

Turmoil in the Delta: Trends and Implications

By Jennifer Giroux

‘If we don’t use violence, we find it difficult for the government and the companies to attend to our needs. It works. When you are quiet, nobody cares about you even if you are dying.’

Earnest Tonye, a militant from the Niger Delta [1]

Introduction

The discovery of oil in Africa has created a flurry of multifarious activity throughout this continent. During the last 15 years, multinational oil companies and state actors, most notably China and the United States, have flocked to North Africa and the Gulf of Guinea to increase exploration and extraction of the easily refined “light” and “sweet” crude oil that lies beneath Nigeria, Algeria, Angola, Gabon, Sudan, and Egypt, amongst other countries. [2] While the increased foreign investment in oil-exporting African countries has contributed to some economic growth on the continent, it has yet to address the abysmal economic realities and constant state of social and political instability that determines the lives of most Africans. [3] On the contrary, the discovery of oil in many of the aforementioned countries has caused, fueled, or aggravated conflicts. [4] Nowhere is this more apparent than in Nigeria’s Niger Delta.

Nigeria, Africa’s most populous country, is home to nearly 140 million civilians, 36 states, and more than 250 ethnic groups. [5] Due to its abundant oil and gas reserves, it has become the largest oil producer in sub-Saharan Africa, the fifth-largest oil exporting country to the United States (US), and the eighth-largest exporter in the world when pumping at full capacity (2.5 million barrels per day). [6] In addition, Nigeria recently became the first African country to pay off the estimated US\$30 billion in debt that it owed to the Paris Club. [7] While this paints a promising picture, Nigeria, like many African countries, is rich in natural resources, yet has a long history of poor microeconomic management and social and political instability, making it one of the poorest countries in the world, according to the United Nations Development Programme (UNDP) Human Development Index (HDI). [8]

Since gaining independence from Britain in 1960, political corruption and turmoil, ethnic and religious tensions, and inadequate development initiatives have not only severely hampered growth, but also resulted in multiple coups d’état, a brutal civil war, and various other types of violent outbreaks – the most recent of which include terrorist attacks on the oil industry, the backbone of the Nigerian economy. In the context of this latest development, this article will examine the symbiotic relationship between oil and violence in Nigeria and the realization by local actors that violence aimed at the oil industry can further their political agenda.

The first section will provide an historical reference by briefly discussing the rise of oil production amid social and political instability, followed by a discussion on the deteriorating conditions in the oil producing Niger Delta region and the subsequent phases of political violence and criminal activity that emerged. The next section will focus specifically on the Movement for the Emancipation of the People of the Niger Delta (MEND), a Delta-based group which has introduced a new level of militancy and insurgency in this region by carrying out significant, large-scale attacks on the oil industry and Nigerian government. This part will examine MEND's local and global objectives, structure, financing and tactics, and the effects that their violent campaign has had on Nigeria's oil production.

Within the resource curse literature the situation in Nigeria - where the discovery of rich natural resources has been associated with negative social, political, and economic outcomes - is not entirely unique. Since the 1980s there have been numerous studies that have shown how an abundance of natural resources (largely oil, gas, and minerals) coupled with weak state institutions, meager economic management policies and a negative political climate result in poor development and, in some cases, conflict (oil-exporting countries are particularly prone to conflict). [9] Such factors are common elements in African postcolonial state history. What is unique, however, is the way in which MEND has sought to severely, if not completely, destabilize Nigeria's oil production while also using various media to claim attacks and communicate its larger objectives. These developments question Nigeria's future as a stable energy supplier and raise some serious concerns regarding the possibility of local actors in other oil-producing African states causing serious energy disruptions at a time when demand is rising while reserves are dwindling.

Oil and Violence: A Symbiotic Relationship

The Niger Delta, locally referred to as the Oil Rivers, sits in the eastern region where the Niger River and Gulf of Guinea meet and is home to Nigeria's vast petroleum and natural gas resources. [10] The start of oil exportation in 1958 [11] marked the beginning of an exploration race driven by multinational oil companies eager to capitalize on Nigeria's mineral rich land, uncertain political future, and weak institutions. By 1970, oil production had steadily risen to nearly one million barrels per day (bpd) [12] despite an extremely volatile period that included two military coups in 1966 and the civil war of 1967-70 that erupted in the oil rich region. [13] While oil was not the explicit cause of such volatility, it did, however, encourage the fighting, as competing factions vied for equitable treatment and a share of the political and economic power.

In the early 1970s, Nigeria joined the Organization of Petroleum Exporting Countries (OPEC) [14] and encountered its first oil boom as output rose to two million bpd while the price jumped from US\$3 to US\$12 per barrel, quickly propelling this country to a position where it became one of the wealthiest on the continent. By 1979, prices increased to US\$40 per barrel - largely due to conflicts in the Middle East - and thus Nigerian annual export earnings rose from US\$1 billion to US\$26 billion; accounting for 95 per cent of Nigeria's foreign exchange earnings and about 85 per cent

of federal revenue. [15] Unfortunately, while foreign investment and oil production proliferated, so too did the corruption, military coups, and local actors scurrying to claim a share of the oil wealth. All of these activities stymied development and exacerbated the general sense of social and political unease; especially in the Niger Delta.

