

A Critical History of Resource Control in Nigeria

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Abstract

Resource control history in Nigeria is one of the most controversial histories in Nigeria's political and socio-economic history. It is a history that is debated only second to that of national security. Events now indicate that the history of resource control in Nigeria is nothing short of a history of conflict between citizens' agitations and governments' endless abuse of their privileges as a custodian of the people's resources. This conflict is one which has, accordingly, given birth to the major high-points of the history, such: as the Raisman Commission Era of resource control in 1959, the Binns Commission Era of resource control in 1964, the OMPADEC Era of resource control in 1992 and the Post-OMPADEC NDD Era of resource control from 2000 till date. With so much unwillingness on the part of government, the history has had to contend with a diversity of civil unrests in many parts of the country and to contend with the rise of various civil movements in the country's oil rich Niger Delta region. The current paper aims at making a future-shaping critique of resource control history in Nigeria. The paper by its nature is a historical survey. It does not only adopt the method of contextual analysis. The paper is significant in calling attention to the absence of a true and binding social contract between government and the people required to chat the way forward.

Keywords:

Resource Control,
Critical History, The
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Background to the Study

Atoyebi Kehinde is among the few lucky authors who have been able to provide one of the most generally acceptable academic definition and meaning of a 'critical history of resource control'. He speaks of a 'critical history of resource control' as the raising of valid doubts about the way and manner in which government resources have historically been shared among the three tiers of government, how this formula has historically been determined and sustained and the overall impacts which this activity has had on the country as a whole and on its teeming citizenry (53). In Nigeria, the so-called 'critical history of resource control' has not only captured the pre-colonial, the colonial and the post-colonial independence veracities. Nor has it only reflected the independence and post-independence crisis of ownership of oil in Nigeria which have eventually been reflected in the Raisman Commission era of resource control in 1959, the Binn-Led Commission Era of resource control in 1964, the OMPADEC Decree Era of resource control in 1992 and the Post-OMPADEC NDDC Act Era of resource control from 2000 till date on the control of mineral oil in Nigeria.

Beyond all of these, Asawa John Elaigwu, has explained that the so-called 'critical history of resource control in Nigeria is nothing short of the history of wickedness and deprivation of the states, the regions and the communities, by the Federal Government of Nigeria. It is a history in which resources are continuously taken away miles away from the respective states, communities and regions which own and produce these resources and are eventually shared into private coffers at the country's capital, Abuja, miles away from the respective local governments, communities, geopolitical regions and states, which own and produce these resources being the goose that lay the golden egg (247).

Meredith Martin, has noted that within this critical history, government's argument has been that federal government had to come in because the respective communities, geopolitical regions, local governments and states of the country, are not capable of managing and controlling their own resources. In opposition to governments' argument, the position of the ordinary citizens has been that governments' position historically claiming that the respective regions, communities, local governments and states of the federation are not capable of controlling their own resources which they produce and own, is false and that it is historically intended to rob the people of the control of their own resources. In this way, to speak of a 'critical history of resource control' in Nigeria is to raise a critique about what Ndiyihe sees as a 'contention between government and the people of Nigeria' over the control of oil and other mineral resources in Nigeria(7)

Emmanuel Shebbs and Njoku Ray, have accordingly hinted to the same end that throughout the Nigerian history of resource control (pre-colonial, colonial, military and post-colonial military and era) there has been, on one side, government and taker of the people's resources. He continues to argue that the Nigerian state needs these resources to sustain the daily administration of government. It argues that this is to be attained through the exploration of the resources of the states, the geographical regions, the communities and the local governments. On the other side of this history has been the communities, the

states, the local governments and the regions whose land these resources belong. They lay claims to the fact that since these resources are domiciled in their land, they own them and they have every right of decision concerning their exploration, sale and usage (32).

The position of things is this. Throughout the country's pre-colonial, colonial, post-colonial, military and democratic history Nigeria remains a repository of so many mineral deposits. Nigeria has a proliferation of 39 mineral deposits (differently) spread across the six geopolitical regions of the country. But the country in its entire history has decided to focus only on the large chunk of crude oil deposit in the country's oil-rich Niger Delta Region at the exclusion of the other 38 mineral deposits. Out of this crude oil deposit from the country's oil-rich Niger Delta region, Nigeria's federal government makes so much profit for itself at the detriment of the states, regions and communities which own and produce them. Hence, Nigerian federal government makes has not only failed to explore other 38 minerals. For the most part, government has also failed to explore the other available sources of income outside of oil, such as: taxation, agriculture, tourism, education local craft, commerce and industry.

