

Oil Theft and the Contraption of Nigerian Economic Development: A Revelation of Kleptocratic State

¹Otu Offiong Duke,
²Idiege Hilary Adie,
³Lily, N. Ozumba,
⁴Okon Bassey Bassey,
⁵Sukurat Olabisi
Makinde &
⁶Lukman Longe

^{1,2&3}Department of Public
Administration University of
Calabar Cross River State Nigeria.

⁴Department of Political Science,
University of Calabar, Cross River
State

⁵Obafemi Awolowo University,
Ile-Ife, Osun State

⁶Corporate Security Service- CSS
Department Nigerian Liquefied
Natural Gas Company NLNG
Porthacourt Rivers State Nigeria

Article DOI:
10.48028/iiprds/ijdshms.v14.i1.35

Keywords:

Oil theft in Nigeria,
development,
extractive Political
Corruption Theory,
elite class and oil
theft on Nigeria,
kleptocracy

Abstract

The scourge of oil theft and its adverse consequences on the revenue base and development of the Nigerian state brings to bear the phenomenon of "Criminalization of State" by political actors in a typical resource-rich nation plague with the political-economy ailments of resource curse/dutch disease. As a Nation solely dependent on oil as the major source of revenue whereby other sectors of the economy - service, agriculture, industrial, manufacturing, textile, etc are in shambles and insignificant due to oil discovery: a discovery that for decades has not translated into meaningful development due to high level of kleptocracy manifesting in mismanagement of resources and corruption. Amidst such oil wealth, there is high level of poverty, unemployment, illiteracy, crimes and the proliferation of illicit economic means of survival, etc. The study, based on its methodology on qualitative research, whereby data gotten from solely secondary sources: textbooks, internet materials, Journal publications, magazines, were analysed using the content analysis analytical tool. The extractive Political Corruption Theory was explored to buttress the work. The study discovered among other things: the level of political corruption encouraged by the managers of the Nigerian State who are not in anyway ready to judiciously utilize the wealth in the manner that boost national development, citizens welfare and transform the country into a developed nation, it's responsible for such state robbery and its adverse effects on the lives of the citizens and nation at large.

Corresponding Author:
Otu Offiong Duke

Background to the Study

The Nigerian State beginning from independence in October, 1 1960, with the discovery of oil in 1956 and full exploration in 1958, with huge revenue base derived is still grappling with the challenge of underdevelopment. After many years of search, and investment of over #30 million, petroleum was discovered at Oloibiri in the Niger Delta in 1956. In 1958, SPDC started oil production and export from the Oloibiri field in the present Bayelsa State at a rate of 5, 100 barrels per day. According to Okungbowah (2023) Crude oil was first discovered in commercial quantity in Nigeria in 1956. Previously, there had been 50 years of unsuccessful attempts at oil exploration in the country. The discovery on Sunday, 15th January, 1956 in Oloibiri, a small town in Bayelsa State ended that failure the first Nigerian oil came onstream in 1958 with 5, 100bpd. This quantity doubled the following year, and crude oil production in Nigeria attained its all time peak in January 1979 at the rate of 2. 44 million barrels per day. Back in 1959, the sole concession rights over the whole country granted to SPDCI was reviewed and extended to companies of other nationalities in line with the policy of increasing Oil production, (Steyn, 2018, Ikechukwu and Mbach, 2009, and United Nations Environmental Program UNEP 2024). Oil contributes about 80 percent of government foreign exchange and contributes six percent of the country's Gross Domestic Product, GDP. the Nigeria Extractive Industry Transparency Initiative, NEITI, pegged the oil theft and loss audited figures as something in the order of 619. 7 million barrels of oil daily, which he said was valued for over \$46 billion or N16. 25 trillion, adding that these losses occurred between 2010 and 2020. In addition Nigeria lost about 4. 2 billion litres of oil petroleum products from refineries which was valued at over \$1. 84billion at the rate of 140 thousand barrels per day from 2009 to 2018, (Eromosele 2023).

The fact is that the abundant of oil and other natural cum mineral resources are source of Nation's wealth, which if optimally utilized can generate wealth, boost economy, eradicate poverty, engender infrastructural development in all ramifications, mostly good roads, affordable and effective health care, schools and other educational and research institutions needed for human capital development. But ironically most natural and mineral resource rich nations, like in Africa and some third world countries are still known as developing, backward and underdeveloped nations by all standards. Many are still armtwisted in neo-colonial syndrome of dependent on foreign aid, borrowing from international lending clubs, unable to produce finished goods while importing same at exorbitant price, like that of fuel, hence inescapably suffering from heavy debt burden. Another issue to be considered as responsible for the mismanagement of Nigeria's oil wealth is that of oil theft through illegal oil pipeline vandalization. Many more illegal pipeline tap points have since been discovered and the discoveries are likely to continue in the coming days, weeks and months. But as Okorie, Bassey, Udoh and Eme(2023) rightly observed in their study " mirroring The Development Challenges of Oil -rich Nigeria within the context of resource curse /paradox of plenty and dutch disease", the Nigerian situation is so pathetic and seems irredeemable as the oil sector is in an inescapable web of corruption of different magnitudes and dimensions, such as illicit economy of bunkery as pointed out by Osaji, Udo and Bassey (2022). A report surfaced at

the time of writing, about the destruction by military men of a ship which was used to convey stolen crude in an apparent effort to conceal those behind the theft. Allegations and insinuations have been rife to the effect that top functionaries of Government and prominent people in the society including the clergy are deeply involved in this illegal business. Hopefully, more facts will emerge about this in the coming days, (Okungbowah 2022)

Okungbowah (2022) gave an historical analysis of crude oil theft, stating it commencement long before around 1970s and early 80s during the military rule in Nigeria. Pointing out that members of the top military brass in Nigeria started stealing the nation's crude oil and allowing others to steal it around this period. However such illicit economic venture is now complex and more sophisticated and growing exponentially. Crude oil theft has been part of our history of oil exploration for a very long time. But in recent times, this issue has assumed dangerous dimensions with severe damage caused to the National Economy and its impact on sub-nationals in Nigeria. The print and electronic media have been awashed lately with reports of discoveries of pipeline vandalism and crude oil theft in the Niger Delta, resulting in multi-million naira losses to Nigeria on daily basis. The impact of this malaise has been so monumental that Nigeria is on the brink of collapse economically. The revelations have been astonishing and everyone is concerned. As expected, this development has occasioned severe damage to the economy and its devastating effects include, reduced exports, and the shutdown of production by some companies, factors which have virtually crippled the country's fiscal stability. All this is happening in the midst of an apparent oil boom, the first since 2015, with crude oil selling at an average of 112 dollars per barrel for the first half of 2022. The highest ever recorded was 147. 27 Dollars per barrel in July, 2008, (Okungbowah 2022). With such an ugly scenario described above by Okungbowah and many more issues if oil theft which are uncovered, there is no way the Nigerian economy can be healthy and the citizens enjoy the benefit of common wealth. Thw country's economy is suffering from many fronts ranging from oil theft, high of cost of governance as a result of heavy budgetary allocation aloted for the maintenance of president, vice president, senators, house of representatives members, ministers, ex presidents and their vice, etc. with high level corruption that takes Nigeria's money abroad to foreign banks. This unethical conducts by public officials is common in many oil and natural resource-rich countries that sees high level state criminality surface.

