efforts have failed to adequately address the region's needs. In spite of the efforts of federal and state governments, the Niger Delta Development Commission and oil companies to enhance the well-being of people in the region, wide disparities in development outcomes still persist. In many cases, the conditions of rural communities where crude oil is produced are deplorable, with severe environmental degradation, and no access to safe drinking water, electricity and roads. Consequently, the analyses of poverty and human development of the region, paint a dismal picture, particularly when the region is compared with other oil-producing regions in the world.

As Hope Harriman puts it: Oil cities of America and Britain are the most beautiful, but oil producing cities in Nigeria are the worst (The Glitter at June 30, 2002 P.31).

To forge out new development planning for the Niger Delta through the integration of indigenous knowledge and partnership with people in bio-resources management and conflict resolution, may offer a better answers to Oil and Development

WE NEED A NEW STRATEGY FOR CONFLICT RESOLUTION FOR THE PROMOTION OF SUSTAINABLE DEVELOPMENT

It is important for national policy makers, international development partners and oil industry operators to understand that the critical element of poverty reduction in the Niger Delta must ensure native participation and environmental sustainability. To this end the challenges to sustainable environment and poverty reduction are:

- The promotion and adoption of sustainable development principles for environmental regeneration
 - Capacity building and empowerment of the indigenes to increase productivity in their inherited indigenous economy that will also contribute to growth and development that will lead to poverty reduction in the region.
- The government and its development partners working in concert with the indigenes must provide the enabling environment to achieve the set objectives as pronounced in the **NEEDS** (National Economic Empowerment Development Strategy) and **SEEDS** (State Economic Empowerment and Development Strategy) program of the government. This is because the Seeds of the Needs of the nation reside in the Nation's treasure base of the Niger Delta therefore creating opportunities for minimizing poverty in the region and ultimately the expansion of better sustainable livelihood and less vulnerability to environmental challenges and resource-related conflict in the region is good for the country. Also it will promote tripartite partnership of sound environmental management and stewardship that will sustain the ecological security of the natives, reduce poverty and ultimately create the path for the achievement of sustainable development. This is part of the objective in the partnership model.

Now is the time for all development agencies mandated to undertake the holistic development interest of the Niger Delta to embark on positive intervention to catalogue and properly document the indigenous knowledge of value for the preservation of the rich cultural heritage, particularly the people's environmental stewardship patterns that allowed them to avoid ecological tragedy of the commons and thus preserve their biodiversity. The objective interest here is

- (1) To assist in the enhancement of local content participation in the exploration and utilization of oil and gas resources in the Niger Delta.

The furtherance of this objective will also be helpful in the promotion of local raw materials use and the development of human resources in the region. It means a development that

- (2) allows for local content involvement in oil and gas operations that will at the same time enhance growth and development of the Niger Delta economy. While the building of physical infrastructure is very necessary for the Niger Delta, we must remember the words and wisdom of President Goodluck Jonathan, when he said:

“In a region where the environment is rich, the people can easily convert the environmental components into wealth; on the other hand, where the environment is poor or harsh, the people will have nothing to convert into wealth, thus they will remain poor. Environment is therefore a critical factor in societal growth and development.”

The essential interest here is that resource development should contribute to better quality of life and increase employment opportunities in the host communities through creative involvement of local participation in all phases of oil and development in the region why?

Today, it is an undisputable fact that Nigeria's Niger Delta holds a proven oil reserves of over 30 billion barrels as well as gas reserves of about 188 trillion cubic feet, which places Nigeria as the 7th largest gas reserve province in the world. Nigeria is the highest producer in sub-Saharan Africa.

Therefore, state and local economic potentials are enormous, considering the fact that Nigeria's gas use has increased.

Nigeria has been known to produce oil and gas since oil was discovered in Oloibiri in 1956, yet there has been no effective integration of indigenous knowledge and stewardship for sustainable development; One of the conflicting issues is the lack of partnership between oil community and oil industry involvement in environmental stewardship as well as mutual lack of environmental education and awareness particularly in oil bearing communities where the problems of pollution and disruption of the ecological system such as gas flaring is almost on a daily basis.

In order to avoid past mistakes, we need to integrate indigenous knowledge in the light of the **1989 ILO convention [No. 169] *how to promote consultation between Government and indigenous people with view to better address the issues collectively and the individual rights and management of natural resources in indigenous people traditional habitats*** (such as in Niger Delta).

This ILO enlightenment is intended to promote the concept of sustainable development. Sustainable development that stands for meeting the needs of present generation without jeopardizing the ability of future generations to meet their own needs – in other words, a better quality of life for everyone, now and for generations to come. It offers a vision of progress that integrates immediate and longer-term objectives, local and global action and regards social, economic and environmental issues as inseparable and interdependent components of human progress.

Sustainable development will not be brought about by policies; it must be taken up by society as a principle guiding the many choices for oil activities that have implications for social and economic production patterns in the region. In any industrial development in modern societies, the need and how to strike the balance between sustainable industrial growth with human welfare remains a challenge to development planning.

THE TWO FACES OF OIL WEALTH



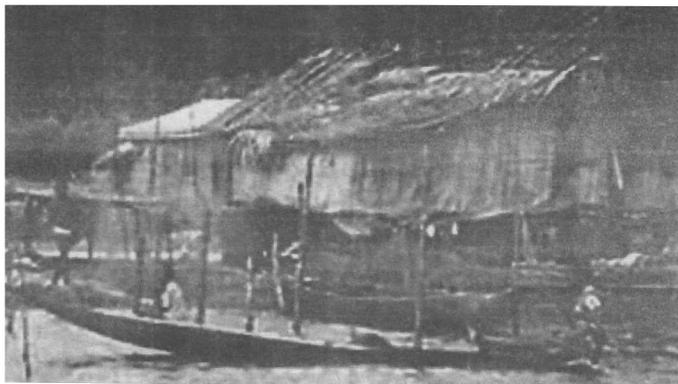
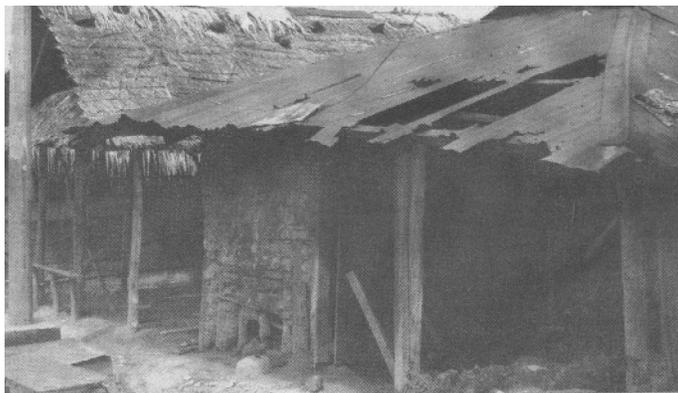
LAGOS CITY SKY LINE



NIGER DELTA OIL COMMUNITIES



FEDERAL CAPITAL ABUJA CITY SKY



THE CHALLENGES TO BALANCED DEVELOPMENT IN NIGERDELTA

The Niger Delta has great challenges on its path to sustainable development, therefore we need new ideas and policy implementation. The factors influencing these challenges to Niger Delta development are both internal and external to the region. Consider this observation by Nicholas Shaxson.

The author of *Poisoned Wells: The Dirty Politics of African Oil (2007)* wrote:

Popular perceptions of corruption, poverty and the 'resource curse' in the oil-rich Gulf of Guinea can be caricatured as belonging to (or falling between) two possible positions. First, the fault lies with oil companies, exploiting, bribing and otherwise abusing innocent Africans. Second, the blame lies with corrupt African rulers, stealing the oil money. There is truth in each position, but this is now a stale, unhelpful debate, obscuring other aspects of the problem. Several themes merit more attention. First, taxation in resource-dependent states is different from what is found in other types of economy. Second, transparency and anti-corruption schemes like the Extractive Industries Transparency Initiative, focus on revenue flows inside countries, ignoring crucially important transnational flows. Third, natural resources provoke competition and factional politics, fragmenting the public interest. These three lead to a fourth way of conceptualizing the issue as a systemic one, which is not ultimately the result of bad behavior (or even of 'culture').