The situation, according to Leke Salaudeen, is that Nigeria as it has historically been run is nothing less than a trust fund state (www.thenation). Like its other Third World counterparts, in Nigeria, it is the government at the centre who commanders everything about the resources of the states, the local governments, the communities and the regions. It commandeers both the exploration, the manufacturing, the mining, the sale and the sharing of all profits that accrue from oil minerals. Joseph C. Egbebulum, has noted here that only a few national issues have provoked political restiveness as the question of resource control (218). The reasons for this are not far-fetched. Power it is said corrupts. But absolute power corrupts absolutely. Therefore, instead of spending these excess profits on roads, infrastructure, rural development and economic transformation projects, the government prefers to spend same on 'gaint-elephant projects' which have little or no bearings on the people.

Accordingly, Ovwasa Lawrence, speaks of the history of resource control in Nigeria as a history of resource agitation and class oppression (78). There is in it, no true and binding social contract. Resource communities keep crying over non- attention to their welfare. Instead of giving due attention, government at all levels prefer instead to invest its excess profit from the people's oil on 'white-elephant projects' which have no bearings on the people. Hence, the history has had to witness so many forms of resource agitations in different parts of the country, including the recent part Niger Delta Militancy. In addition, many civil movements have risen among the oil resource producing regions, including the country's oil-rich Niger Delta Region to address this ugly history, but all to no avail. Some of these movements have been: the late Ken Saro-Wiwa led Movement for the Survival of Ogoni People (MASOP), Asari Dokubo led Movement for the Emancipation of the iger Delta (MEND) and Ateke Tom led Niger Delta Revolutionary Front (NDRF).

Synopsis of Pre- Colonial, Colonial and Post Colonial History of Resources Control in Nigeria

Pre – Colonial History

Prior to colonial rule, resource control did not enter into its critical stage. Many factors were responsible for this. Chief among them was that the leaders and rulers of the respective pre-colonial communities who now make up contemporary Nigeria operated 'welfare-driven systems' of 'resource control' which also rhymed with the 'natural land tenure systems' at the time. Supporting this position, Ekpang Thomas. E. N., has explained that just like government, today, is supposed to be number one custodian of the people's resources among pre-colonial Nigerian communities, the kings, the elders and clan heads, were the custodians of the people's lands and other resources. Their kings were not the real owners of the people's resources. Pre-colonial Nigerian kings and their clan heads never grew horns beyond their legitimate status as traditional institutions which held land and other resources in trust for their citizens. When colonial rule came, it came together with all its over-bearing interests to grab and own resources, even when these resources belong to the people. According to this text by Ekpang, in Pre-Colonial Nigeria, the people had a final say on every decision concerning their resources (47).

The Colonial History

The people stopped having a say in their resources following the introduction of colonial rule in the country. In Nigeria, therefore, resource control entered into its current 'critical phase' following the introduction of colonial rule (1860-1960). Different factors may be said to have played out to have this come through. But most important of all is to recall that the history of resource control entered into the 'current critical phase' largely because colonial administration, colonial constitutions and colonial policies, were quick to replace the welfare-driven land tenure systems of Pre-Colonial Communities with externally-groomed constitutions and their mischievous policies, all of which were meant to grab and steal the resources of the people and the wealth of the nation. Explaining this unfortunate situation, Joseph Egbebulum, has noted that colonial rule alone (1860-1960) gave Nigeria four different constitutions. These constitutions included: the Clifford's Constitution of 1922, the Richard's Constitution of 1939, the Macpherson's Constitution of 1945 and the Lyttleton's Constitution of 1954 (2).

All four of these colonial constitutions, although when viewed on the negative side of history they all give this impression that they were written in favour of sustaining the then colonial unitary system and its method of 'divide and rule' in the country. However, on the positive, they all had this advantage that they all had enshrined in them certain fundamental elements of fiscal federalism and the so-called genuine respect for resource in varying degrees. While all four of these constitutions gave supreme pride of place to the colonial government and its political and economic interests in the country, all four colonial constitutions gradually allowed political powers to the respective regions in the country to take full control of their own resources. At first, true federalism or genuine respect for resource control by the states and regions of the federation was initially absent under colonial rule. However, continuous agitations by Nigerian citizens for a final say in

what becomes of their resources progressively re-introduced pre-colonial respect for ownership control of the people's resources, doing so through the successive introduction of successive colonial constitutions. In particular the 1922, the 1939, and the 1945 colonial constitutions only had elements of this factor. It is the 1954 constitution which culminated this effort and eventually gave exclusive right to the regions to own and control their resources. Accordingly, Atoyebi, Lawal, Adekunle and Kayode, have hinted that while the Western Region owned and controlled their own cocoa sales and product, the Northern Region their groundnut pyramids, and the Eastern Region their palm produce, under the 1954 Lyttleton constitution, each of these regions only paid taxes from these products to the government at the centre in a show of full ownership and control of their own resources (54). But this was overturned during the country's independence history following the discovery of oil at the Niger-Delta region in 1957.