The syndrome and inability of many natural and mineral resource rich nations to optimally and judiciously utilize their God-given wealth into meaningful development remains an unending debate in political- economy, development and security lexicon. Many of these countries are grappling with conflict and violence of different colorations, ranging from natural resource war(water, oil, timber, diamond, manganese, etc), political violence which is as a result of having people justling for power not to serve the masses in furtherance of social contract, but to rapaciously and criminally exploit and extort, loot the nation's treasury then spend on foreign goods and luxury, while the masses are left to suffer immiseration and pauperization without redress, corrupt institutions that serves

the interest of the ruling class, tenure elongation, appointment not by merit but on ethnic, religious and parochial tenets etc. A study carried out by Izvorsky in 2018 and published in the Brookings August 1 Report of 2018, it's revealing on how rich African countries are not in anyway developed. Izvorski reports revealed which focused on 10 rich sub-saharan African countries: Nigeria, South Africa, Angola, Equatorial Guinea, Gabon, Sudan, Tanzania, Zambia, Botswana, and the Republic of Congo and another 10 natural-capital resource poor Seychelles, Saô Tomé and Príncipe, Cabo Verde, Comoros, Gambia, Mauritius, Lesotho, Guinea-Bissau, Swaziland, and Burundi. Their average natural capital per capita is just one-fifth that of the top 10 resource-rich countries. Findings revealed that: (1) resource wealth nations are one of the lowest among the world's developing regions, both in aggregate and per capita terms. One disturbing trend is the relegating of agricultural sector. As noted in a recent Foresight Africa report, at 200 million hectares, sub-Saharan Africa is home to nearly half of the world's uncultivated land that can be brought into production. Africa uses only 2 percent of its renewable water resources compared to 5 percent globally. (2) over dependence on foreign economic stimulus and aid (3) resource-rich sub-Saharan Africa is more dependent on natural resources than resource-rich advanced economies and almost as developing countries. (4) The composition of sub-Saharan Africa's natural wealth is much more diverse than that of other resource-rich countries, (Izvorsky 2018).

Adebayo (1999) observed that, it is common knowledge how the African continent is richly endowed with vast natural resources. These resources range from agriculture to fossil fuels and solid minerals. Ironically also, 38 of the 43 countries designated as the poorest, are African countries. There is therefore enormous potential wealth from these natural resources along with abject poverty in many countries. Some researchers have even observed that natural resources are curse rather than a blessing on countries evident from empirical research. It is mind-blowing that countries making fastest progressive developmental rate of economic transformation and technological progress have not been historically endowed with significant natural resources. Japan, South Korea, and much of Europe did not develop on the basis of exploiting natural resources. In fact, the resource starved countries seem to have made much more rapid progress than their counterparts with significant natural endowments. Adebayo further affirmed that on the African continent, there are several countries with vast natural resources, but still fall under the league of poorest of the poor countries such as Nigeria, Angola, Namibia, Sierra Leone, Liberia, Zambia, Democratic Republic of the Congo are examples. There are also countries that their developmetal nightmare is not unconnected to upsurge in war and conflict. While also seeing natural and mineral resources as a curse rather than blessing because of the negative repercussions it has on many oil and mineral resources rich nations. Though evidence abounds where some countries such as Saudi Arabia, Kuwait, Iraq, Iran, the United Arab Emirate, Jordan, Libya, Morocco and Algeria, have optimally utilized their resources for national development where poverty is drastically reduced, unemployment dropped to bearest minimum, etc. One then must ask why countries such as Nigeria, Angola (rich in oil and other minerals)Sierra Leone (with vast deposits of diamond) Zambia, and the Republic of the Congo with their vast copper resources have

failed to make applaudable steps and milestone in eradicating poverty. On the other hand, Botswana is a middle income country mainly on the basis of a small population, vast territory, and enormous livestock resources and the export of diamonds. Would Africa emulate such? What did Botswana do right which Sierra Leone did not do? Why were countries of the Middle East able to break with poverty purely on the abundance of crude oil while Nigeria, Namibia, Angola, and Mozambique are still rated poor after several decades of political independence?. Sincerely this a burgeoning and worrisome issue to think of concerning the level of underdevelopment that engulfs countries like Nigeria despite oil and other mineral resources abundance, (Adebayo 1999). The Nigerian case as regards it's retrogressive status of development, was carefully analysed by Hilary, Okorie, Bassey and Valerie 2023 in their study on "Development Policies For Self-reliance: A critique Into Nigerian Post-independence".

The recurrent issue of oil theft haven't been a palatable experience in the sociopolitical landscape and economic development of Nigeria. it has dragged the developmental progress of Nigeria backwards and make drudgery every step towards transformation of the country to take it's pride of place in the comity of developing nations. The theft of oil and criminalization of the Nigerian state has been responsible for the many retarding progress since oil was discovered in the country in 1956 . Even the oil producing states are not benefitting from their God-given wealth:oil has turned into a curse rather than a blessing. It is a recorded fact that in the early 1960s Malaysia came to Nigeria to get palm fruits for planting, today Malaysia In 2021 exported \$15B in Palm Oil, making it the 2nd largest exporter of Palm Oil in the world. At the same year, Palm Oil was the 3rd most exported product in Malaysia. The main destination of Palm Oil exports from Malaysia are: India (\$3. 75B), China (\$1. 1B), Netherlands (\$807M), Kenya (\$747M), and Turkey (\$564M), (OEC New multidimensional Economic Complexity Ranking). Many Nations who were struggling with colonial yoke and it's aftermath during independence have used their resources to attain appreciable heights of development that reduces poverty, illiteracy, hunger, disease, infrastructural decay and other nauseating issues that strengthens overdependence and neocolonialism. The Asian Tigers comprising Hong Kong, Singapore, South Korea, and Taiwan are able to make miraculous industrialization and rapid economic growth, even without oil. Their sincere and uncompromising investment in education, infrastructure, foreign exchange assistance, mostly from United States Of America, were factors that leapfrog their development. This sustained growth rate was the basis for each country to experience exponent prosperity that transformed them into newly industrialized economies and immediately into fully developed countries, (The Borgen Magazine, March 6, 2021;Abouzaid, 2016;Radcliffe, 2017 and The Asian Development Bank Institute, 2023)

From the forgoing, it's glaring how issues of resources mismanagement and theft cripples the economic base of the Nigeria as experienced in many same rich nations. It becomes a think of serious concern to citizens, policy analysts, development and security experts who are interested in the discourse on Nation's development and advancement, citizen's welfare mostly in third world countries where the quest for better standard of living,

eradication of poverty, reduction in cost of living, scientific and technological innovations for advancement to be at par with developed nations and other indices of development are taken as priority by government and policy makers . But the situation of Nigeria and many more others alike has been abysmal failure and hopelessness despite abundance. it is based on this the study delves into examining the extent which oil theft has crippled Nigeria's economy, taking into consideration factors such as elite corruption and the nature of kleptocratic state of Nigeria.