We should move away from focusing too much on actors and behavior and instead focus on systems and processes, a shift that will result in different (or additional) policy prescriptions, new (or expanded) branches of economics and political science.

The political and economic integration of indigenous knowledge into the dynamics of Niger Delta Development is another branch of economics and politics of development that affects the people of Niger Delta but it is an unexplored alternative in building partnership for positive change in the region.

Therefore, there is an urgent need for the establishment of formal and indigenous partnership model of understating that could offer the basis for resolving the socioeconomic and environmental challenges of the oil and gas operations could be made a joint responsibility of all parties involved. This option will indeed be consistent with the ***1990 United Nations resolution 45/164 which is aimed at strengthening “..... cooperation for the solution of problems faced by indigenous communities in areas such as human rights, the environment, development, education and health.....”***

We need the cooperation of native Institutions in Conflict Management and Resolution.

Niger Delta Social Organizations and Conflict Resolution

Historically for the Niger Delta, the traditional values of conflict resolution for sustainable development are as old as the mode of social organization. The Niger Delta is similar to other areas of Nigeria with an age long tradition of coming together to produce goods and services and protecting the common property resources deemed beneficial for their current and future survival. In coming together they formulate rules which will avert the tragedy of the commons and thus preserve their ecology and the common interest of the community. If the formal sector ignores this essential element of socioeconomic conditions, conflict may continually arise to disrupt oil and gas operations. Hence, integrating an indigenous knowledge base in partnership with the formal sector will be necessary to ensure:

1. Promotion of sustainable economic growth with balance through strategic diversification of Niger Delta agro-based economy to ensure food and ecological security for the native population.
2. Through partnership between the Government, oil companies and communities there will emerge cooperation for bio-diversity conservation schemes to assist the people to ensure optimal land use and natural resources management for sustainable development.
3. Enforcement of environmental laws to protect oil and gas communities.
4. Oil companies must make a clear submission of their policy and corporate social responsibility to the people and with interest and involvement in host community development in measurable terms through understanding of community values and ecological heritage

1. Government and the oil industry should take direct responsibility to ensure Human Capital Development and creation of employment opportunities beyond oil industry interest, particularly economic empowerment of youths, women and the rural poor and care for the environment. There is some undertaking by the Government and Oil companies but more in need
2. Promotion of sustainable livelihood and security of the host communities' habitat for positive change.

The New Partnership model: Towards Integration of Indigenous Knowledge into Formal Sector in Development Process

Historically, when the search for oil began there was partnership cooperation between the Native people, and the oil explorers. This is a true story. In the cradle of oil development in Oloibiri Agha Ibiam reported that British drilled the area, initially they could not get oil. Later, they enquired from the elders on what to do. The British decided to meet with the elders The Elders subsequently took them to the Elders of the town on the next plan of action they should take. Kuma of Oloibiri revealed that the British, in company of the elders consulted ODOLEMA, an oracle at Itokopiri. Since it was a prayer answered, oil was drilled at the place. “The British decided to meet with our elders and sought local advice on what to do to drill oil since they have tried and failed. The community consulted the oracle on their behalf and with the help of native leaves, the gods were appeased and oil was drilled in undreamed quantity”. The people of Oloibiri and its surrounding communities have promised that they will not carry arms against government nor oil companies due to the neglect of their area in terms of infrastructural development. Instead they believe that the oracle that answered their elders will one day alleviate their problems. *Agha Ibiam(2009)*

Part of the Master Plan's development strategy covers not only the physical manifestation of development but also all the other elements that have a bearing on the well-being and welfare of the people of the Niger Delta, including economic development as well as social, cultural, community and environmental aspects that are consistent with sustainable development principles as expressed by the World Commission on Environment and Development.

To this end, Niger Delta Development Master Plan has special provision to be met. An integral part of the regional master plan vision for balanced development is to promote economic diversification and a provision for a study to explore the diverse environment that would be suitable for tourism of international workers and visitors, and for ecological heritage tourism to promote aesthetic and economic appreciation of the region (NDDC Master Plan Pg, 132). This special clause in the regional development objective also suggests that a documented preservation of the indigenous knowledge and ecological heritage of the Niger Delta communities would be necessary as part of the regional contribution into the national master plan for tourism embarked on by the federal government. The Oil industry for over 50 years to effect this master plan objective, Oloibiri is still waiting for its Museum and Development

The Master plan can serve to meet one of the objectives of the millennium development goals to ensure that environmental sustainability is part of the target to integrate the principles of sustainable development policies and programs and reverse the loss of environmental bio-resources. There is no doubt that development benefits can be drawn from the existing high quality human and material resources endowment of the region if fully employed by tapping the institutional structures, and cultural heritage already existing in the Niger Delta.

These precepts if made part of the regional master plan objective to sustain the positive attributes of the Niger Delta aimed at progress for the natural environment, the economic, social and institutional development, economic growth and its proceeds realized will help to sustain the quality of life of the people and the ecology on which they depend (now and in the future). Through partnership for mutual environmental education and awareness and especially teaching the oil industry and other industrial actors, the oil community's indigenous knowledge and environmental management practices, can be used to jointly promote harmony in development.

Therefore, the proper adoption and adaptation of traditional techniques integrated with formal management techniques of social and environmental changes can better be used to understand the conflicting human perceptions and values, brought to light by different stake holders in the oil and gas industry and in turn promote condition for amelioration.

This partnership model could prove to be beneficial in harnessing harmony in development in the Niger Delta, with some openness and awareness, we can tap the knowledge and tradition of the people and work with them in all phases of oil and gas development that affect them so as to influence a positive outcome through the partnership model of understanding and instill mechanism for the promotion of harmony in economic development.

For the workability of the partnership model, we need to revisit and understand environmental management in pre-industrial Niger Delta.

THE NATURE OF PRE-INDUSTRIAL ENVIRONMENTAL MANAGEMENT AND ECOLOGICAL STEWARDSHIP IN NIGERIA AND THE NIGER DELTA IN PARTICULAR

Environmental management and ecological stewardship in pre-industrial indigenous society was governed and managed in common trust through traditional institutional arrangements. In essence, the environment and its resources were treated as a property common to all members of the society and indeed all members of the society enjoyed access, though limited by cultural norms and beliefs as to when and how the endowed natural resources in a given environment were exploited and utilized for individual and collective well-being. The traditionally acceptable cultural values were the standards by which environmental management and ecological stewardship were sustained and preserved for the collective survival of the society.

The management of the environment was organized under traditional institutions within Emirates, Kingdoms and Territories with the guardianship and the wisdom of elders who were armed with ethics of their cultural beliefs and taboos, dictating and directing the means by which the rational use of endowed resources was made to be in harmony with nature. The socio cultural and institutional decision making process on the management of the common property was based on long standing knowledge of the community and its ecological condition with the view to always strike a balance between immediate needs of the society and the needs of the future. For the Niger Delta Basin, the hotbed of Nigeria's Oil Industry, E. J. Alagoa noted the economy, society and the ecology of the region among the Ijaws. He wrote:

“We have realized a long time in Niger Delta studies, the many ways in which the economy is related to the environment, the development of social institutions, culture and to politics..... We find this inter-relatedness from ancient to contemporary times. Thus, the fresh water delta ecology of the western and upper delta created an economy based on a combination of farming and fishing, certain types of land use and water resources management, and peculiar social and political structure. Resources were controlled by the lineage or house (Warri) and political authority was localized in the village community, governed by a general assembly (Amagula) of adult males, under the advisory control of the eldest male (Amaokosowei) and a council of elders. Once people migrated to the saltwater delta ecological zones, especially in the eastern delta, flooded at each ebb tide, an almost pure fishing economy prevailed with the development of appropriate social and political systems”

Our early indigenous societies were imbued with the wisdom of elders and the partnership between the rulers and the people often collaborating to ensure the compliance of the checks and balances put in place to guard against excessive or rapacious exploitation of the common resources of the society. Hence, sustainability was assured and any man made tragedy of the common was avoided.