The Independence History

The discovery of oil in Nigeria during the country's independence history in 1957 at the Oloibiri site now in Rivers State Nigeria, did not only correspond in time with the global fall in the prices of cash crops, such as cocoa, oil palm, groundnuts and rubber, in the world market. It corresponded with the global boom in crude oil prices. This did not only make oil the rallying point of national attention. For the most part, the newly found oil soon began to generate series of conflicts between the Nigerian Federal government, the resource-producing communities and states of the Niger-Delta, and the multinational Cooperation doing mining at the regions. In the words of Joseph Egbefulum, the Nigerian States did not simply fold their hands and watch. Nigeria at its independence history made concerted efforts to address all resource control conflicts arising from the discovery of oil. The first set of efforts was purely political and non-economical or technical by nature. Egbefulum has explained that this is to the extent that the twin concepts – 'resource' and 'control' did not only form the focal point of the much attended Constitutional Conference of 1957 held at the Lancaster House in London. It was one of the themes behind the 1959 National Conference which led to the 1960 Independence Constitution and the 1963 Republican Constitution (218).

All of these five political efforts were undertaken by Nigeria at independence to grow the country politically. They also provided a democratic, not necessarily a technical and an economic foundation, which would both grow the country politically while maintaining the essential elements of the 1954 federal constitution, which upheld special respect for the rights of the regions to the control of their own resources. Yet, while all of these were political measures, they were still resource agitations all over the country. They only took care of political issues. They did not adequately address the economic and the technical issues of resource control, including what is today, the question of percentage derivation. Therefore, there was need for economic and technical efforts to address the so-called sharing formula, despite the respective conferences at independence and the 1960 and the 1963 constitutions which they produced.

Under the new circumstances, oil politics and independence constitutions, and as things proved impossible to return the country to the goods days of the 1954 Federal Constitution and its respect or the rights of the states and regions to the control of their resources, Nigeria's independence history had to witness the appointment of two commissions, which although politically appointed were economic and technically-charged with the economic technical function of addressing the question of derivation or the so-called sharing formula under the new circumstances which proved impossible to reproduce the 1954 respect for resource control autonomy of the regions. These commissions were the Raisman Commission of 1959 and the Binns-Led Commission of 1962.

The Raisman Commission 1959

The Raisman's Commission of fiscal federalism or resources allocation did a couple of things. The commission abolished the policy of returning rents and royalties to the states and regions that own and produce them. Instead, the commission introduced a new system in which the proceeds from natural resources shall not only be shared among the three tiers of government but also be returned to the Distributed Pool Account (DPA) for onward sharing to other states and regions of the federation. Over all, the Commission recommended 50% for the oil-producing region, 20% to Nigerian Federal Government and 30% into the Distributed Pool Account (DPA) to be shared among other regions and states of the federation (Raisman's Report 31-39).

Negatively, the commission's report shifted the country's attention from revenue generation by the states and the regions of the country to revenue sharing among the regions and states of Nigeria. Positively, Ugoh, Ukpere and Ashiwhobel, have noted that the commission's report significantly reduced derivation as the principle for sharing the Distributed Pool Account among all other non-oil and resource producing states and regions (7077). There were obvious challenges with the commission's report. Key among them is that when the country became a republic in 1963 it became difficult to apply the federal nature of the commission's report.

The Binns-Led Commission of 1964

The commission was appointed in 1964 to review the lapses of the earlier report by the Raisman's Commission. The commission was appointed in line with section 164 of the 1963 Republican Constitution. Unlike the Raisman's Commission, the Binns' Commission Report directed that the Nigerian Federal Government as the head of the new government should serve as the Bursar who pays the states, the oil and mineral producing regions as well as other regions and states of the federation. Thus, in its distribution of the Distributed Pool Account (DPA) the commission recommended the following; 50% for the federal, 20% to the oil regions and 30% to the DPA (Elaigwu 124).