Problem Diagnosis

The nauseating level of Nigeria's underdevelopment and the futile struggle to overcome the challenges plaguing the Nation, seems insurmountable. This is not farfetched because of the kleptocratic nature of the ruling class which is not just dangerous to the socioeconomic development of the nation, but gives our developmental struggle a retrogressive status. As pointed out by Nnodim, Currently Nigeria is Africa's main oil producer. With 18 operating pipelines and an average daily production of some 1. 8 million barrels, as revealed by the Proshare News of march 12, 2024 is now 1. 64 million bpd. In 2020, Nigeria was seen as the eleventh largest oil producer worldwide. The petroleum industry accounts for about 90% of Nigeria's GDP and for almost 90 percent of all export value, (Sasu 2022). The Knoema. Com Energy publication of March 2023, revealed that, as at March 2023, revealed that Nigeria's crude oil export stood at 1, 343 barrels per day. Though there have been constant fluctuation in crude oil exports in several months in 2022, mostly but saw substantial increase in the month of April same year to march 2023 at 1, 343 barrels. In the same vein Nnodim (2023) observed that, there was improvement in the volume of of crude oil as result of the existence of peace in the Niger Delta region which led to an increase of 31. 1 million barrels of crude oil within a space of four months as informed by the Organization Of Petroleum Exporting Countries-OPEC. Data released by same organization - OPEC of it's Market Report for February 2022, obtained in Abuja, showed that the average crude oil output from Nigeria in the third quarter of 2022 was 0. 999 million barrels per day, according to figures accessed by OPEC based on direct communication. There was an increas which shot it up to an average of 1. 258mbpd in January 2023, indicating an estimated daily rise of 259, 000 barrels, and 7. 77 million barrels in a month (30 days). This further brings to bear that, the country pumped an additional 31. 1 million barrels of crude oil within the four-month period of October, November, December and January 202, (The Knoema. Com energy publication of March 2023).

One factor that is responsible for the admirable track record of growth in oil supply has been the steps taken by former president Muhammadu Buhari to embolden security agencies in restoring safety of pipes from vandals. As captured by Nnodim (2023) the former President of Nigeria Major General Muhammadu Buhari (retd.) during his regime mandated security agencies to be uncompromising in eradicating crude oil theft and pipeline vandalism with an ultimatum of May 29, 2023. Former President Buhari reiterated it that, the such idea became urgent and inevitable to effectively protect and boost the country's oil output. The president further emphasized that the Federal

Government could no longer be lackadaisical towards criminality. This radical stance was directed to the then Minister of State for Petroleum Resources, Chief Timipre Sylva, while addressing troops of the Joint Task Force Operation Delta Safe in Effurum, Delta State, and Port Harcourt, Rivers State. Obiezu (2022) affirmed that, for decades, Nigeria has been Africa's largest oil producer. Ironically theft and sabotage at production sites have had devastating effects and retrogressing output. Petroleum authorities say more than 200,000 barrels are lost daily as a result, and such act has huge cost worth millions of dollars to the country's revenue. With such unhealthy experience it is no doubt that, Nigeria is grappling with a decline in oil production. In the same vein OPEC reports further revealed that Nigeria's oil pedigree has dwindled as the country dropped from the first largest producer in Africa to the fourth, behind Angola, Algeria and Libya. Again The Organization of Petroleum Exporting Countries monthly oil market report for August 2022 revealed that Nigeria's production stood at 980,000 barrels a day, a clear decline of more than 100,000 barrels per day compared to July 2022, (Sasu, 2022). At this particular point (year 2022) in time when the oil prices are rising, Nigeria is supposed to be enjoying revenue and inflows of forex [foreign exchange trading] through the sales and export of crude oil. But the reverse is the case, so it's really a unhealthy and devastating to Nigeria's economy falling from the position of being the biggest producer to fourth. Nigeria will slowly be losing its relevance as a regional hegemony and it's pedigree at the global oil market (Sasu 2022).

Faminu (2023), decried of the heights of oil theft that retards Nigerian economy. the situation became so embarrassing as The Nigerian Extractive Industries Transparency Initiative (NEITI) revealed that Nigeria lost 619.7 million barrels of crude oil valued at N16.25 trillion (\$46.16 billion) as a result of crude oil theft between 2009 and 2020. The oil theft is appalling and disturbing to such extent that, the Executive Secretary of NEITI Orji Ogbonnaya lamented that, the volume of crude oil stolen sum up a huge loss of over 140 thousand barrels per day, whereby between 2009 and 2018, the country lost 4.2 billion litres of petroleum products from refineries valued at \$1.84 billion. The data which was extracted from the agency's latest policy brief titled "the cost of fuel subsidy: a case for policy review", informed that the country spent over N13 trillion (\$74 billion) on fuel subsidies between 2005 and 2021. Ogbonnaya further reiterated that the figure in relative terms is equivalent to Nigeria's entire budget for health, education, agriculture, and defence in the last five years, and almost the capital expenditure for 10 years between 2011-2020," he exposing other adverse effects of fuel subsidy costs, he said it disincentivised private sector investment in the downstream and midstream petroleum sector, deepened the country's debt profile, and caused inefficiency in the supply stream -scarcity. While analysing the abnormalities in the oil and gas sector, the Executive Secretary of NEITI referred to what he termed "oil swaps or oil-for-product swaps, which is a process whereby Oil-for-product swaps are complex barter transactions in which NNPC and private traders swap crude oil for refined petroleum products, rather than for money, (Faminu, 2023).

We can not ignore the criminal and illicit economy of oil bunkery with its attendant environmental and health effects on humans when analysing the issue of oil theft in Nigeria. Bunkery despite the huge cost in human lives and debilitating health challenges like cancer, kidney and lung diseases that comes with it, yet many populace of oil producing states are deep in the act of oil bunkery known as "kpo fire" in Niger Delta Nigeria, (see Osaji, Bassey and Emem, 2022 on their paper "illicit economy of bunkery and the survival of Niger Deltans: the health and environmental implications of black soot in port-harcourt). Yahaya (2022) affirmed that, the problematic, associated with illicit or parallel economic activities, is disastrous in so many aspects: it remains unlawful, causing instability and conflict, degrades the environment, ridicules human dignity and worth, economic loss to the government, etc. Salaudeen (2022) also argued in tandem with yahaya that, This illegal bunkering involves siphoning crude oil from pipelines and storage facilities. It is usually carried out by local bandits, who often favour brute force, using chainsaw and sharp blades to cut into pipes transporting crude oil, causing pollution, and sometimes, even accidents. At their most forceful engagement, they blow pipelines and gather the crude. "The stolen crude is put in drums and burnt far away in the bush over a long period of time. After the burning process, it is sieved", explained by Mohamed Bashir oil and gas expert. The crude oil theft is pronounced in Port Harcourt City in Niger Delta and some estimates suggest that Nigeria loses \$1 billion dollar each year to bunkery. In Port Harcourt the crude is mostly burnt in the creeks, in places like Isaka, Borokiri, and Kalabari. In Borokiri traders openly hawk the illegally refined oil. Today the black soot is the result of decades of illegally burning crude to derive petrol and diesel; soot is the byproduct of burning oil. Four of the worst cities of air pollution in the world as listed by the World Health Organization are in Nigeria, (Salaudeen, 2022).