Traditional societies did practice and enforce wildlife preservation, avoidance of indiscriminate killing and the level of pollution sufficient to threaten the very existence of society were rare and

ecological degradation was hardly a problem. Thus, each community had full property rights to ecological stewardship and management to ensure that there was sustainable resource use with long term interest of the community such that our indigenous societies lived in harmony with nature, ensuring a friendly balance between man and his environment.

The Impact of Industrialization on Environmental Values

The coming of industrialization, modernity and development drastically changed the harmonious relationship between man and his environment and indigenous environmental values came to be replaced or displaced in the drive toward modernity by the developing industrial state.

The process of modernization and industrial growth, therefore, brought in a challenge to strike the balance between the environmental dilemmas of modernization, development and human welfare. For our indigenous societies, the emergence of colonialism and the creation of modern Nigeria appear to have displaced or discouraged the traditional mode of resource management because of the required tenets of development from the colonial period to date were based on the dictates of political and economic considerations of policy makers and industrial organizations, who have come to regard the environment as a free good to be controlled and exploited on their own terms, thereby fostering their own gains inherent in the profit motive to the disadvantage of indigenous peoples' values over their environment and their ecosystem on which they depend.

The modernization process progressively alienated the environment from the indigenous people by entrenching formal rights as a “buffer” in place of traditional values with the view to ensure the political and economic interest of modernization in the emerging industrial state.

Hence, oil exploration and industrial expansion has come to be in conflict with environmental quality and ecological well-being of the people. This is the apparent scenario indigenous people enmeshed in developing industrial states has to face where they are displaced from their traditional agro-based systems without adequate compensation or alternative industries for their employment and life sustenance. They are often forced to migrate to urban centers to seek employment in a cash dependent economy only to find that they have replaced their rural poverty with urban misery. The people and their Ecology gave way to Industrial individual mode of Environmental Management.

Formal Sector Mode of Environmental Management

Nigeria has long been known to produce strategic minerals, from the heydays of coal, iron ore, columbite, and tin through the oil boom, yet environmental laws are either weak or non-existent; if the laws exist they are not adequately enforced despite the problems of pollution and the disruption of the nation's ecosystem. The problems of environmental pollution and lack of physical planning are attributed to some basic factors (Onibokun, A.G. 1986):

1. Uncontrollable natural factors such as the climatic impact on soil, water, air and vegetational equilibrium (including the advancing desert)
2. Inadequate social and political attitudes and behavior toward the environmental issues.
3. Unregulated or improperly regulated economic growth, particularly in the oil industry and other areas of the industrial sector.

1. Inadequate public policy responses (considered to be a major culprit).
2. Pollution and Environment damage and finally;
3. Compensation issues.

The existence of inadequate and satisfactory mode of compensation for the people and their environment that are affected by oil activities remain a problem in forging harmony in development. With regard to oil areas, Peter Nikamp, 1977 contends that energy extraction has catastrophic effects; hence, firms that cause damage to the oil areas should be obliged to pay for it through adequate compensations.

Insights to Formal Sector on Environmental Management

Nigeria needs to take a close look at its environmental policy and establish adequate policy programs and responses to socio economic and environmental concerns of the Niger Delta.

There is no doubt that Nigeria has guidelines for oil exploration but has hitherto failed to maintain effective enforcement and compliance. In certain instances there are still inadequacies observed in the statutory rules expected to protect native inhabitants and their environment. Despite the fact that the Nigerian oil law states that the lessee (the oil firm) may not enter, occupy, or exercise any right and powers conferred by his license or lease over any private land until the permission in writing has been given and until “fair” and adequate compensation has been paid to persons in lawful occupation of the land. This provision is seldom adhered to by oil concessionaires. According to Yinka Omorogbe (1987),

.....further weaknesses exist in the provisions on pollution and conservation policy. He stated that both are vague and imprecisely drafted and that Nigeria has not practiced any conservation policy in the management of its oil resources.

Now you know why gas flaring has continued to this day despite the well documented negative impact on the environment and health of the people.

These problems are also noted by E. I. Nwogu. He wrote that “the statutory rules for the protection of the environment in the oil industry are inadequate. The rules should be made more comprehensive and the machinery for their enforcement improved;” in this regard, C.O. Ikporukpo (1985) also observed:

“The problem is further compounded by the government's apparent unwillingness to enforce the existing laws partly due to the fact that authority that ought to enforce the legislation is sometimes not clearly indicated.... Given the importance of petroleum to the Nigerian economy, the laxity in enforcing the existing legislation may be due to deliberate policy of not discouraging the operation of the oil producing companies.”

If Ikporukpo's observation is correct, it constitutes a formidable barrier toward building harmony in development. Again the oil producing areas of the Niger Delta are inhabited by minority groups who lack the political power to influence change in their favor at the federal policy making machinery. According to United Nations University (UNU) research (1988), an examination of the relationship between minority cultures and the larger societies in which they are immersed reveal the effects that different development policies might have on the survival prospects of the world's minority cultures.

UNU project director on ethnic minority, human and social development, Rudolfo Stavenhagen stated that:

“The process of nation building might have negative consequences on the ethnic groups throughout the world, who number in the thousands. The existing standards for the protection of human rights are oriented towards the individual, and do not take account of the rights of collectivities”

He therefore proposed an alternative ethno-development based on the demands of minority groups. On the social consequences of economic development, the World Bank Report (1982) states that:

“Tribal minorities in all parts of the world have suffered for centuries from (the) adverse effect of expansion from outside into territories that were formerly entirely tribal and once supported larger tribal populations. This was generally accepted as (an) inevitable though by no means always intentional byproduct of development”.

Tribes of human being must not be sacrificed to the goals of economic development nor should the technically more powerful abuse the rights or way of life of the technically less powerful.

We can now reasonably conclude that, it is now a glaring fact that the appreciable expansion of Nigeria's Oil Industry has in reality conflicted with the environmental quality objectives of the nation. The increase in oil activities since the 1970s has created distortions in the environment in form of pollution, spillages, and water contamination. It is clear that spillage (in particular) is a characteristic of oil exploration and any oil mineral producing areas where exploration takes place usually become unsafe for human habitation because of the oil pollution of water, and gas pollution of air. Consequently, the increase in pollution renders agricultural lands, fishponds, rivers, and lakes unproductive for local residents.

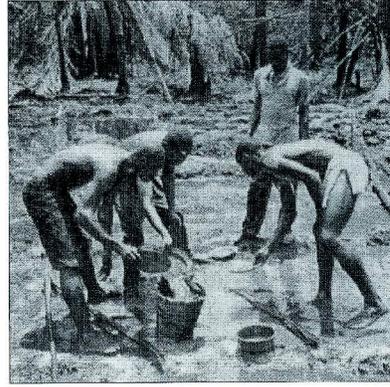
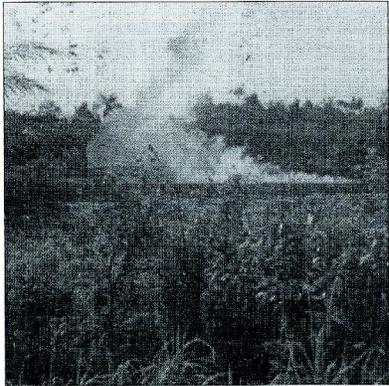
Also, in reality the extractive activities do not fully take into serious consideration the ecological factors on which the inhabitants depend. This has often led to food shortages because of a decline of arable land, environmental decay, and the ultimate displacement of the indigenous people's mode of survival. Consequently, the native inhabitants tend to become vulnerable to the social, economic, and political power of the extractive industries, which in turn leads to the generation of dualism, with structural inequalities and economic dependency. Extractive industry, therefore, benefits external entities more frequently than the native population. This situation has resulted in a domestic crisis for Nigeria in terms of economic dislocation, massive unemployment, retrenchments, food shortages and economic instability.