Shortly after the 1979 civilian elections, [16] the oil boom decade came to a halt. Oil prices slid from a generous US\$40 a barrel to nearly US\$10 a barrel in 1985, sending export earnings tumbling to barely US\$7 billion in 1986. In addition, considerable corruption, lack of economic diversification, and poorly planned and managed development projects of the 1970s left Nigeria with little infrastructure, a deserted agriculture sector, and unable to cope with the sudden decline in revenue. The years excess oil money and an overvalued currency had bloated the economy; increasing prices to the point where local goods became more expensive than imported goods. [17] Sadly, millions were driven deeper into poverty while a small oil-rich bourgeoisie emerged.

Coupled with the worsening economic state, however, were deteriorating environmental conditions in the Niger Delta - adding another problematic dimension. By the 1990s, oil exploration, extraction, and poor government standards and regulations caused severe environmental degradation to a region where 50-68 per cent of the workforce was employed by a labor-intensive agricultural sector (mainly crop farming and fishing) that had little technology and resources to adapt to new, challenging environmental conditions. [18] Pollution from oil spills, gas flares, and seismic work affected the regions ability to engage in agricultural activities, which consequently lead to a drastic decline in output in both fishing and farming activities. [19] The combined effects of land degradation, scarce government support, inadequate infrastructure, and forced migration to other rural and urban areas due to loss of agriculture jobs had a number of negative effects, such as: a significant rise in regional poverty as civilians were unable to cope with job losses and rising food prices; decrease in drinkable water supplies; lack of roads, schools, electricity; and increased pressure on the poor, existing infrastructure. [20]

As opposed to improving the quality of life in the Delta, oil production lead to worse living standards and lost income for inhabitants as the employment lost from the dwindling agriculture sector was not replaced with employment in another industry. The young, poorly educated men who heavily populated the Delta were confronted with the reality of poverty and lost livelihoods; thus threatening the very survival of the Delta communities and consequently generated feelings of socio-cultural alienation, humiliation, hostility, frustration, and deprivation. [21] Such factors were critical elements in the birth of armed resistance and criminal activities in the Delta. Though the oil industry was never a direct target of violent outbreaks in previous years, certain local actors within the Delta community would emerge to not only target this industry but eventually seek to completely destabilize it.

A New Era: The Oil Industry Becomes the Target

"While oil production is easily the nation's most crucial economic life-line and has been the major contributor to the nations overall economic development over the decades, the

oil bearing Niger Delta communities have basically remained persistently deprived of the benefits of oil resources" Eteng [22]

Phase 1: Ogoni Resistance

Following another coup, General Sani Abacha took power in 1993 at a time when Shell Petroleum and Development Company of Nigeria (Shell Nigeria), a subsidiary of the Royal Dutch/Shell Group and the first oil company to commence operations in Nigeria, was producing nearly one million bpd -half of Nigeria's total output. Not only was Shell Nigeria the largest producer, but it was also the most visible; with pipelines covering 6,200km throughout the Niger Delta. The Ogoni, a small ethnic group who lived amongst the web of pipelines, were the first Delta-based communities to protest the environmental degradation and demand a share of the oil revenues. They turned to Shell and the Nigerian government for answers.

In 1990, Ken Saro-Wira, an Ogoni activist and author, was the first to mobilize the Ogoni through the formation of the non-violent group Movement for the Survival of the Ogoni People (MOSOP), which advocated for autonomy, environmental protection, and control of a share of the revenues. What started off as a non-violent movement, however, inspired other members in the Ogoni community to launch a violent campaign aimed at disrupting the oil industry and thus affecting government revenues. [23] Shell's own data on community disturbances in the Delta revealed patterns of escalating violence – largely sabotage, vandalism, and looting – between 1993–5. At one point, Shell was forced to suspend production in Ogoniland due to the estimated US\$42 million in damage to its installations. The violent outbreaks, however, lead to severe government crackdowns, including the execution of Saro-Wiro and other Ogoni activists, and permanently weakened the Ogoni resistance. [24] Despite this, the ability of the Ogoni to affect oil production and elicit such a strong government response was a significant development that only ignited more armed resistance.