In their study on "mirroring the developmental challenges of oil-rich Nigeria within the context of resource curse/dutch disease and paradox of plenty", Chimaobi, Udo, Bassey and Eme (2023) extrapolated the resource curse problematic associated with the oil wealth in Nigeria. This is so as the oil wealth has not transformed the Nigerian state to achieve any reasonable level of development that reduces poverty mostly the oil producing Niger Delta states. Rather even since the discovery of oil, other viable sectors of the economy like agriculture have been relegated and abandoned. The oil wealth has been criminalized to a point, it breeds violence and political tussle. The disastrous attitude of political cum economic elites in Nigeria is a bane to the development of the country. It has deprived the masses any sense of self worth, citizenship and dividends of utilitarianism as espoused by social contract. It is upon this the study sets out to examine the consequences of oil theft in Nigeria as regards the development of the Nigerian state, (Chimaobi, Bassey and Eme, 2023). It therefore brings to the fore why Nigeria as a world producer of oil, can't attain any reasonable level of self sufficiency, development and growth as pointed out by Hillary, Okorie, Bassey and Valerie (2023). It is based on the above issues, the study sets out to examine the adverse effects of oil theft on Nigerian economic development. The paper journeys into this by looking at some salient issues such as: an analysis of kleptocratic state, how the Nigerian elite class aids and abets oil theft and therefore further a kleptocratic state and how the phenomenon of oil theft is responsible for the contraction of the Nigerian economy.

Definition of Terms

In this study, concepts like: corruption, kleptocracy and development would be operationalize.

According to Mayne (2022) most explanations of kleptocracy – derived from the Greek for 'thief' and 'rule' – stress the aspect of 'grand corruption' whereby high-level political power is abused to enable a network of ruling elites to steal public funds for their own private gain using public institutions. Kleptocracy is therefore a system based on virtually unlimited grand corruption coupled with, in the words of American academic Andrew Wedeman, 'near-total impunity for those authorized to loot by the thief-in-chief' – namely the head of state. Mayne further narrated that Some definitions of kleptocracy introduce the concept of illegality – for example a 'rent-seeking state where favouritism happens illegally' although this poses problems as kleptocratic regimes do not apply the law evenly. Illegal activity on behalf of government officials is either ignored, allowing corrupt funds to flow out of the country, or ruled legal by a corrupted legal system – 'legalized' illicit financial flows. Such nations also provide ample opportunities for rent-seeking by awarding lucrative contracts to family members or friends of those in power, which is corrupt but may not be illegal under the laws of that country. For Longley (2021), Coming from the Ancient Greek word “klepto” meaning “theft” and “cracy” meaning “rule,” kleptocracy means “rule by thieves,” and is used to describe governments whose leaders misuse their power to steal from their people. Through acts of embezzlement, bribery, or outright misappropriation of public funds, kleptocrats enrich themselves and their families at the expense of the general population. Kleptocracy is a form of government in which the leaders, known as kleptocrats, use their political positions of power to gain or increase their personal wealth by stealing money and valuable resources from the countries they rule. While both forms of government imply a degree of corruption, kleptocracy differs from plutocracy – government by the wealthy, for the wealthy.

Corruption

According to Bala (2003) corruption implies all forms of bribery, unwarranted exercise of power, intentional neglect of a recognized duty and all forms of favour done with the motive of gaining some advantages. A succinct definition advanced by a global watchdog of Nations - The Transparency International a global watchdog of nations sees corruption as the misuse of entrusted power for private benefits. Alcore cited in Nwabughogu, (2016) argued that corruption is a cold, vicious, often sacrifice of citizen's security for a narrow, greedy, private personal profit on the part of a crooked official. In his exposition Joseph, Nye (1967:419) view corruption as a behavior which deviates from the formal duties of a public role because of a privateregarding (personal, close, family, private, clique), pecuniary or status gains. He went further to state that this behavior includes bribery (use of reward to prevent judgment of a person in a position of trust), nepotism, (bestowal of patronage by reason of attachment and relationship rather than on merit) and misappropriation (illegal appropriation of public resources for private-regarding uses). However multidimensional and multifaceted the definition of corruption appears; a common feature is discernible and apparent which is the abuse of office and failure of

separating the private realms from the public realms and this keeps reverberating in all definitions. Clearly therefore, as a working definition, corruption is the perversion, distortion and abuse of an official office and power for private or pecuniary benefits or gains at the expense of the rest of the society. However, the word corruption is derived from the Latin word 'corruptus' which means corrupted and in legal terms the abuse of a trusted position in one of the branches of power (executive, legislative and judicial) in a political or other organizations with the intention of obtaining material benefits which is not legally justified for itself or for others (Summah, 2018). According to Ojji, Ogbinyi and Gilbert (2021) Given the complexity of the subject matter and its global prevalence, a number of studies are undertaken, yet there is no universally accepted definition. Although there exist common variables and denominators that constitute the act of corruption. This according to Omotoye (2009) is classified into four (4) groups of; corrupt acts, fraudulent acts, collusive practices and coercive practices. This classification is very evident in the definition advanced by Ikhlae in Agboa, (2009) where he sees corruption as the undertaking of corrupt practices such as offering, giving receiving or soliciting directly or indirectly anything of value to influence the action of a public official in his selection process or in contract execution.

Development

Oluwatoyin (2017) is of the view that, development as a concept is a victim of definitional pluralism. thus there is difficulty to conceptualize the word. While Gboyega (2003) opined that development is an idea that encompasses all efforts geared towards improvement of living conditions of human existence in all facet of life. it connotes improvement tha touches material wellbeing of all as sundry rather than a few privileged individuals or the elites in the society mostly ruling class, in a sustainable manner that ensures the survival of coming generation. Chrisma noted that development is a process of societal advancement, with visible improvement in the wellbeing of the people generated through strong partnership between all sectors, corporate bodies and other groups in the society. Seers (1979) conceptualizes development by asking and seeking answers to the following questions:what has been happening to development?what has been happening to poverty?what has been happening to unemployment and what has been happening to inequality?from his perspective and ideology, if all these three challenges (poverty, unemployment and inequality) are at relative high rate, there is nothing like the existence of meaningful development. it therefore suffices that for a country to be termed developed, there are parameters to look out for which are : the level of poverty, unemployment amd inequality. Adah and Abasilim opined that, the human worth of any national development strides in the attainment of certain level of development as it is sacrosanct aspect of any nation's strive towards Selfreliance.