No nation should sacrifice its valuable resources for the sake of short-term monetary benefits. By extracting oil without regard to the side effects or the quality of citizens' health and longevity, the nation does not improve either its social or its economic sectors; instead, a declining trend will be onset. Those who may feel that the problems of oil producing areas are not in their backyard, and who may feel a safe distance from the oil communities, should be reminded that Nigeria is an entity within one environment; a decay in part will ultimately affect the rest of the nation.

The fate of the mineral producing communities should be a concern for all. When ordinary people and their environment become victims of disruptive economic expansion without adequate protection or provision of alternative means to improve their social and economic circumstances, they will remain vulnerable. Therefore, the need to broaden the social responsibility and performance of the oil industry in order to maintain economic progress with environmental balance should be a matter of compulsion. We now need partnership for capacity building to create the desired balance.

The scenario of mixed economic activities that can result from the foreign quest for raw materials poses a serious problem in planning for social change. Under ideal conditions, what is needed for any nation's development is not merely agricultural productivity, but the overall enhancement of the indigenous people's quality of life by means of the provision of health, social and economic infrastructures. In addition, a planned mitigation policy combined with a community impact agreement is desirable, offering the oil industry, the government, and community leaders a means of responding effectively to growing pollution problems and other negative byproducts of oil mining.

SOCIAL AND ENVIRONMENTAL COST OF OIL



CAPACITY BUILDING FOR SUSTAINABLE ENVIRONMENTAL MANAGEMENT AND ECOLOGICAL SECURITY FOR THE NIGER DELTA

The Niger Delta requires a shift in paradigm in its developmental horizon. All partners must acknowledge that sustainable management of environmental resources to reduce environmental degradation and other environmental consequences of industrial and human action on the ecosystem must be sensitive to the issues of poverty and environmental decay resulting from them. The essential elements of capacity building should include but not limited to:

- Integration of formal and indigenous knowledge and institutional concerns on the environment, development policies and programs must be strengthened for the achievement of sustainable development.
- Strengthening the capacity to recover, if need be revive the lost resources in the environment through proper environmental audit and management to enhance the capacity for regeneration.

These recommendations are in accord with United Nations Principles enunciated in the report of the United Nations conference on human environment in Stockholm (1972): At that conference, the UN stipulated in Principle 22: (that)

“Indigenous people and their communities have a vital role in environmental management and development because of their

knowledge and traditional practices. States should recognize and duly support their effective participation in the achievement of sustainable development.”

*Principle 23:
“The environment and natural resources of people under oppression, domination and occupation shall be protected”.*

*Principle 27:
“States and people shall cooperate in good faith and in a spirit of partnership in the fulfillment of the principle embodied in this declaration and in the furtherance of development of international law in the field of sustainable development.*

In pursuant of these principles, here are some ideas on the strategic options for Niger Delta Development: We need a new paradigm that projects a good use of the region's oil wealth to create conducive environment that allows people to flourish and live dignified lives to overcome poverty, enjoy a peaceful co-existence and sustain their ecological security. To this end, to promote peace security and development should include for meaningful human capital development with the right initiative for education, access to justice and equitable distribution of resources.

In a study by my humble self on the relationship between the impact of oil production and selected ecological factors or social indications in Nigeria suggest that the non-oil producing states gained more socio-economic benefits from oil resource than the oil producing areas (states). The source of imbalance could be linked to the Federal Government's distributional patterns of Social and Economic infrastructures in the country. The imbalance is partly due to inequities inherent in Federal revenue sharing formulae. This imbalance is not the fault of the people of non-oil producing states but rather the result of an in effective distributional policy, which requires revision in order to meet its objectives of imbalanced economy and equal benefit for all.

It is further reasoned from the study that the mere existence of extractive industry to boast the export receipts for producer government in a developing society does not necessarily amount to cause balanced development. Government and oil firms should take the appropriate corporate social Responsibility to minimize social cost suffered by the oil region.

The major beneficiaries are the Government, and Oil Firms) therefore they must undertake the relevant community development that should take place in the oil communities, given the fact that Oil Industry is highly dependent and influenced by International Trade relations and geopolitic that is particularly susceptible to the erratic behaviour of oil consuming and producing countries. (Ikein, A. A. 1998)

Over the years, the oil industry's activities have threatened the host community's food systems and the rest of the ecology on which the inhabitants depend. The impact of the oil industry has precipitated negative changes within the Nigerian ecological system. These negative changes, if left unabated, could result in serious adverse ecological consequences for the entire nation. For this reason I have proposed a set of recommendation that will make for policy change.

1. The government should use its sovereign power to strengthen the preventive and safety requirements for all drilling activities. The government must require all mineral extracting firms to adopt state-of-the-art technology that would eliminate (or at least minimize) damage to the environment and its inhabitants. (Ikein, A.A 1990)

2. The government should have the power to change the terms of liability and provide only short-term leasing conditions, but give limited tax credit to firms with up-to-date, preventive equipment. An insurance against pollution should be a mandatory requirement. It should also be required under any lease term that all firms engaged in mineral extraction provide the necessary social infrastructure before drilling commences, if the short-term or long-term presence of the extracting firm will negatively affect the normal life of the people. (Ikein, A.A 1990)
3. One of the worst features of the Nigerian oil industry is the increased social cost to the oil producing areas by way of the pollution. The government and the oil firms should cooperate in deriving an enforceable contingency plan that would minimize the level of oil pollution. The contingency plan might have a penalty provision requiring that companies that are ill equipped or have a record of excessive pollution be terminated from their lease contracts. (Ikein, A.A 1990)
4. The government should be able to get involved and take direct control, because in most cases, a large segment of the oil mishap victims are illiterates and uneducated; they face difficulties in pressing their rightful demands in an effective way. The current situation allows oil companies and unscrupulous persons to take advantage of their vulnerability. (Ikein, A.A 1990)
5. The criteria for just distribution and community social development should embrace a social welfare policy that can help promote development with increased equity. . (Ikein, A.A 1990)
6. Any strategy toward development should therefore foster self-reliant communities and thus minimize exploitation and excessive differentiation in wealth, income, and power. This development approach is akin to the Ujaama concept, not because of its efficiency but in the pragmatic usefulness of the model. (Ikein, A.A 1990)

It is in the light of these concerns and planning for better future that **We must now embark on Capacity Building for Sustainable Development**

An essential tenet of capacity building means promotion of sustainable environment that will ensure people's sustainable livelihood. This creative model of human capital development for the Niger Delta is intended to be people-oriented to achieve the following objectives:

To enable people to realize their potential, build self-confidence and live lives of dignity and fulfillment; and free people from poverty, ignorance, filth, squalor, deprivation and exploitation, recognizing that poverty and underdevelopment has wider social consequences.

It will henceforth, correct existing economic and socio-political injustices suffered by the people.

In this way, the people of the Niger Delta will take active part in shaping their own future and be sustained beneficiaries of oil and gas resources in their land.

This model of development paradigm in partnership with the people as core interest is more likely to promote growth, security and development with equity.