Phase 2: Ijaw Resistance

In 1998, the Ijaw, a Delta-based clan located in the Bayelsa State and the fourth-largest ethnic group in Nigeria, began to organize and protest under similar grievances expressed by the Ogoni. [25] After negotiations with the government for a larger share of oil revenue and political representation failed, militant groups formed and launched an offensive on government officials and the energy sector. [26] The Niger Delta People's Volunteer Force (NDPVF), lead by Alhaji Mujahid Dokubo-Asari, [27] and Niger Delta Vigilante (NDV), lead by Ateke Tom, were the first significant Ijaw militant groups to emerge; however, many other smaller, autonomous militias were formed as well. [28] These groups, in combination with a supportive local community, created a violent milieu where lawlessness and attacks flourished, damaging oil infrastructure, stealing oil, and attacking foreign oil workers. While the aforementioned Ijaw groups maintained explicit political objectives, many other local actors emerged who sought only profit and personal gain by engaging in criminal activities that included kidnapping oil workers for ransom

and siphoning oil from pipelines. This blurred the lines between attacks that were politically and criminally motivated. [29]

Phase 3: Criminal Motives

With the government unable to manage the violence, the oil sector struggled to cope with the heightened intensity of attacks. For a brief period, government officials and the oil companies attempted to cope with the situation by luring the Ijaw with small grants of aid for development projects and promises of political participation, but no substantial measures were undertaken. Violence, in fact, proliferated as more community members realized the profitability of attacks or threat of attacks. During this period, criminal gangs dominated the region and distracted the Ijaw from their political objectives. While these criminal activities did not destabilize oil production it was incredibly costly. In 2003, anti-corruption chief Nuhu Ribadu stated that 70 per cent of Nigeria's oil wealth was negatively affected by criminal activity and the Nigerian National Petroleum Company (NNPC) 2003 report estimated that the 400-500 yearly attacks on the oil industry (between 1998 and 2003) had resulted in nearly \$1 billion in annual losses. [30]

A New Type of Violence Emerges

In 2005, the Movement for the Emancipation of the People of the Niger Delta (MEND), another Ijaw group with connections to NDPVF, emerged during the rule of President Olusegun Obasanjo and re-introduced the political aims of the Ijaw clan. Fueled by the arrests of notable Ijaw militants and frustration with the political regime, MEND carried out severe, destabilizing attacks on the oil industry so to generate fear within the oil community, significantly affect supplies (they sought to cut output by 30 per cent), and force the government – which depended on precious oil revenues – to address their political and economic grievances. Fear and damage became the goal.

MEND was also eager to reach out to national and international media to publicize the Delta's deteriorated, unstable climate and claim credit for attacks. This clearly took the campaign of violence to another level, where terrorism was the tactic of choice and oil was the target and the weapon. While MEND's leadership structure and size are not clear, its membership comprises poor, unemployed young Ijaw men and former military personnel. It does not claim to have any direct links to other militant - or terrorist - groups operating in the region however other Delta-based groups, such as the Martyrs Brigade and the Coalition for Military Action in the Niger Delta, maintain loose associations.

In December 2005, MEND carried out its first attack when it bombed a pipeline and demanded for the evacuation of all foreign oil companies by 12 February 2006. Subsequent and increasingly more significant attacks followed in early January 2006 when members raided an offshore Shell oil rig, kidnapped oil workers, and demanded that Shell pay US\$1.5 billion to local communities for the oil exploration and exploitation activities. [31] Shortly after, on 16 January, it carried out another attack by storming one of Shell's facilities, damaging a pipeline, and killing at least 17 people. [32] This attack reduced operations by 106,000 bpd and led Shell executives to consider evacuating. In a

subsequent e-mail to the media, Jomo Gbomo, [33] a member and spokesperson, warned the oil industry that

“It must be clear that the Nigerian government cannot protect your workers or assets. Leave our land while you can or die in it [...] Our aim is to totally destroy the capacity of the Nigerian government to export oil.” Another major attack followed in April 2006 when MEND detonated a bomb near an oil refinery as a warning against Chinese expansion in the region. They issued the following statement:

“We wish to warn the Chinese government and its oil companies to steer well clear of the Niger Delta. The Chinese government by investing in stolen crude places its citizens in our line of fire.” [34]

MEND continued its violent campaign that not only targeted Shell and other oil companies such as Chevron and Agip, but also government targets such as the Port Harcourt, Bori Camp military base, which was bombed, killing two people. MEND subsequently released an e-mail statement, noting that the incident “serves as a further warning to the Nigerian military, oil companies and those who are attempting to sell the birthright of the Niger Delta peoples for a bowl of porridge. In the coming weeks, we will carry out similar attacks against relevant oil industry targets and individuals.” [35] Such militancy also led to the withdrawal of other businesses, including the Julius Berger construction company and other significant enterprises with operations in the Delta. [36]

Financing and Tactics

The goal of MEND was, (and continues to be), for greater control of the Delta’s oil wealth and to undermine the underlying political order of the Nigerian government so to make the Delta region a political force to be reckoned with. To achieve this, MEND has launched more sophisticated, large-scale attacks that aim to terrorize the oil companies and cause serious disruptions in production and overall output. While the financing structure is not entirely clear, it is evident that MEND largely profits from local affluent community supporters and criminal activities that include receiving huge ransoms in exchange for abducted workers. [37]

MEND employs a variety of tactics that require sophisticated arms, familiarity with the Delta mangroves, and methods that produce significant damage. For example, an attack on a link to a major Shell operated oil export terminal took over a year to repair and was quickly re-attacked after it had resumed service. Other examples of attack methods included:

- Swarm-based maneuvers where MEND would use light plastic speedboats to quickly attack targets in succession. This would leave the oil companies and Nigerian military unable to protect the thousands of miles of oil and gas pipelines, multiple oil fields, and flow stations based in the delta.
- Using advanced bombing, firepower and combat training to destabilize and storm facilities.