Just like the reports of previous commissions and their recommendations, the recommendations of the Binns' Commission had its own lapses. Key among them is that it introduced a unitary idea of resource sharing and allocation. And as one would expect, this did not go down well with the oil regions, especially, the Niger Delta Region of the country.

Politically, Sonya Osha, has noted that this led to the birth of Ogoni Protests following the 12-day revolution by Major Isaac Boro of Yenegoa (13). Economically, the report taught successive military regimes how to adapt the political formula of unitary rule to the question of resource control. In 1966, there was coup and counter coup. And in 1967, General Yakubu Gowon's Decree No. 15 of that year, did not only apply relevant sections of the Binns report. According to Ugoh et al, it marked the beginning of the current allocation of resources to states and regions in the country in addition to derivation as a second factor to be considered after derivation as the two major conditions for sharing the national revenue among the three tiers of government in Nigeria (7078)

When General Gowon was succeeded by the regime of Major General Murtala Mohammed in 1975 and in 1976 Murtala Mohammed was succeeded by his vice, General Olusegun Obasanjo after the president's assassination, certain things took place in preparation to the 1980 transition to civil rule. Abayade's Commission of 1976 recommended 58.5% for Federal Government, 31.5% for states and 10% for local governments. Accordingly, Pius Akigbe's Commission of 1980 strongly criticized Abayade's report for its vertical distribution of state allocation to the respective tiers of government in Nigeria (Ugoh et al 7078). Between these commissions were the Land Use Act of 1978 in which Section 1 of the Act made Nigerian Government the true owner of all lands and all mineral deposits in the country and section 62(1) of the 1979 Constitution went further to give ownership and control of all minerals deposits in the country to the government of the federation. According to Yinka, these controversies created by the 1979 Constitution and its neighbouring 1978 Land Use Act together with the lingering crisis of the respective reports and commissions before them, created a strong background to the OMPADEC Decree of 1992 (34).

The OMPADEC Decree of 1992

A preliminary attempt to introduce a development and welfare-driven scheme among resource-producing communities in the country, developmental schemes which would eventually solve all the lingering controversies and agitations due to successive reports, constitutions and policies by different commissions, was attempted by the military government of General Babangida in 1989. The Babangadi's government in 1989 did this through the creation, for the first time ever in the history of the country, a National Revenue Mobilization Allocation and Fiscal Commission (NRMAFC) committee. Ugoh et al, has noted that the commission took off as formed and on making their findings recommended the payment of 40% of oil revenue to all states equally, then in addition 50% on the basis of population, 20% derivation and 10% on social development needs (7079). One might say that 10% allocation for social and infrastructural development of Nigeria is small. The decree that was happening, small as 10% from being commended for being the first time ever, this would truly develop the country over a number of years. But the major setback of the commission was that of implementation. Riddled with corruption, the project became a total failure. Therefore, it led to a series of resources agitations in the 1990(s) including those of pipeline vandalization and the emergence of several Civil Movements among resource producing communities in the country including Ken Saro-Wiwa's Movement for the Survival of Ogoni People (MASOP) in the late 1980(s) and in the early 1990(s).

Amakeivi Gabriel, has explained that it was partly due to resource agitations and partly due to the failure of the Nation Revenue Mobilization Allocation and Fiscal Commission (NRMAFC) the Failure to achieve its goals, that the government of General Babangida in 1992, came up with the Oil Mineral Producing Areas Development Commission OMPADEC Decree No. 23 of July 1992. The purposes for enacting this decree were two in number-development and Rehabilitation of Oil Mineral Producing Areas (1-2). The government was convinced that being a decree, it would be respected and implemented to a large extent. This was not the case because of several reasons including those of the insincerity of the Babangida's administration in power at the time. Another problem with the OMPADEC effort was that of conflict of interests in the course of execution of the respective objectives of the Decree. As a matter of fact, the government of the time had personal interests and other ulterior motives in enacting the said Decree. This, of course, conflicted not only with the interests of members whom it appointed into the OMPADEC Commission but also with the overall interests of the people whose development and socio-economic welfare the Decree was intended to protect.