There are desired benefits from the tripartite partnership approach to environmental management and stewardship, from the perspective of each stakeholder:

The Desired Benefits from Oil Community Perspective

- (a) The communities will be made to feel that their socioeconomic concerns and interest are made integral to the mineral interest
- (b) That the oil communities would be made to feel that their socioeconomic benefits and the welfare of their ecology are as important as the values and benefits to be derived from the oil mineral extraction (by making their voice part of the decision process)
- (c) That oil will not be made to replace or displace their traditional agricultural values and their food security and ecological systems will be preserved through environmental awareness and participation which will protect their valued lands and other ecological resources.

7. The establishment of an impact agreement should reduce the problems of perceived neglect and inadequate compensation that have often led to confrontation and the destruction of mutual property. The community impact agreement should include provisions for the terms of negotiation, financial agreements, monitoring, and arbitration. The affected communities will then know that they are not shouldering an unfair burden and that their social costs will be compensated. However, the effectiveness of such a strategy will depend on recognizing the influencing factors of inter-organizational coordination and Management. (Ikein, A.A 1990)
8. An agency for crisis management, as well as a relief program specific for oil areas should be established with the aim of responding quickly and effectively to victims of pollution. Currently, there is no planned response or relief program in the event of oil-related mishaps. Instead, relief is often administered on an ad hoc basis. The establishment of a permanent relief program will greatly enhance the ability of the government, the oil industry, and concerned relief teams to respond effectively to oil-related disasters. (Ikein, A.A 1990)
9. The efficient management of oil disasters will also require inter-organizational coordination between the government, the companies, and the local leaders in determining: (1) the characteristics of disaster agents; (2) the organizing structures of the communities in the oil areas. (Ikein, A.A 1990)
10. The government, corporate bodies and concerned citizens should work together to avert any threat to the existence of oil areas unique Ecosystems. Nigeria could learn from the Amazonian's experience, in which the impact of extractive activities established a local dominant class that created a mode of extraction that exploited the indigenous population and nature such that neither could fully recover. The dominant class organized various modes of extraction in response to global market opportunities, but the rates of exchange for their exports were so unequal that the cycles of extraction and trade ultimately impoverished not only the physical and human environments, but also the dominant classes that depended on the (Bunker 1988). Furthermore, the extractive industry is not cost effective if the earned currency from oil extraction is swallowed by external investors with little or no regard for the host communities. We should all be reminded that, irrespective of the wave of change in the international commodity market at any given time, the nature of conservancy, overall socioeconomic development, and the citizen's welfare are our constant and everlasting concern. (Ikein, A.A 1990)

Let us learn from the Igbeti formula:

FROM 'CHARITY TO PARTNERSHIP'

Chief Dappa Biriye 1998 noted that:

“Nigerians who are acquainted with the Igbeti Marble formula will agree with me that the solution therein comes nearest to what most communities cherish as a catalyst to development process in their habitats”.

In the proposal designed by Chief Bola Ige that the proceeds of all resources in a location should be shared to recognize the rights of indigenous communities, the local government, the operating firms, the state government and the federal government. This formula enables the local community to go into partnership with the technological firms producing wealth in the environment and by participatory decision making in the process entailed, all concerned share the pride of progress together. This is the mood of all good Nigerians today and is the spine of the doctrine 'From Charity to Partnership.'

FROM THE PERSPECTIVE OF OIL FIRMS

- (a) The oil companies will hopefully see the tripartite approach to environmental management as an opportunity to reverse possible existing adverse image purporting lack of care or respect for community interest. Hopefully, oil companies will enhance their corporate social responsibility in the host communities by first getting to know the people, and then their relationship to their environment. This is important because lack of knowledge and understanding about the indigenous people and their relationship to their ecosystem may also generate conflicts of interest and clashes due to a gap in communication.

The oil companies will become favorably reconnected with oil communities as part of developing a responsible care system through co-operation and co-ordination with other

- (a) community outreach programs with government and community participation.(Ikein A.A. 2001)

FROM THE PERSPECTIVE OF THE GOVERNMENT

- (a) The government must seek to ensure that oil communities are not enduring or exposed to unreasonable risks and that the communal environment is protected through the establishment of monitoring systems and proper regulation of oil activities.

The central government must seek to modify the revenue allocation formula to accommodate a higher degree of derivation principle in sharing federal revenues. The agitation for derivation-based revenue allocation system is necessitated by the fact that during the pre-oil era the agrarian cash crops production was the major source of revenue; the system allowed for the derivation principle to be applied and cash crops production had little or no adverse side effect on the environment. It is therefore inconceivable to deny the minority oil producing areas the same share of benefits based on derivation principle, given the serious environmental problems and ecological degradation suffered by oil producing areas. In this regard, I will like to reflect on my humble contribution in the book: *Oil and Fiscal Federalism in Nigeria. The Political Economy of Resource Allocation in a Developing Country* [Ashgate, UK 1998].

OIL AND FISCAL FEDERALISM

The Federal Government should seek to promote fiscal federalism without tears; let there be change in the statutory percentage of the derivation fund and application of derivation principles in revenue sharing to include land owners of the oil producing communities, the local and the state governments. This can be properly done when democracy and true federalism operate together.

A federal solution has often been sought as a way, to integrate diverse elements or groups in a heterogeneous society into a single political entity while maintaining their independent ethnic identities at the same time. A number of attempts, at bringing about unity in diversity have been made in many diverse societies as in the United States, India and Brazil.

In Nigeria, the historical mixture of economic and political circumstances empowers the federal government to collect the bulk of the nations revenues and share it among and between different tiers of government. The process of carrying out the inter governmental transfer of revenues in the Nigerian Federal System forms complex political and economic changes particularly the impact of oil revenues on inter governmental transfers and ethnic power politics within the context of fiscal federalism. In Nigeria given the practical interest along with ethnocentric cleavages in the political arena which has culminated into gross disparities in its constituents parts, the need to satisfy all interested parties and at the same time, engage in economic growth and development still remain a serious challenge for policy makers in effective formulation and implementations of fiscal policies.

The major bulk of national revenue is derived from the parts of the country populated by ethnic minorities who bemoan what they perceive as a lack of access to the federal policy making machinery and if in fact they did, their influence is so minimal to impact federal decision in their favor.

Thus, Nigeria's complex inter ethnic relationships in the nations political arena have not been able to strike balance between the demands and needs of ethnic minorities and the self interest of majority ethnic groups who control the processes and distribution of wealth and resource allocation at the federal center.

Nigeria's oil based economic growth creates glaring fiscal gaps between oil producing and non producing areas where the nation bestows its revenue bounties on the federal government whose responsiveness to growth and development imposes major burdens on the minority oil areas who must support that development without adequate benefit or care for them. It is essential to understand that the enduring needs of mankind [be it ethnic minority or majority within a given political system like Nigeria] can never be satisfied by a national wealth distributive philosophy based on group (ethnic) or regional inequalities [where there is portrayal of unequal citizenship within the ethnic composition in the national political order].

Furthermore, Federalism in Nigeria will suffer if the fiscal dividends derived from oil or any resource continually favors majority groups self-interests without sensitivity to minority group interests and concerns for justice, fairness and better balance in our federation. It is imperative for federal policy makers in Nigeria to balance in the inherent allocational inequities between the major federal revenue eaters [none-oil producing areas and the federal revenue producers], the [minority oil producing areas] if equity and fairness is to be achieved.

The inequities and inequalities in the current system calls for structural reform. The new deal fiscal federalism in Nigeria is to redefine the national fiscal contours in both philosophical and pragmatic terms, if equity and fairness are to be attained to satisfy all constituent parts of the federation. It may even require each state to pursue its own independent revenue policies where the responsibility shifts from the center to states so as to reduce regional disparities as a consequent of inequities inherent in federally centered revenue allocation system. It will be an insurance against the asymmetric adverse shocks induced by political manipulation of revenue allocation formula by the powers that control the federal central government.