Theoretical Knowledge (Extractive Political Theory of Corruption)

According to Amundsen (2019) the major argument of this theory as regards political corruption within the paper context is (1) what is called extractive political corruption, which is when political power-holders are enriching themselves by abusing their hold on power to extract from public and private resources. Extractive political corruption is

bribery, embezzlement, and fraud for the benefit of individual power-holders and for the regime as such. Bribe taking in public procurement processes is often the biggest source. (2) is what is called extractive political corruption, which is when political power-holders are using the corruptly acquired means (and other state resources and privately held means), in illicit or immoral ways, to maintain and/or strengthen their hold on power. Power-preserving political corruption is to build political support, protection and impunity. It includes favouritism (of which nepotism and clientelism is well known), co-optations and the fraudulent manipulation of institutions. The buying of votes in elections and parliaments is often a part of the picture.

The input and relevance of the theory to the study, stems from the fact that, political corruption in it's entire Nigerian polity touches entire cord of Nigerian economy causing severe devastation and melt down, with a retrogressing developmental milestones and poor national development. That the extractive and downstream sector is rife with unending criminalization isn't to be disuted as the leakages of oil theft and bunkery (see Osaji, Basse and Emem, 2022 on their paper "illicit economy of bunkery and the survival of Niger Deltans: the health and environmental implications of black soot in porthacourt) are conduits pipes for siphoning the nation's common wealth depriving then masses of their right to economic justice. This is evident where for years oil producing states in Nigeria have suffered environmental injustice as the adverse effects of oil exploration on their waters and aquatic source of livelihoods, farming and other means of survival most times are not compensated.

An Analysis of a Kleptocratic State

Brought into Scholarly limelight and lexicon, by a Polish-British sociologist Stanislaw Andresk in 1960 in his book "the African predicament". this concept originates from Green words for thieving and ruling. Stanislaw represented kleptocracy as a government by corrupt leaders who manipulates political power for outright exploitation of the masses, l and national resource plundering for personal aggrandizement. In recent times the ills of kleptocracy has gone beyond domestic frontiers where such is committed to becoming a global phenomena and not just a traits of third world countries, (The Conversation 2024). Mayne is of the view that, kleptocracy operates in a system based on virtually unlimited grand corruption coupled with, in the words of American academic Andrew Wedeman, 'near-total impunity for those authorized to loot by the thief-in-chief' – namely the head of state. The most successful kleptocracies are those which, rather than strip the house bare, occupy it and allow other members of the household to generate their own income while paying 'rent' to the landlord – the godfather-like head of state. Mayne further reiterated that, Often oligarchs are seen as characteristic of Russia's kleptocracy, but the Russia of the 1990s was not a kleptocracy as the oligarchs represented a power base outside of the Kremlin, one that Putin had to dismantle by exiling or jailing those who opposed him. In a true kleptocracy, the oligarchs are the politicians themselves – often referred to as 'poligarchs'. The former head of the Russian state railways Vladimir Yakunin – whose mansion famously had a whole room dedicated to storing his wife's fur coats – is a good example, as is Dariga Nazarbayeva from Kazakhstan, the eldest daughter

of the country's first president, who rose to the rank of chair of the Senate while sitting on a \$595 million fortune. In a kleptocratic state, illegal activity on behalf of government officials is either ignored, allowing corrupt funds to flow out of the country, or ruled legal by a corrupted legal system – 'legalized' illicit financial flows. Such nations also provide ample opportunities for rent-seeking by awarding lucrative contracts to family members or friends of those in power, which is corrupt but may not be illegal under the laws of that country. Clearly self-enrichment is a driving force behind kleptocracies but kleptocratic overreach – stealing too much – may be the death knell for a regime. In a story relayed in Sarah Chayes' *Thieves of State*, Tunisian president Ben Ali 'went berserk' in his quest to capture the country's wealth, causing an 'unimaginable' development gap and ultimately leading to the overthrow of his government. Wealth will be lost if the ruling elite cannot remain in power. If they succeed in ousting the incumbents, opposition political factions look to confiscate assets of the previous regime and close opportunities for them to further enrich themselves.

Therefore, a 'well-functioning' kleptocracy maintains the system by controlling the money-making enterprises and natural resources, with the head of state attempting to avoid intra-elite conflict by dividing the spoils between various groups or family members. This is manifested through the country's top enterprises being controlled by economic 'frontmen' who use a network of offshore shell companies to funnel earnings out of the company – and then the country – on behalf of their patrons, the more senior members of the regime. Some kleptocratic gains are reinvested in political campaigns or in media companies to help frame the kleptocrat's narrative. Dariga Nazarbayeva's ownership of Kazakhstan's largest media company Khabar is a good example of how the domestic narrative can be reframed. Money is also invested in 'safe' assets, such as real estate overseas, or simply hoarded in foreign bank accounts to be used in emergencies – a war chest for a political campaign – or in relocating if the ruling elite is ever removed from power. Hoarding also prevents potential economic and political rivals from getting their hands on capital that could be used to oust the current regime.

Heathershaw, Pitcher and Oliveira (2023) averred that, as weakly institutionalized polities, kleptocracies – defined as those countries 'where the state is controlled and run for the benefit of an individual, or a small group, who use their power to transfer a large fraction of society's resources to themselves. Moreover, the initial formulation of state capture highlights the practices by firms to capture policy and law in ways that would benefit their economic further making reference to David-Barrett, the concept of state capture extended to include the deliberate efforts by politicians and state officials to pursue linkages with private firms that will bring them lucrative financial and political rewards at the expense of larger developmental and welfarist goals. state capture stretches beyond policy formation to policy implementation and enforcement. The politicians and state officials who drive this 'politics-led' capture use their access to political office and political power to secure formal and informal partnerships with firms operating in those sectors of the economy that bring substantial returns, such as mining and finance. They then may partially implement policies that will favor companies with

which they are associated or selectively enforce laws that will punish rivals. Capture occurs in any polity which combines authoritarian governance and market rivalries. If the regime becomes stable and enduring, kleptocracy emerges, (David-Barret, 2023)

Acemoglu, Verdier and Robinson (2004) observed that, many developing countries have suffered under the personal rule of kleptocrats, who implement highly inefficient economic policies, expropriate the wealth of their citizens, and use the proceeds for their own gratification or consumption. They argue that the success of kleptocrats rests, in part, on their ability to use a divide-and-rule strategy, made possible by the weakness of institutions in these societies. Further analysing the idea of divide and rule, they opined that, the logic of divide-and-rule: Kleptocracy survives off the equilibrium path, it can successfully bribe the pivotal group. Consequently, kleptocracy is more likely: (a) when producer groups or their political representatives are more shortsighted, because they put less weight on future returns under democracy; (b) when there is more foreign aid to the ruler, which he can use to bribe pivotal groups; (c) when there are greater natural resource rents that can be used to bribe pivotal groups; (d) when average productivity in the economy is low (loosely speaking, because this makes natural resource rents and funds from foreign aid more effective instruments to bribe the pivotal group); (e) when there is less inequality between producer groups. Acemoglu et al further reiterated that, many countries in Africa and the Caribbean suffer under “kleptocratic” regimes, where the state is controlled and run for the benefit of an individual, or a small group, who use their power to transfer a large fraction of society's resources to themselves. Examples of kleptocratic regimes include the Democratic Republic of the Congo (Zaire) under Mobutu Sese Seko, the Dominican Republic under Rafael Trujillo, Haiti under the Duvaliers, Nicaragua under the Somozas, Uganda under Idi Amin, Liberia under Charles Taylor, and the Philippines, (Acemoglu Verdier and Robinson (2004).