The Post-OMPADEC NDDC Act of 2000

When eventually Nigeria moved from military rule to democracy, the transaction had a variety of impacts on the polity including the politics of resource control. In 2000, the government of President Obasanjo, having become tired with the failures of successful military efforts, undertook to settle resource agitations both by Ken Saro-Wiwa's Movement for the Survival of Ogoni People (MOSOP), Asari-DoKubo's Movement for the Emancipation of the Niger Delta (MEND), Ateke Tom's Niger Delta Revolutionary Front (NDRF), etc, by creating the Niger Delta Development Commission (NDDC) through the NDDC Act of 2000. The Act in question was created under the NDDC Act of 2000, No. 6, Laws of the Federation of Nigeria, 2004. Asawa Elaigwu, has explained that the commission was created with a mandate to develop the oil-rich Niger Delta Region as a way of eliminating protests and agitations and for ensuring the socio-economic development and political welfare of the Oil Mineral Producing Areas and Region of the Niger Delta (302). Amakeivi has added that in a bid to strengthen the NDDC as a commission, the government of Late President Musa Yar' Adua in 2008 announced the creation of the Niger Delta Ministry, thereby, he made the NDDC a parastatal under the Niger Delta Ministry (3).

Both the NDDC and the Niger Delta Ministry, were created to fulfill the developmental objectives of both the OMPADEC Commission and those of previous commissions. But like the former, the NDDC and the Niger Delta Ministry are yet to achieve these objectives owing to corruption and mismanagement. Former Presidential candidate of Nigerian United Development Party, UNDP, Dr. Mrs Obi Ekwesili, sums it up by recalling that between 1960 and 1999 an estimated bill of \$400 Billion of Nigeria's oil resources, was misspent and stolen (Soniya <http://www.allafrica.com> /... /. Her comment clearly explains the depth of the rot and corruption which have historically hindered both the NDDC and the Niger Delta Ministry from realizing the objectives for which they were created as political institutions and resource control instruments in the country.

Critical Evaluation and Conclusion

The controversy over resource control in Nigeria paints a hard critical picture as well as a clog in the country's socio-political and economic history, a history which dates back to as far as the Pre-Colonial history of the country. First of all, it is a truism to recall that it was the year 1800 in Nigeria's history which saw the gradual infiltration of British colonial officials who eventually established colonial rule 1806 and formalized it in 1914 following the amalgamation of the country by Sir. Frederich Lugaard. Although contemporary Nigeria eventually became what it is today following the 1914 political events, it was Sir Arthur Richard's Constitution in 1945 which first recognized Nigeria as a 'try regional constituency' in 1945. The recognition of Nigeria as a marriage between three separate and un-identical groups as regions had positive implications for political respect for both the ownership rights of control of resources by respective regions of the country and for the elimination of tensions due to resource agitations in different parts of the country. Yet, the 1945 constitution scarcely made full application of these implications in practice. Instead, these imports from the 1945 constitution became adequately captured in practical forms in the 1954 Lyttleton's Constitution which was created shortly before the discovery of oil in 1957. Unfortunately, the period between 1954 and 1947 was too short to permanently enthrone the federal nature of the 1954 constitution and its implications for the true meaning of resource control. The noble objectives of the 1954 constitution soon gave way to contemporary oil politics and resources control tensions following the discovery of oil in 1957 and the introduction of the 1960 Independence Constitution and the 1963 Republican Constitution and the respective infractions which have continued to dominate this controversial and critical history of resource control in the country.

In the struggle to set this ugly history right, Ozon Eso has noted that between the Richard's Constitution of 1946 and the current 1999 Nigeria's Constitution, a total of Nine revenue commissions have been appointed, Six Military Decrees have been made, One Act of parliament has been enacted, Two Supreme Court ruling have been carried out and One Executive Policy by the Yar' Adua's administration which created the Niger Delta Ministry, have in all been made in attempt to improve, modifying, re-position and to transform the country's history of resource control, yet to no avail (4). Against the country's efforts to reposition the controversies over resource control, there have been obstacles, setbacks and lapses on the parts of the respective commissions, governments of the country, constitutions and policies of respective governments. Some of these hindrances have been discussed in the current paper to include those of the following: corruption, poor implementation of reports and inconsistencies in the very reports and constitutions seeking to solve the problem to mention but a few. Perhaps, the major reason why this critical history lingers on is the government as a body. The entire activities of the Nigerian government have not been centered around the people but on the resources of the people. Government activities around the mineral producing communities of the country have purely been centered on certain economic interests with insignificant efforts at improving the welfare of citizens. How hence would the problem of resource control in the country be solved? There is clearly no binding social contract between government and citizens of Nigeria on the question of resources control in the country. Unless this is taken care of and tabled before government as a serious problem resources control history in Nigeria would linger on as a generational problem.

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