- Carrying out specific attacks on targets that would strategically shut down production and delay and/or halt repairs.
- Performing sudden attacks on offshore facilities, which industry experts believed were secure. In a June 2006 attack, MEND stormed a rig that was located about 65km offshore and kidnapped eight oil workers and the International Maritime Bureau has reported that Nigeria's shores have become the worst area for piracy. [38]
- Utilizing hostages to coerce the government and the company for ransoms; in 2006 an estimated 70–100 foreign oil workers had been kidnapped (typically all were released after ransoms).

Political Influence

In November 2007, the Managing Director of Shell Nigeria reported that MENDs attacks on the oil industry had amounted to losses of \$61 million per day; a staggering amount that aggregates into billions lost annually. [39] The anticipated April 2007 elections – expected to be the first transfer of power from one civilian leader to another since independence – created an opportunity for MEND to see whether its violent and costly campaign had influenced the political establishment. While the elections were flawed with reports of vote-rigging and fraud, MEND celebrated some success when President Obasanjo did not pursue a third term and Goodluck Jonathan, an ethnic Ijaw and former Governor of the Bayelsa State, was elected as vice president, giving the Ijaw their first direct voice in a major government position. [40] To emphasize their influence on the region and send a political message to the incoming government, MEND attacked the Chevron Pennington Offshore terminal and kidnapped six foreign oil workers on 1 May. Following this attack, they released the following statement:

“We promised to give the present Nigerian administration a shameful send-off. This attack is one in a series intended to embarrass the out-going regime. It is also a warning to the incoming government, which we view as an extension of the present. We will continue with our struggle for justice until we achieve all our goals without exception.” [41]

By May 2006, MEND's violent activities had led to a 25 per cent cut of Nigeria's oil production. [42] In an effort to give the new government an opportunity to address MEND's demands – chiefly the release of jailed members and the Delta's share of the oil revenues – the group agreed to a temporary ceasefire. [43] MEND ended the ceasefire on 24 September, after talks with the government had failed and Henry Okah, a silent yet significant member of MEND, was arrested in Angola en route to Nigeria. As a result, the violent campaign was reignited and continues with intensity. [44]

Global Effects

Not only did attacks drastically affect – and in some cases, cripple – oil production, but they also affected the price of oil at the global level. For example, in January 2008, an attack on oil facilities in Port Harcourt killed 13 people and sent crude oil futures soaring as market analysts speculated that Nigerian supply would face further disruptions. Shortly

after this attack, Olivier Jakob of Petromatrix in Switzerland noted: “With the military and the militant warlords engaged in a violent tit-for-tat, the risk for oil disruptions in Nigeria remains higher than in the past few months.” [45] In response to market sensitivity, Gbomo noted that “the fact that we have influenced the price of world oil, no matter how little, and caught the attention of the foreign media indicates we are on the right track.” [46] This statement reveals that MEND had realized that the scale of their attacks translated not only into local disruption, but also into regional and international shocks in the form of higher oil and gas costs.

In a March 2008 e-mail to the Financial Times, Gbomo stated that 2008 would bring the most destructive attacks that “will begin with a calm before the storm” and create “an economic tsunami that will sweep the entire oil industry”. [47] Gbomo also noted that this next escalation would begin on a date “that will never be forgotten, like 9/11”. [48] While such dramatic attacks have yet to occur, violence persists. Attacks to two Shell pipelines on April 21 contributed to another increase in oil prices and market unease as Shell noted that it “may not be able to deliver some 169,000 barrels per day of crude in April and May”. [49] This attack was meant to send a message to potential foreign investors, especially the United States which Gbomo, in an e-mail addressed to President George W. Bush, stated that the bombings were “our way of saying ‘welcome’” to a US warship that was visiting the Gulf of Guinea to conduct training with the Nigerian navy. [50] As this violent campaign continues to gain momentum and global exposure, MEND becomes a stronger and more lethal force that could potentially expand its attacks to other targets in Nigeria and throughout the Gulf of Guinea to offshore oil installations. Not only is such a development dangerous as it would cause greater volatility in the market but it might also inspire militant groups living in other oil-rich countries to mimic such a model.