I therefore propose a unique system of functional federalism while recognizing for states to organize themselves in the federal pattern of government with overlapping political units yet should not be engaged in prioritization of ranking national wealth distribution based on population, central power politics and wealth consumption tendencies; instead each state should work to have limited autonomy with responsibility to control its naturally endowed resources and generate the necessary funds for its own development. No state should solely depend on the central government but must make constitutionally agreed financial contribution to the federal center.

It is conceivable that the increasing international market linkages among oil producing countries may result in adverse economic conditions that would limit the power of oil wealth to the disadvantage of oil producing areas who must then fend for themselves (probably without alternative viable economic resources) in the post oil era.

- (a) At that time the non-oil producing states may not succumb to sharing burden of the disadvantages of oil outcome in a competitive and fend for yourself federalism, even though the non oil producing states benefitted from oil. This scenario is unlikely because the non-oil producing areas will reach out to assist the oil areas in the post-oil era in the spirit of our mutual interest in building unity in diversity. There is also hope that other strategic resources in the country would be developed to meet national and international demand and a proper national distributive system will be enforced to benefit all the political units in the country. Ikein A.A.
- (b) For the oil areas, the government can help the oil communities apply their inherited knowledge founded in their tradition along with new environmental awareness and education, to buttress sustainable development fashioned to enable the communities live well while exploiting the oil resources in compatibility with Nigeria's economic interest. The desired government involvement would be a practical way of adopting the progressive insertion of the oil communities' social and economic productive structures into Nigeria's national economic integration. (Ikein, A.A. 2000)

The realization of these precepts will require coordination and cooperation of all development actors, including the Niger Delta people at all levels, so that the proceeds from oil are used to benefit the people and the Government in a responsible way.

The partnership model will promote positive corporate social responsibility to the Niger Delta. It means a new relationship between oil companies and communities that will promote sustainable systems of production, equitable systems for distribution of oil proceeds and participation in the decision-making processes of companies in all phases of oil development that can ensure preservation and protection of the environment for present and future generations. All corporate organizations will be made to respect the dignity of every person and ethnic identity of Niger Delta people as part of affirmation of indigenous peoples' rights to the preservation of their cultural heritage. It also requires balancing corporate governance with good policies. This will require good leadership at all levels.

True leadership will bring about a conducive environment for sustainable development to thrive in our polity. It is only when true development brings tangible benefits to the people of the Niger Delta from every barrel of oil produced in their land that they would attain the sense of belonging and be true partakers in the joy of prosperity.

The derived oil revenues from Niger Delta communities have not been adequately utilized to nurture the material need and comfort of the people because vast majority of the people are still saddled with all sorts of human sufferings, poverty, and misery in a land blessed with oil wealth. The need to reverse this contradiction of suffering, in the midst of plenty, and restore hope is part of the necessity, in forging partnership through exchange of ideas for creating an enabling and conducive environment in Niger Delta for the possibility of transforming Niger Delta into a region of sustained development, tranquility, peaceful coexistence and prosperity for all. In this way, we can minimize the problems of conflict, poverty, restiveness, unemployment and human misery at the grassroots in the oil-bearing communities.

No doubt, industrialization is the magic panacea for poverty alleviation, for it is the central focus of modern nation states committed to raising the standard of living of their citizens. In the early 1930's, President Roosevelt of the United States, faced with problems of depression and under development, stated,

“The object of government is the welfare of the people. The material progress and prosperity of a nation are desirable chiefly so far as they lead to the moral and material welfare of all good citizens.”

President Roosevelt and American leaders of his day successfully brought America out of depression and underdevelopment and extended its benefits around the world to make America great. The challenge to Nigerian leaders is the proper utilization of our human and material resources that would restore hope and aspirations for the people and help transform the endowed resources to life more abundant for all citizens. Therefore, a successful wholesome development of the Niger Delta and elsewhere in country is to the credit and glory of Nigeria.

The Niger Delta has contributed immensely towards the development and greatness of our country; therefore every fair-minded person including corporate entities should not engage in any stereotypical stigmatization of Niger Deltans or render any negative attributes of blaming the victims of Niger Delta underdevelopment but instead be partner to the development effort. A conflict in the Niger Delta is a call to attention to other Nigerians to have the right empathy and understanding that the people are hungry and angry over their polluted ecosystem and devastated ecology environment and the suffer neglect and plight of underdevelopment. The challenges of the Niger Delta have attracted international attention. In a speech to the Nigerian National Assembly in August 2000, President Clinton of USA said:

The challenge is to make sure any foreign involvement in your economy promotes equitable development, lifting people and communities that have given much for Nigeria's economic progress, but so far have gained too little from it.

Neither the people, nor the private sector want a future in which investors exist in fortified islands surrounded by seas of misery. Democracy gives us a chance to avoid that future. Of course, I'm thinking especially of the Niger Delta. I hope government and business will forge a partnership with local people to bring real, lasting social progress, a clean environment and economic opportunity.

The people in the Niger Delta like other Nigerians are basically good citizens and peace loving. We can work together to make them even better citizens by making each oil community a productive industrial center to benefit the people.

In any industrial development setting, how to balance growth with human welfare remains a challenge to policy makers. Therefore, the need for socio-economic and environmentally sustainable development practices and policies have become a major concern for community development planning. The lack of a common platform of values that satisfies all parties remains a problem and a major responsibility in sustainable development planning in oil producing areas. However, if a mutually acceptable framework for sustainable development is reached by creating an improved socio-economic and ecological condition, then there exists the possibility that sustainable development can be restored to the parties involved for promoting sustainable development in all the resource producing areas without any party losing its economic interest. No doubt, when there are inherent inequalities in the distribution of benefits derived from community resources, conflicts arise to disturb community social and economic stability. The emphasis of collective action is fairness and equality and it is designed to correct systemic anomaly when social conflict and loss arise to the disadvantage of majority of the people. In this way, a positive social impact would have been created for a higher standard of living and a better livelihood for the people in the resource producing areas.

To reiterate Partnership Approach to Sustainable Development, We Need To Understand That:

The development process itself is not just about height of achievements measured in naira and kobo or dollars and cents, but all phases of development process should be measured in part by how well it has contributed to the overall development process and by how well it has satisfied the basic needs and basic rights to the peoples' ecological well-being. The Niger Delta today, on a serious note, is in dire need of water mass transit to relief the heavy transportation costs in the region. All development agencies and all tiers of government should assist in that direction similar to mass transit on land. Niger Delta deserves it.

Niger Deltans do not want to beg for their daily bread. Some ill informed folks sometimes ascribe negative attributes like they are lazy people. This is wrong. I assure you that no stereotypical stigmatization of Niger Deltans can stop them from reaching their developmental aspirations in the 21st century. Niger Deltans are known to take pride in their fishing and farming to earn their daily bread and sustenance of their livelihood through the ages, but when their farmlands, fish ponds and water ways are polluted, then it naturally follows that their ecosystem and food security system are being threatened to limit their means of livelihood. Consequently Niger Delta communities' agro-based production systems which offered employment for the masses have been drastically reduced as to cause youths and peasant migration to urban areas and oil company settlements in search of jobs with the hope of earning petronaira for better livelihood. Those who hope to gain employment in oil companies soon realize that they had nursed false hopes, for the oil industry is highly capital intensive and employment conditions demand exceptional technical skills and relatively, only few lucky ones can gain employment. Those youths and peasants who migrate to urban areas soon realize too that they had exchanged rural poverty with urban misery and soon joined the great mass of unemployed in the urban human reserve in the cities. As a result, the Niger Delta is faced with triple-edged jeopardy of mass unemployment, poverty and ecological degradation.

It is in this light that the Niger Delta needs special attention for poverty alleviation, youth skills acquisition programs and massive educational scholarship programs; for many parents have been impoverished to a point where they can no longer bear the burden of even giving basic education to their children. I call on all Niger Delta States and scholarships to all Niger Delta students.