Longley (2022) narrated his views on how kleptocracy is mostly an identity of poor resource and rich nations. kleptocracies tend to develop in poorer countries in which the people lack the resources to prevent it. Kleptocrats typically drain the economies of the countries they rule by raising taxes on production and then using the tax revenue, rents from natural resources, and foreign aid contributions to increase their own wealth. In anticipation of losing their power, kleptocrats typically devise intricate illegal international money laundering networks to protect their stolen assets by hiding them in secret foreign bank accounts. Increasingly, the processes of globalization are blamed for helping kleptocrats protect their finances and polish their reputations. Both illegal schemes like fake foreign “shell corporations” and legal international investments, such as luxury real-estate purchases, help kleptocracies launder their ill-gotten gains while extricating them from their country of origin. Only recently did wealthy countries begin taking legal steps to stop the flow of this dirty money. Launched in 2010, for example, the United States Kleptocracy Asset Recovery Initiative empowers the Department of Justice to seize the ill-gotten funds of corrupt foreign leaders and return them to their country of origin. On a multi-national level, the United Nations Convention Against Corruption

supports the prevention and punishment of kleptocracy and kleptocrats worldwide. In contrast to a kleptocracy, a society governed by corrupt individuals who become rich and powerful by stealing from the people, a plutocracy is ruled either directly or indirectly by people who are already extremely wealthy when they come to power. Many countries in Africa and the Caribbean have been plundered by kleptocrats. Examples of notorious kleptocratic regimes include Congo (Zaire) under Joseph Mobutu, Haiti under “Baby Doc” Duvalier, Nicaragua under Anastasio Somoza, the Philippines under Ferdinand Marcos, and Nigeria under Sani Abacha Unlike kleptocrats who commit actual crimes to enrich themselves individually by stealing from the people, plutocrats typically enact government policies intended to benefit the society's entire wealthy class, often at the expense of the lower economic classes. While kleptocrats are always government officials who directly control the people, plutocrats may be extremely affluent private citizens who use their wealth to influence elected government officials, often through bribery. While kleptocracies are typically found in authoritarian forms of governments, such as dictatorships, plutocracies are less likely to develop in democratic countries where the people have the power to vote the plutocrats out of office, (Longley 2022).

Kleptocratic third world regime are vulnerable to the pathology of being captured for state criminalization by corrupt leaders. For instance when Anastasio Somoza assumed the presidency of Nicaragua in January 1937. Eventhough there were few remarkable achievements such as fostering reforms that made Nicaragua less dependent on banana income. However, like other corrupt leaders, Somoza engaged in personal aggrandizement to create personal fortune, ostracized radical opposition to his regime, and illegally amassed large expanse of land and many businesses. Creating a patrimonial system of family dynasty he was succeeded in 1956 by his son Luis Somoza Debayle. Such a dynasty created by the Somoza family journeyed the country's political landscape for 40 years accumulating vast wealth through bribery, corporate monopolies, bogus real estate deals, and stealing from foreign aid. After the capital city of Managua was devastated by an earthquake on December 23, 1972, Nicaragua received hundreds of millions of dollars in foreign aid, including \$80 million from the U. S. alone. However, the Somozas' proposals to rebuild the city were never implemented. Instead, businesses were forced to relocate onto land owned by the family. By 1977, the Somoza's wealth reached an estimated \$533 million, or about 33% of Nicaragua's total economic worth. In In 1971, nineteen-year-old Jean-Claude “Baby Doc” Duvalier succeeded his equally kleptocratic father, Francois “Papa Doc” Duvalier in being proclaimed president of Haiti for life. During his brutal – and lucrative – 14-year reign, Baby Doc was believed to have stolen as much as \$800 million of Haiti's money. While allowing the Haitian people to suffer the worst poverty in the Americas, Baby Doc maintained a notoriously luxurious lifestyle, including his government-funded \$ 2 million wedding in 1980. As president of the Philippines from 1966 to 1986, Ferdinand Marcos established an authoritarian regime that has been called the most corrupt in the island nation's history. After his reign, evidence came to light that during his years in power Marcos, his family, and associates had stolen billions of dollars through embezzlement, bribery, and other corrupt practices. According to the quasi-judicial Philippine Presidential Commission on Good

Government, the Marcos family illegally amassed a fortune valued at from \$5 billion to \$10 billion. Marcos' wife Imelda, when questioned about her exceptionally opulent lifestyle was quoted as having said, "We practically own everything in the Philippines, from electricity, telecommunications, airlines, banking, beer and tobacco, newspaper publishing, television stations, shipping, oil and mining, hotels and beach resorts, down to coconut milling, small farms, real estate, and insurance." General Sani Abacha served as military head of state of Nigeria for just five years, from 1993 until his unexplained death in 1998. Along with numerous human rights violations, Abacha and his associates embezzled an estimated \$1 billion to \$5 billion from the Central Bank of Nigeria by falsely claiming the money was needed for national security. With the help of his son Mohammed Abacha and best friend Alhaji Sada, Abacha conspired to hide the stolen funds in bank accounts in the United Kingdom and the United States. In 2014, the U. S. Department of Justice ordered more than \$480 million in funds illegally deposited in bank accounts around the world by Abacha and his co-conspirators returned to the Nigerian government, (Longley 2023).

The Nigerian polity it's a clear laboratory or lence to examine and diagnose how kleptocracy works:how leaders enacts policies that project and preserve their inordinate ambitions, loot the nations treasury amidst untold hardship without thinking how to make the masses not to feel the impact of any occurrence of economic strangulation or hardship mostly when such situation is as a result of ill-defined policies. Majeed stressed further the insensitivity and elitist thinking of the Nigerian state during time if economic hardship pointing out an occurrence in the Senate house thus:a senator, Abdul Ningi decried how over N53 billion worth of projects in the 2024 Appropriations Act are without a specific location, as true as confirmed from a check by PREMIUM TIMES. The suspended lawmaker, who represented Bauchi Central Senatorial District, recently accused the leadership of the Senate of fraudulently smuggling projects into the 2024 budget. The lawmaker, who was suspended by the Senate for condemning such criminality, had disclosed that he got experts to review the budget and discovered some projects that do not have locations. On 29 November 2023, President Bola Tinubu presented the N27. 5 trillion budget to the joint session of the National Assembly. The budget has a recurrent expenditure profile of N9. 92 trillion, a capital expenditure component of N8. 7 trillion while N8. 25 trillion was set aside for debt servicing. Within 30 days, the lawmakers passed the budget, increasing it by N1. 2 trillion and bringing the total figure to N28. 7 trillion. Many observers believe that the lawmakers sacrificed diligence on the altar of speed. It was not only the lawmakers who were in a hurry, President Tinubu also signed the bill into law within 48 hours after it was transmitted to him. However, barely 60 days into the implementation of the budget, controversy arose. PREMIUM TIMES reported the meeting between Mr Ningi, the Senate President, Godswill Akpabio, and some principal officers of the Senate. During the meeting, Mr Ningi, who at the time was the leader of the Northern Senators' Forum, alleged that about N3. 7 trillion worth of projects were smuggled into the budget. Mr Ningi also had an interview with BBC Hausa, during which he was quoted as saying, "Apparently, we discovered N3 trillion was inserted into the budgets for projects without locations. This is

the highest budget padding ever in the history of Nigerian budget politics under Senator Akpabio's watch. " The lawmaker further affirmed that he was misquoted in the interview, insisting that he never mentioned "budget padding" or Mr Akpabio. He, however, refused to be pressured to recant his claims by his colleagues during a plenary session. He was subsequently suspended. In the course of the saga, two main issues took the centre stage – budget padding and constituency projects, (Majeed 2024). The budget of the National Assembly has always been controversial for its size and non-disclosure of its breakdown. Due to the two factors, lawmakers can pay themselves "jumbo allowances." Between 2011 and 2014, the National Assembly had a fixed budget of N150 billion but it was slashed in 2015 to N130 billion due to the crash in the price of crude oil (Majeed 2024).