Conclusion

“We [MEND] alone, your hosts, can guarantee your [the oil companies’] security.” [51]
Jono Gbomo, spokesperson for MEND

Okah was extradited to Nigeria in February 2008 and charged with treason based on an alleged coup plot. [52] His arrest has created a flurry of activity and the threat of an even greater escalation in violence. [53] Indeed, as I write attacks continue on almost a weekly basis as the price of oil climbs. The threat of escalation, however, raises interesting questions: What is the next step in this violent trend, and what will the next phase of violence look like? Will it evolve into a civil war or have local actors found a more efficient way to express their dissent through small and large-scale attacks on the oil industry? For it appears that the use of terrorism against the energy sector has been a resourceful way for armed youth, aggrieved individuals, and defected military members to express their grievances at the local, national, and international stages. In fact, violence becomes more difficult to suppress in a land where grievances are high and obtaining a gun is easier than finding food.

The turn of events in Nigeria should give pause to foreign oil companies and states whose national interests stretch into this region; for the social, political, and economic situation in Nigeria is similar to many other oil-producing African nations. In some cases, the situation elsewhere is worse. In fact, as such state and non-state actors cascade into this unfamiliar territory in a quest for rich mineral resources – of which there are many – and market dominance, they should examine the escalation of violence in Nigeria and note how the use of terrorism in Africa will not only be cloaked in the banner of religion. It should also be noted that the ability of MEND to use terrorism to negatively affect Nigeria's oil output and communicate political objectives globally has rivaled the attacks carried out by the African-based jihadist groups, most notably Al Qaeda in the Islamic Maghreb (AQIM). Indeed, the activities in the Delta have revealed another face of international terrorism.

In April 2008, Nigerian President Umar Yar'Adua asked MEND and other militants in the Niger Delta to "give peace a chance" while his administration addresses the underdevelopment issues. Such pleas, however, are met with understandable skepticism. Since oil was first discovered, the Delta has only deteriorated while violence has emerged and evolved into the militant campaign that exists today where the government has been either unwilling or unable to address local grievances and provide a stable environment. In fact, the situation only seems to be worsening not only for the Delta community and the oil companies who operate there but also for the oil importing countries that rely on Nigeria's output. To remedy this dire situation, multifaceted engagement will need to be employed by both state and non-state actors with interests in this region. On the state side, oil importing countries need to aid the Nigerian government's ability to counter the political violence in this region by providing military training, funding and assisting in strengthening capacity. Such states must also work with the central and local governments to demand for greater resources to be allocated to addressing the abysmal socio-economic realities. [54] Unless the latter is addressed, criminal activities and terrorist attacks will continue to challenge the regions stability and ability to produce oil at full capacity

On the non-state side, multinational oil companies and community organizations (NGOs) also have a unique role to play as they can reach out directly to the community to assess needs and develop creative solutions to the Delta's dire situation. Shell has taken one interesting step by hiring "community liaison officers" to begin direct dialogues with the Delta communities and has provided storage tanks and generators to 21 towns and villages. But, they need to go a step further. Multinational oil companies have the resources to broaden the scope and reach of their corporate social responsibility (CSR) initiatives; which are actually deducted as costs of oil production, meaning that it is the government that ultimately pays. As opposed to sponsoring isolated programs such as scholarships to local youth they should investigate how to sponsor and develop entire "host" communities. Such an approach would require working directly with local governments, NGOs, and international organizations to implement basic development programs that would include the building of roads, homes, schools, hospitals, etc. Essentially this would employ a bottom-up approach to counter-balance the measures employed from the top down. By utilizing such state and non-state approaches that would

aim to simultaneously increase the regions security apparatus while also directly addressing community needs, the ability of militants to find recruits, mobilize, and carry out attacks may be greatly reduced over time.