Furthermore, we need community-based training and skills acquisition program including computer training for our youths to minimize the rural-urban digital divide is important to human capital development in the Niger Delta. The high school and university graduates constitute a great reserve of the unemployed.

We need federal character values to cover the oil industry so that our youths can be proportionately and affirmatively trained to accommodate reasonable percentage of all cadres of oil work force and if need be a quota be set aside for the Niger Deltans to minimize the serious problem of youth unemployment and restiveness in the area. It will be another practical way for the oil industry to show their appropriate corporate social responsibility to their host communities. Oil companies are probably doing the best they can to be socially responsible corporate citizens through provision of social amenities for the people, but the huge profits made relative to oil community reinvestment in the Niger Delta has not adequately produced socially comparable and responsive corporate dividends, that are directed to benefit oil communities in the alleviation of the many serious negative externalities associated with oil industry operations in the Niger Delta. The situation is even made worse by allegations of corruption. We appeal to the good conscience of the oil industry to do more in the area of employment and provision of social amenities in the areas in which they operate.

For the sake of peace and development, we also appeal to the government to guarantee its responsibility to safeguard the security of all its citizens including oil corporate organization to operate in a secured environment to ensure that the mutual economic interest in crude oil production and supply to consumers remain uninterrupted. This common economic interest for security must necessarily be extended to include sustainable development security of the Niger Delta. An agenda for peaceful coexistence and security within the context of development should be seen in the words of a respected American diplomat, Robert McNamara that

*“Security means development.
Security is not military hardware
though it may include it, security is
not military force though it may
involve it, and security is not
traditional military activity,
though it may encompass it.
Security is development.”*

Security with development creates sustainable peace. So let us work through partnership to ensure an enduring basis for a wholesome development of the Niger Delta to eliminate conflicts that threaten the survival and security of the region for the formal and indigenous economies to thrive in a peaceful environment.

- In this way, we are able to ensure that the Niger Delta people and their environment have a realistic sense of both socio-economic and ecological stewardship, which would in turn promote peaceful coexistence for sustainable development.

This will also enhance the wealth-creating capacity of each community. Therefore, the development agency role in principle has the constitutional mandate as well as the strategic imperative to develop the Niger Delta equitably to ensure that no community is left out and there will be positive impact towards conflict resolution for peaceful coexistence and sustainable development.

Let us again be reminded that the protection and preservation of the environment for sustainable development is necessary but would not be sufficient without social justice. The equitable distribution of wealth is the first step towards social justice and the required social justice should be extended to include planned oil community reinvestment programs. We want to see more of the development agents with oil-fueled special Marshall Plan to divert some of the oil revenues to rehabilitate the people's traditional agricultural scenario in order to ensure food security and restoration of the ecosystem that the people depend on for their lives.

We remember the Oyo State benefit plan in 1990 which stipulated that to ensure the people of the state derive maximum benefit from the exploitation of their natural resource; the state adopted guidelines in which an allocation of 10% equity participation goes to the state government on mineral resource development ventures.

The state stipulation required an undertaking by the mining companies to provide social and economic benefits for the areas to be affected by their operations. This should be made a national policy for sustainable development in all our resource producing areas.

In identical progressive tone and for the first time the Yar'Adua-Goodluck administration (2009) on behalf of the federal government said that

The government will relinquish ten percent of its share holding in oil and gas resources and surrender the same to the communities of the Niger Delta. There are benefits in this tripartite model of partnership from participation of each stakeholder. (See the Nation November, 8, 2009, p.56)

We cannot afford to mortgage our non-renewable resource (crude oil) for a desolate future and we cannot have sustainable development in a degraded environment except we take steps to correct it today for a better future. Therefore, we need to embark on ecological restoration and also establish an oil heritage trust fund for the Niger Delta. We need to take cognizance of excellence in all contribution to economic development. We need to build monuments of Economic Excellence for future Nigerians to learn from; our triumphs in production of world-class commodities. We remember the glorious days when the groundnut pyramids towered towards the sky in Kano. Let us have a Pyramid House in Kano. We remember the great Tin Mines in Jos; so Jos, deserves a Tin House as a symbol of greatness. We had the coal boom in the East that deserves a great Coal House in the coal city of Enugu, so that we can remember the great contribution of solid minerals to our development. We remember the palm gold in palm oil trade in the 18th and 19th century Niger Delta that made Nigeria great as the leading world producer of palm oil. And, more importantly, the same Niger Delta that gave the nation the pride of palm gold in the 19th century also harbors most of the crude oil, the liquid black gold of the 20th century; which has strong likelihood to remain an essential commodity through the 21st century for Nigeria which is expected to become the third largest exporter of liquefied natural gas in the 21st century. So let us have an Oil Heritage House in each capital of the Niger Delta oil producing states as symbols of excellence in contribution to national development as Cocoa House, Ibadan serves as a symbol of wealth to remember cocoa contribution to the development of the old Western Region.

We need to think about our future, let us learn from America Indian Nation philosophy, the Great Law of Six American Indian Nations of Iroquois, which stipulated that:

*In our every deliberation, we must
consider the impact of our decisions
on the next seven generations.*

Therefore, in planning for our succeeding generations and as part of our long-term sustainable development interest in the Niger Delta, this nation should establish Oil Heritage Savings Fund for the Niger Delta to ensure sustainable development of the area in the post oil era and save for the future generation of our citizens to enjoy our oil wealth today. Therefore, the government and other stakeholders need to embark on ecological restoration and also establish on Oil Heritage Trust Fund for the Niger Delta because the post oil era is already insight and taking shape for us to know that oil may become a thing of the past because our major consumers have already embarked on oil import divestiture as a consequence of technical progress in fracking technology in shale oil. In this regard, United States of America will become the largest oil producer in the world. Therefore, our investment today in economic diversification can assure us survival of our nation and communities in the future.

Let me recall here my humble contribution in the book the impact of oil in on a developing country in case of Nigeria was extended to cover the uncommon impact of extractive economy around the world. The reveling facts in that book shows that Nigeria can learn for promoting sustainable development in the Niger Delta. Yes, Nigeria can learn from the oil policy of Malaysia, a moderate oil producing country which has established economic, agricultural and industrialization research units aimed at seeking to maintain balance between agriculture, industrialization, and development such that an orderly exploitation of the oil resources is also utilized to develop agro-based sector of the economy to benefit vast majority of the people. Similarly, Venezuela has policy of SOW the Petrol, which translates to mean, use the oil revenues on the development of the internal economic structures with emphasis on the producing areas.

There is now a renewed hope that the founding of the Ministry of Niger Delta Affairs and the establishment of the Niger Delta Development Commission (NDDC) with a master plan, will provide a realistic and wholesome development in the Niger Delta where all people can live in peace. Since the achievement of the new dawn of democracy in the country, the creation of NDDC and Amnesty program, you will agree with me that conflicts in the Niger Delta have been reasonably reduced. This is a great credit to the President of Nigeria, the National Assembly, the people of the Niger Delta, Governors of the Niger Delta States and to greater extent the Nigerian citizens and corporate leaders who supported the creation of NDDC.

Let us have the Niger Delta fully developed and conflicts will be eliminated to pave the way for peaceful coexistence. The oil companies will hopefully see the partnership model as an opportunity to become favorably reconnected with resource producing communities as part of developing a responsible care system through cooperation and coordination with others engaged in outreach programs to induce harmony in sustainable development.

The government on its part would have made a positive bridge between oil industry and communities to ensure that communities are not enduring or exposed to unreasonable risk and the communal environment is protected through establishment of monitoring systems and proper regulation. In this way the government can help oil communities apply their inherited knowledge founded on their tradition, along with new environmental awareness and education, to buttress sustainable development fashioned to enable the communities to live well while exploiting the oil resources compatible with Nigeria's economic interest. The desired government involvement would be a practical way of adapting the progressive insertion of the communities' social and economic productive structures into Nigeria's national economic integration.