It is a disastrous acts where such unsavoury budgetary allocations, most part of it is consumed without anything tangible or some parts captures unrealistic expectations and exclusively reserve for the benefits of the political class. This reinforces the claims by observers, scholars and critics that "one of the issues suffocating our development and depriving the masses if good governance is the issue of "bloated allowances and high cost of governance". The issue gets worst as yearly the budget surfaces with huge increment and yet it doesnt translate into meaningful development. Majeed (2024) eloquently buttress this:under Mr Buhari, the budget was further reduced to N125 billion, until it was increased to N128 billion in 2021, N134 billion in 2022 and N228 billion in 2023. Many believe that the "stagnant budget" in the 8th Assembly (2015-2019) was due to the strained relationship between the leadership of the National Assembly and Mr Buhari. The former president proposed a budget of N169 billion for the National Assembly in 2023, but the lawmakers increased it to N228 billion. One of the reasons given by the lawmakers for the increase was that "certain projects were not catered for in the initial budget." In addition, the lawmakers allocated N30 billion for payment of severance allowance for their aides and ex-lawmakers. At the time of writing this paper, the leadership of the National Assembly, specifically of the House of Representatives, has been running with the false narrative that the budget of the National Assembly has not increased in over 13 years despite the increment in cost. The lawmakers have launched a coordinated effort to gain public sympathy with the claim. "Our budget has been stagnant for 13 years but our expenditure has gone up within that period," the Speaker of the House, Tajudeen Abbas, said in September. Contrary to that statement, however, evidence shows that the budget has enjoyed a steady increment for the past four years, from N125 billion to N228 billion in the current budget cycle, which is the highest budget of the National Assembly. The proposed N197 billion for 2024 is the second highest in the Fourth Republic. The proposed N197 billion for 2024 is the second highest in the Fourth Republic. While the lawmakers are moaning about their budget and perks, they earn more money than most workers in Nigeria. On average, a senator takes home over N13. 5 million monthly, while a member of the House of Representatives goes home with over N9 million in a month. A former member of the House of Representatives, Adejoro Adeogun, in an interview with Premium Times recently, stated that he earned over N450 million in the four years in the House. This is in a country where the monthly minimum

wage is N30, 000. The proposed 2024 budget of N197 billion for the Legislature is higher than the combined budget proposed for 26 federal universities for 2024. This amount is also higher than the allocations proposed for 41 polytechnics. Some of the allocations to individual federal polytechnics reviewed by this newspaper are as low as N1. 7 billion, including the funds proposed for their personnel, overhead and capital expenditure. The budgets of the universities reviewed by PREMIUM TIMES also included total allocations for wages and salaries, overheads and infrastructure. The National Assembly gets its budget in lump sum as a first-line charge from the Federation Account and is then shared by the management among all the various entities. In 2023, the N228 billion budget of the National Assembly was allocated as follows; N30 billion for the payment of severance/inauguration of outgoing and incoming 9th and 10th Assembly, National Assembly Office N30. 4 billion, Senate N33. 2 billion, House N51 billion, NASC N10. 5 billion, Legislative aides N16. 5 billion and General Services N11 billion. Other allocations include NILDS N7. 4 billion, Office of retired clerks and permanent secretaries N1. 09 billion, service-wide votes N671 million, appropriation committees N125 million and N165 million for the Senate and House respectively, public account committees of Senate and House, N260. 7 million.

Also, the National Assembly building (ongoing) N4. 2 billion, NASS liabilities N8. 5 billion, NASS E-library N225 million, NASS dashboard N118. 5 billion, constitution review N850 million, completion of the National Assembly library complex N7. 5 billion, completion NILDS HQ N2. 5 billion and Construction of NASC building N10 billion, (Majeed 2014). One can imagine the level of criminalization of state and how predatory our leaders in Nigeria have become considering the level of hardship at the time of writing this paper occasioned by the obnoxious subsidy removal by President Tinubu. resident Bola Tinubu removed the fuel subsidy in his inaugural speech on May 29, 2023, created untold hardship for Nigerians, (Sagay, 2024). In a television broadcast, Tinubu defended his decision to scrap the petrol subsidy, which he said benefited a few elites and that the reforms would help boost the economy. "In a little over two months, we have saved over a trillion naira that would have been squandered on the unproductive fuel subsidy which only benefited smugglers and fraudsters, " Tinubu said. The president further stated, he was aware of the hardship caused by removing the subsidy and was "monitoring the effects of the exchange rate and inflation on gasoline prices, " adding that he would intervene if and when necessary, Nigeria has saved over 1 trillion naira (\$1. 32 billion) in just over two months by scrapping a popular but costly subsidy on petrol and moved to unify its multiple exchange rates, President Bola Tinubu affirmed. Tinubu faces pressure from the masses as prices soar following the country's austerity reforms in decades, which labour unions say have hurt the poor. A meeting between unions and government to try to avert a planned strike from Wednesday ended without an agreement late on Monday, union officials said.

In a television broadcast, Tinubu defended his decision to scrap the petrol subsidy, which he said benefited a few elites and that the reforms would help boost the economy. "In a little over two months, we have saved over a trillion naira that would have been

squandered on the unproductive fuel subsidy which only benefited smugglers and fraudsters, " Tinubu said. The president said he was aware of the hardship caused by removing the subsidy and was "monitoring the effects of the exchange rate and inflation on gasoline prices, " adding that he would intervene if and when necessary. The World Bank said last month Nigeria could save up to 3.9 trillion naira this year alone after Tinubu's reforms but warned of growing short-term inflationary pressures. Unions are pressuring Tinubu to offer relief to households and small businesses. Tinubu announced a 500-billion-naira package which includes mass transit buses and cheap loans to farmers and small businesses to boost employment. Earlier on Monday, the government said it had released grains to families, directed authorities in public schools to defer hiking school fees and will provide buses to ease transport costs for students. It also plans to set up a fund from the subsidy savings to build infrastructure (Onuah, 2024).