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- [1] McAllester, M., 2006. Rebels threaten all-out attack on Nigeria's oil. The Observer, [internet]. 5 September. Available Online: <http://www.guardian.co.uk/world/2006/nov/05/oil.business> [accessed on: 10 April 2008]
- [2] Mahtani, D., 2008. The new scramble for Africa's resources. Financial Times, [internet]. 28 January. Available at: <http://media.ft.com/cms/64340c28-cdb4-11dc-9e4e-000077b07658.pdf> [accessed on 25 March 2008]
- [3] International Bank for Reconstruction and Development/The World Bank. 2008. African Development Indicators, 2007. [internet]. Available at: http://siteresources.worldbank.org/INTSTATINAFR/Resources/adi2007_final.pdf [accessed on 2 April 2008] During the last decade, Africa has experienced 5.4 per cent growth due to effective trade, private sector investment, and increased oil production and exportation. Despite this promising economic trend, most of the growth is occurring in oil-exporting countries, which account for 27.7 per cent of the continent's population. Poor infrastructure, volatility, and corruption continue to impede development efforts.
- [4] Williamson, H., 2008. Poor governance can boot a country out of the industry. Financial Times, [internet]. 28 January. Available at: <http://www.ft.com/cms/s/0/a534472c-cad7-11dc-a960-000077b07658.dwp?uid=8bed9962-cad2-11dc-a960-000077b07658.html> [accessed on 25 March 2008] Also note that the Extractive Industries Transparency Initiative (EITI) estimates that 3.5 billion people live in poorly governed, mineral-rich countries where resource endowments lead to corruption, poverty, and conflict.
- [5] United States Central Intelligence Agency. 2008. The World Factbook: Nigeria. [Online]. (Updated 15 April 2008) Available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/ni.html> [accessed 15 April 2008]
- [6] Ibid. In addition, there are 184 trillion cubic feet of proven gas reserves, giving Nigeria the seventh-largest gas reserves worldwide. The world uses a reported 84 million bpd, which is expected to rise to 120 million bpd by 2020.
- [7] 2006. Nigeria settles Paris Club debt. BBC News. [internet]. 21 April. Available at: <http://news.bbc.co.uk/2/hi/business/4926966.stm> [accessed on 17 April 2008]. The Paris Club is an informal group of financial officials from 19 of the world's wealthiest countries. They meet throughout the year and provide financial services such as debt restructuring, debt relief, and debt cancellation to indebted countries and their creditors.
- [8] Seventy per cent of Nigeria's population lives below the poverty line. The HDI (a composite measurement of life expectancy, education, and standard of living) for Nigeria is 0.470, which gives the country a rank of 158th out of 177 countries. Available at: http://hdrstats.undp.org/countries/country_fact_sheets/cty_fs_NGA.html. In addition, many African countries that have abundant natural resources (e.g. oil and/or minerals) have had poor development outcomes (poor economic performance, little to no economic diversification, inflation, etc.) and experience various forms of conflict (this dynamic is commonly referred to as the resource curse). A study conducted by Wheeler (1984) found that during the 1970s resource rich sub-Saharan African countries experienced less growth than countries that had little to no natural resources. Wheeler, D., 1984. Sources of stagnation in sub-Saharan Africa. World Development, 12(1), p.1–23.
- [9] Collier, P. and Hoeffler, A., 2000 Greed and grievance in civil war. Washington, DC: World Bank. Available at: <http://worldbank.org/research/conflict/papers/greed.htm>. This study confirmed findings that natural resource abundance, defined in terms of the ratio of primary exports to GDP, is a strong and significant determinant of the onset of civil war. They examined 98 countries and 27 civil wars. In a similar study, Reynal-Querol (2002) found that an abundance in natural resource was an important variable in explaining the incidence of non-ethnic civil wars and other forms of political violence. Reynal-Querol, M., 2002. Ethnicity, political systems, and civil wars. Journal of Conflict Resolution 46: 29–54.
- [10] The Niger Delta consists of nine oil producing states and is home to more than 20 million people. Today there are 300 oilfields, 5,284 wells, over 7,000 km of pipelines, four refineries, and multiple export terminals, flow stations, and gas plants.
- [11] Nigerian oil exploration began in the early 1900s, and it was not until 1956 that oil in commercial quantities was discovered.
- [12] Frynas, J.G., 2000. Oil in Nigeria: Conflict and litigation between oil companies and village communities. Hamburg, Germany: Lit Verlag, p.15–25.
- [13] It should be noted that the 1967 oil embargo negatively affected oil output, but production resumed in the latter half of 1968. Nafziger, W.E., 1972. The Economic Impact of the Nigerian Civil War. The Journal of Modern African Studies, 10(2), p.223–45. Another fairly significant event during this period occurred during 1966 when Isaac Boro, a local actor who recognized the potential gains made by oil extraction, sought to create the first Republic within Nigeria (Niger Delta Republic NDR). NDR only lasted 12 days and is noted as the earliest moment in the history of the Delta's insurgency.
- [14] Despite access to incredible wealth through oil production, the per capita gross national product (GNP) of OPEC countries has been in steady decline for the past 30 years, whereas the per capita GNP of non-oil producing countries in the developing world has risen.
- [15] Shaxson, N., 2007. Poisoned Wells. New York, NY: Palgrave MacMillian. Ch. 1.
- [16] In 1976, after nearly a year of military rule, Brigadier Murtala Ramat Mohammed was assassinated in a failed coup attempt. His deputy, Lieutenant-General Olusegun Obasanjo, replaced him and sought to introduce a US-style presidential constitution. The 1979 elections brought Alhaji Shehu Shagari to power.
- [17] Shaxson, p.17.
- [18] Eteng, I.A., 1997. The Nigerian state, oil exploration and community interest: Issues and perspectives. Nigeria: University of Port Harcourt.
- [19] Staney, W.R., 1990. Socio-Economic Impact of Oil in Nigeria. Geography Journal, 22(1), p.67-79.
- [20] Ibid. Negative environmental consequences of oil production included: polluted streams and rivers, oil spills, forest destruction and bio-diversity loss, gas flaring, and refinery waste.