With partnership, there are possibilities for Nigeria in achieving greater heights in national and regional development where our youths and endowed resources are fully developed to benefit the people and the nation. A vision that is devoid of conflict and environmental degradation and in which our youths in particular are not lured into conflict and bloodshed is highly desirable. At this junction, let us learn from Biblical enlightenment for youths, drawn from the wisdom Solomon, for the concern for building a better future and training of the youths is nothing new in the history of mankind, so let us learn from Solomon, that:

The fear of the LORD is the beginning of knowledge, but fools despise wisdom and instruction:

My son (youths) if sinful men entice you, do not give in to them. If they say, "Come along with us; let's lie in wait for innocent blood, let's ambush some harmless soul; let's swallow them alive, like the grave, and whole, like those who go down to the pit; we will get all sorts of valuable things and fill our houses with plunder; cast lots with us; we will all share the loot" – my son, do not go along with them, do not set foot on their paths; for their feet rush into evil, they are swift to shed blood.

w useless to spread a net where every bird can see it! These men lie in wait for their own blood; they ambush only themselves!

Such are the paths of all who go after ill-gotten gain; it takes away the life of those who get it. (Proverbs 1:7-19)

In our secular order one of our nation's founding fathers, Chief Obafemi Awolowo, a pragmatic believer in the education of youths for a better society, gave this enlightenment, when he said

"No one can claim to be truly free who is ignorant. An ignorant person is a victim to be exploited and cheated at every turn by his more enlightened and unscrupulous fellow men."

Chief Awolowo observed that the pursuit of wealth is not a bad thing in itself, but he urged the youth to always remember that any wealth accumulated on a selfish basis, at the expense of the state in defiance of social justice helps to create a disorganized society in which everybody will eat everybody and no one person can be safe.

A final maxim Chief Awolowo shared with the youth was that

He who stands with the poor and the weak in defense of their interests is the only citizen deserving of a leadership mandate....so let it be your task to learn all the arts and skills to help in uplifting the poor majority.

Chief Awolowo not only stood with the poor and the weak in defense of their interests, he made the promotion of those interests his reason as a politician and statesman, that is why his name will remain indelible in the hearts and minds of the people. There is hope for building a better future for our society. For the youths, remember that you are the promise of our future greatness in nation building. The youths have been responsible for making their nations great. For instance, in the 18th century, it was American youth Samuel Slater that brought the British Industrial revolution secrets into America. Today America has advanced to be the driving force and powerhouse of the world Economy. It was the youths that joined the elders in post world war Japan that tapped into western technology and perfected it to become the second most advanced economy in the world. Here in Nigeria in the Niger Delta, It was the youths who cooperated with the elders in the palm oil production that made Nigeria great as the largest oil palm producer in the world. The youths will brighten our future.

Nigeria must act now to take care of his house at home and then lead Africa for a change from economic and political legacy of exploitation and plunder into a new era of partnership for development, Meanwhile in international politics, the indices of power for African liberation appear to be impressive for Nigeria. However, the country's liberation charity must first begin at home so that the nation will be in better position to liberate Africa when peace, security and sustained development is ensured in the Niger Delta and elsewhere in the country. Oil is the lifeblood of the county then it must also be the lifeblood that sustains the livelihood of all the oil producing areas.

Political power and influence for change is not an exclusive preserve for any race or sector of the world community, for all races, people and nations have the innate ability to strive on the plane of power. Therefore, no one sector of the global community should serve as the ghetto house of exploitative power play as to render its political and economic existence weak and vulnerable to external exploitation, but to be in the same plane with all people on the path of human progress. Niger Delta shall be on the path of human progress so help us God. Let us think about the possibility of our national and regional development; the possibility that through partnership we can transform communal restiveness into a symphony of festiveness, prosperity, and peaceful coexistence, where no one will spill even a mosquito full of blood for the sake of oil instead, all Nigerians in oil producing areas and non producing areas alike will work together in unison to build a viable great nation where peace, justice, and fairness reigns to benefit all people.

It is only in this light that we can live up to see Chief Awolowo's vision: that the federal government looks firmly and confidently into a glorious future in which all national units in Nigeria will live in harmony and unity with one another, a future in which political equality and social justice will be guaranteed to all. To this end, the federal government in all its endeavors should search for the revenue to do the manifest will of God. For God is the God of unity and progress, not of division of stagnation; so it behooves us to care for all our resource producing areas for the common good of the country through socially responsible, political and economic behavior that balances economic interest with ecological stewardship for sustainable development.

Acknowledgement

I cannot possibly end this lecture without expression of gratitude to those nurturers of my life, growth and development. First, I dedicate my achievements to the glory of God to this day and then to my mother C. Bomopregha Ikein (nee Sokoromo) and father Chief Asangwua Ikein and L. A. Sokoromo who toiled so hard and gave their best for my education. They are all called to be with the Lord.

I wish they could resurrect now to witness my life achievements but I know we will all meet to part no more on the Lord's appointed Resurrection Day. Meanwhile, they remain to be with the Lord in His celestial City where peace reigns in the glory of God.

I must express special gratitude to Prof. Ogoni Vice-Chancellor Niger Delta University who carries the laurels of academic and vibrant Registrar Mr Odubo for affording me this unique opportunity to deliver this Inaugural Lecture today.

I must also acknowledge here that the full preparation and realization of this work was made possible through the support of my family, friends, and colleagues in the Academia. I must also express thanks to my secretarial staff Ms. Aniso, Dr. Tonye Ogirila, Dr. Peter Ayunku, Dr. Cletus Ematti, Dr. Ahukanmah, Prof. Awujo Omogo, Prof. Aham, Binjor, Egoro Binavery, Mr. Masa, Mr. Lurk, Miss Ifie, Staff, Student of the faculty of Management sciences and the entire university community

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At this time, let me express my profound gratitude to the love of my life, my life partner, a woman so beautiful and angelically created and divinely bestowed on me for the mutual care of each other for life; and through her, God has blessed us with precious children. My wife, Mrs. Lily George Ikein. What a good feeling. You are gorgeous. My heart melts for you. You are so caring, affectionate and heart filled with compassion and love. You are so beautiful and meaningful to my life and others, for the care for our children, my self and the well-being of others. You have changed me from academic world to appreciate your inspiring values in the Christian faith and good blend of prayers for spiritual nourishment for the whole family. With Trust in God, we remain mutually strong, true and steady. God bless you my wife

and God bless the day I found you. I am so glad I found you in the treasure base of the nation.

Now, I cannot end this talk without expression of deep sense of feeling for the poor victims of mineral exploration and exploitation around the world. Why? I believe in the words of Methodist Church Social Creed. In affirmation for care, love, equitable distribution of resources and justice for all people, the Christian United Methodist Church social Creed reads: ...

We believe in God, creator of the world God all people and in Jesus, Incarnate among us ... and in the Holy Spirit present with us to guide, strengthen and comfort us ...

We rejoice in every sign of God's kingdom in the upholding of human dignity and community in every expression of love, justice and reconciliation in each act of self-giving on behalf of others in the abundance of God's gifts entrusted to us that all may have enough; in all responsible use of earth's resources, glory be to God on high and on earth peace ...

We confess our sins, individual and collective by silence or actions through the violation of human dignity based on race, class, sex, nation or faith; through the misuse of power in personal, communal, national and international life; through the search for security by those military and economic forces that threaten human existence (pollution of mineral areas) through the abuse of technology which endangers the earth and all life upon it.

We commit ourselves to the cross ... To seek abundantly for all humanity struggles for peace with justice and freedom...

The search for responsible social, political and economic behavior without a threat to any unit of mankind, God's creation or species of the ecosystem.

United Methodist Church Social Creed.

This is a good prayer for our Niger Delta.

Thanks for your patience, thanks for Listening, and God bless you all.

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