- [21] Shell Nigeria was actually a joint venture with the Nigerian federal government (which owned a 55 per cent stake), Royal Dutch/Shell (30 per cent stake) and two European oil companies strategically aligned with Shell (15 per cent stake).
- [22] Pegg, S., 1999. *The cost of doing business: Transnational corporations and violence in Nigeria*. Turkey: Belkint University.
- [23] Eteng, p.4.
- [24] Marquardt, E., 2006. The Niger Delta insurgency and its threat to energy security. *Terrorism Monitor*, [online]. 4(6), Available at: <http://www.jamestown.org/terrorism/news/article.php?articleid=2370099> [accessed on: 10 April 2008]
- [25] Between the late 1990s and 2003, there were episodes of violence in the delta where oil was a factor and contributed to ethnic rivalry. The creation of the non-violent Ijaw Youth Council (IYC) in 1998 was the true beginning of the Ijaw's movement to address the issue of oil exploration and exploitation in Ijaw territory. In response to this movement, the government employed harsh, violent tactics to stop the IYC and suppress the Ijaw community. This conflict indirectly affected the oil industry operating in Ijaw territory. The IYC continues to operate today and reportedly has chapters based throughout the world, as well as a website that can be found at <http://www.iycworldwide.org/>.
- [26] The Ijaw also sought ownership and management roles.
- [27] Wosu, C., 2007. Nigeria: Asari-Dokubo Arrives PH, Vows to Continue Struggle. AllAfrica.com, [Online]. 17 June. Available at: <http://allafrica.com/stories/200706170006.html> [accessed on 10 April 2008]. In 2005, Asari was arrested, charged with treason and imprisoned. He was released on 14 June 2007 as part of President Umaru Yar'Adua's pledge to try and bring peace to the Niger Delta region. He continues to be a significant political player of the Ijaw movement in the Niger Delta.
- [28] Marquardt. Such groups were made up of disaffected young men who lived around Port Harcourt and Warri (Niger Delta). The NDPDF and the NDV maintained alliances with some of the smaller groups
- [29] Stealing oil is referred to as "bunkering", and this became a huge business in the Delta; estimates have stated that 5-10 per cent of Nigeria's oil is bunkered. The two ways to bunker oil include bribing and siphoning; the latter being more dangerous.
- [30] Watts, M. 2008. Anatomy of an oil insurgency: Violence and militants in the Niger Delta, Nigeria. In K. Omeje, ed. *Extractive economies and conflicts in the global south: Multi-regional perspectives on rentier politics*. Ashgate. Ch. 3.
- [31] Howden, D., 2006. Nigeria: Shell may pull out of Niger Delta after 17 die in boat raid. Corp Watch, [internet]. 17 January. Available at: <http://www.corpwatch.org/article.php?id=13121> [accessed on 3 April 2008] It should be noted that the monetary demands were not reported as a ransom for the hostages. Rather, this attack was unprecedented in that MEND demanded the release of two incarcerated ethnic Ijaw leaders (one of whom was Asari) and payment of damages for the pollution and oil exploitation. It reported that the hostages were released unharmed on 30 January 2006.
- [32] Ibid.
- [33] Jomo Gbomo is the elusive official spokesperson for MEND and is credited with engaging the media through e-mails. Very little is known about him outside of the public correspondence with foreign journalists.
- [34] Taylor, L., 2007. China's Environmental Footprint in Africa. China Dialogue, [internet]. 2 February. Available Online: <http://www.chinadialogue.net/article/show/single/en/741-China-s-environmental-footprint-in-Africa> [accessed on 3 April 2008].
- [35] 2006. Intelligence Brief: MEND Escalates Instability in Nigeria. Power and Interest News Report (PINR), [internet]. Available at: http://www.pincr.com/report.php?ac=view_report&report_id=480&language_id=1 [accessed on 3 April 2008]
- [36] Watts, Ch. 3.
- [37] Murray, S., 2007. The shadowy militants in Nigeria's Delta. BBC News [internet]. 10 May. Available at: <http://news.bbc.co.uk/2/hi/africa/6644097.stm> [accessed on: 7 May 2008]
- [38] Junger, S., 2007. Blood Oil. Vanity Fair, [internet]. February. Available at: <http://www.vanityfair.com/politics/features/2007/02/junger200702?currentPage=2> [accessed on: 8 April 2008].
- [39] Watts, Ch. 3.
- [40] Mouawad, J., 2007. Renewed violence limits oil production in Nigerian region. The New York Times, [internet]. 14 May. Available at: <http://www.nytimes.com/2007/05/14/business/14oil.html> [accessed on 18 April 2008]. More than 300 people died during the April elections, and many international observers witnessed ballot boxes being stuffed or simply stolen.
- [41] Ibid
- [42] Major oil companies were forced to either shut down facilities or pull out of Nigeria. From the time MEND launched its 2006 campaign, Shell reported losses of 500,000 bpd; Chevron nearly 75,000 bpd; Eni nearly 100,000 bpd.
- [43] BBC, 2007. Nigeria militants set conditions. BBC News, [internet]. Available at: <http://news.bbc.co.uk/2/hi/africa/6708277.stm> [accessed on 26 March 2009].
- [44] BBC, 2007. Nigerian militants call off truce. BBC News, [internet]. 24 September, Available at: <http://news.bbc.co.uk/2/hi/africa/7010028.stm> [accessed on: 15 April 2008] MEND claimed that the arrest had been orchestrated by the Nigerian authorities.
- [45] Heath, N., 2008. DJ Update: Oil Futures: Crude Up \$2 on Nigerian Attacks, US Data. Dow Jones Commodities News, [internet]. 2 January. Available Online: <http://www.zibb.com/article/2432485/DJ+UPDATE+OIL+FUTURES+Crude+Up+2+On+Nigerian+Attacks+US+Data> [accessed on 24 March 2008] Because of the financial risks involved, oil reserves in politically stable countries have more value, per barrel, than oil in politically unstable countries.
- [46] Cummins, C., 2005. As oil supplies are stretched, rebels, terrorists get new clout: media-savvy guerrillas roil global oil prices in fight with Nigerian Government. The Wall Street Journal, [internet]. 12 April. Available Online: http://online.wsj.com/article/SB114463092157621421.html?mod=todays_us_page_one [accessed on: 10 April 2008].
- [47] Green, M., 2008. Nigeria: Unfulfilled potential. Financial Times, [internet]. 28 January. Available at: <http://www.ft.com/cms/s/0/a9886736-cad7-11dc-a960-000077b07658.dwp?uoid=8bed9962-cad2-11dc-a960-000077b07658.html> [accessed on 26 March 2008].
- [48] Ibid.
- [49] International Herald Tribune, 2008. Nigerian militants report two attacks on oil pipelines. International Herald Tribune, [internet]. 21 April. Available at: <http://www.ihf.com/articles/ap/2008/04/21/africa/AF-GEN-Nigeria-Oil-Unrest.php> [accessed on: 23 April 2008].
- [50] Ahemba, T., 2008. Nigeria rebels attack Shell oil pipelines, defy US. Reuters, [internet]. 21 April. Available at: <http://www.alertnet.org/thenews/newsdesk/L21129451.htm> [accessed on: 7 May 2008]. The militant activity in the Delta coupled with

the Nigerian governments inability to control the violence has resulted in increased attacks in the maritime corridor across the Gulf of Guinea, thus threatening other neighboring oil producing countries.

[51] For instance, since 2005, sabotage of energy infrastructure, lead by militant groups aggrieved by the lack of development and opportunities despite the booming oil business, has shut in more than 500,000 barrels a day of Nigerian crude production. In 2006, after insurgents attacked a link to a key oil export terminal on the Forcados River in the Niger Delta region, it took a year and a half for Royal Dutch Shell to make repairs and get part of it running again. It took just two months for insurgents to shut it down again.

[52] Fiske, N., 2008. Nigeria rebel charged with treason for alleged coup plot. Jurist, [internet]. 5 April. Available at: <http://jurist.law.pitt.edu/paperchase/2008/04/nigeria-rebel-charged-with-treason-for.php> [accessed on 22 April 2008]. It should be noted that Okah was arrested and charged in Angola after reportedly attempting to buy weapons and explosives for an alleged coup in Equatorial Guinea. This was the first hearing since Okah was extradited to Nigeria. The Nigerian government has placed Okah in solitary confinement without access to visitors, and his trial has been suspect.

[53] Shenk, M., 2008. Oil Rises More Than \$3 on U.K. Pipeline, Nigeria's Output Drop. Bloomberg.com, [Online]. 25 April. Available at: <http://www.bloomberg.com/apps/news?pid=20601081&sid=aTykVY694ZYY&refer=australia> [accessed on 25 April 2008] On 25 April 2008 MEND sabotaged a Shell operated major crude oil pipeline located at Kula river in the Delta and sent oil prices rising. The attack occurred on a line that feeds oil to the Bonny Light export terminal. MEND began escalating attacks during April 2008.

[54] The US has recently initiated a number of measures to address the multitude of security issues in sub-Saharan Africa, with particular focus on the Gulf of Guinea (GoG) region. In late 2007 the US navy began training government officials from the Gulf of Guinea region to improve maritime security and have since worked specifically with the Nigerian navy to enhance their ability to counter the threats posed by MEND and other militants. In addition, in September 2008 the US is also looking to launch the US Africa Command (AFRICOM), which seeks to encourage US military cooperation with African governments. Such initiatives, which are clearly connected to protecting US interests, offer some promise however they do not address the abysmal socio-economic realities that have fueled militancy and insurgency where terrorism is increasingly the tactic of choice.