Onafowokan (2024) observed that, important to note is that the idea of fuel subsidy although inherently noble, its administration in Nigeria has been plagued with serious allegations of corruption and mismanagement. In the early 1990s, Nigeria's state-owned oil refineries struggled to meet demand, leading to crude oil export and costly refined petroleum imports subsidised by the government. Despite granting licenses for private refinery construction in 2000, none were built, as economists believed subsidies hindered investment returns amid low oil prices. The government's reliance on the NNPC for subsidies led to reduced contributions to the federation account, causing budget deficits and inefficient energy consumption. Before President Tinubu's inauguration, the Nigerian government spent ₦400 billion monthly subsidising petroleum imports, covering the difference between the projected market price and the pump price. Manjo (2023) observed that, President Tinubu's Government had advanced some arguments that the removal of fuel subsidy would bring positive benefits to Nigerians and the Economy.

First, it is the expectations of government that the removal of fuel subsidy will incentivize domestic refineries to produce more petroleum products, thereby reducing Nigeria's dependence on imported fuel and in turn, boost the economy and create jobs for Nigerians. The completion of some refineries and their unwillingness to commence operation under the subsidy and regulated fuel pricing regime may have prompted the instantaneous decision of President Tinubu which removed the petrol subsidy. It is a global news that Dangote Refinery was commissioned mid May, 2023 by former President Buhari and it has capacity to meet 100% of Nigeria's refined petroleum product demand and Nigerian fuel consumption need of about 450,000 barrels per day and to have an excess of 200,000 barrels per day for export. Despite the commissioning, Dangote refinery insisted and announced August, 2023 for the start of operation due to subsidy regime that was in place in May, 2023. Alongside Dangote refinery, other refineries such as Oando refinery, Waltersmith Petrolman refinery and Niger Delta Petroleum refinery are yet to start operations due to prevailing subsidy regime during Buhari administration. Now that the fuel subsidy regime is gone, it is expected that resources will be freed up for other sectors of the economy, and the aforementioned domestic refineries

will be incentivized to produce more petroleum products, thus reduce Nigeria's dependence on imported fuel, boost the nation's economy and create more jobs for the youths.

Secondly, the removal of fuel subsidy is expected to increase private participation in the importation of petroleum products, which will free up the market from the NNPC's monopoly. For example, foreign investment in the middle and downstream sector of oil and gas industry are now leveraging the African Continental Free Trade Area (AFCFTA) and deregulation of fuel price to come into the country and expand their businesses in the oil and gas value chain. Increased investments in oil sector will definitely stimulate the nation's economic growth and development.

Thirdly, it is also the expectation that fuel subsidy removal will ensure readily availability of petrol at all times for all Nigerian and reduce diversion by oil marketers. Appropriate pricing of petrol is expected to check the greed for higher profit among players in the oil industry and will banish permanently the queues from petrol stations and stop the suffering of fuel scarcity and Finally, it is expected that the removal of fuel subsidy will facilitate and ensure competition in the oil industry as market forces will drive the prices. The expectations of both government and Nigerians are that local refining of crude oil could potentially eliminate fuel importation and the assurances for petrol subsidies removal altogether to make the market price affordable. These expectations seem logical to some extent as the costs of haulage, insurance and other associated cost of importation of fuel across the value chain may reduce the pump price of locally refined fuel a bit, but it will still be subject to international price of crude oil. If the international price of crude oil falls below a certain level, the price of locally refined fuel may also come down and vice versa. It is therefore not automatic that locally refined fuel will magically reduce petrol price to N184 that was being sold during the subsidy regime. In the same vein, Manjo further reiterated that, effects of Fuel subsidy Removal in Nigeria President Bola Tinubu's decision to deregulate the oil industry and remove the fuel subsidy has left millions of Nigerians terrified about the immediate impacts on their daily lives. Presently, many Nigerians are unable to meet the cost of education, food and health care. Small businesses particularly those that heavily rely on transportation and fuel consumption, have their operational costs increased three folds. Also, Transportation costs had risen, thus reducing the employee's disposable income across the nation. Equally, increased fuel prices had placed an additional financial burden on Students across educational institutions in the country. The subsidy removal policy had changed a wide range of activities in all segments of the society; from its impact on inflation, increased cost of transportation, food prices and prices of goods, to increasing operational costs for small businesses across the nation. The present reality on ground across Nigeria is that the removal of fuel subsidy is having a notable impact on inflation as prices of goods and services, especially transportation costs and food prices had gone up and it has created multiplier effects in the other sectors of the economy. For instance, the movement of agricultural products from rural areas to the cities depends on the transport sector which had its prices doubled, causing a rise in the prices of other goods and services in the market.

The removal of fuel subsidies also affected small businesses, workers and students in many ways such as hotels, barber, farmers, welders, hair dressers, private hospitals, private schools etc, because they all rely on fuel for their operations and logistics. Transportation costs for movement of students, workers and for delivering goods and services had risen, impacting in profit margin, pricing, disposable income of workers, and general cost of living in the country. Nevertheless, government had affirmed that the removal of fuel subsidy represents a significant radical shift in the nation's economic policy by President Tinubu, harping it on the need to address fiscal challenges, eliminate corruption, promote market driven pricing and encourage investment, and with an additional justification that fuel subsidies (when in place prior to May, 2023) disproportionately benefited rich citizens that consume relatively larger amount of fuel to power their generators and automobiles. Notwithstanding all these promised or anticipatory benefits, the present reality on ground is that the removal the subsidy is impacting on the standard of living adversely, as the worker purchasing power had diminished due to inflation and higher transportation costs, and small businesses and students were hardest hit by the increased price of fuel. Therefore, government need to urgent consider the plight of the down trodden citizens, workers, students and small businesses by providing adequate support, transparent palliatives or social welfare schemes, and compensation to citizens to cushion the adverse effects of the fuel subsidy removal since May, 2023, (Manjo 2023).

Elite Class and Oil Theft in Nigeria: Revealing a Kleptocratic Nature

The vexing and devastating phenomenon of oil theft in Nigeria it's a matter of serious concern since the discovery of oil in 1956 in oloibiri town of Bayelsa state. The oil discovery and the many Issues associated with it has been a matter of serious political, economic, security and health concern for years, which is why Nigeria As an oil-rich Nation is a robust candidate of countries plagued with resource curse and paradox of plenty. As noted by a well meaning and patriotic leader and former Anambra State Governor in Nigeria, Mr Peter Obi, " oil is not an item someone can easily steal and store in the pocket. its not that small and impossible to beam. it takes high level of strategizing, manipulation, surveillance and sophisticated logistics enroute all maritime and preceedural measures to transport oil". It is here one begins to ask how can this be possible considering the bureaucratic bottle necks and cumbersome processes mostly security via land and sea for oil to be stolen. It brings to bear that such activities is not without the involvement of elites in politics, military, oil sector and other security forces who are conspirators and accomplices in perpetuating oil theft for personal gains, (Isuwa, 2023; Mosadioluwa, 2022; and Akinmurele, 2023).

The Sahara Report of New York October 16 2022 indicted the Nigerian government officials and security personnel as involved in oil theft and illegal oil bunkering in the Niger Delta region. The report which was titled "Nigeria's Criminal Crude: International Options to Combat the Export of Stolen Oil" was published in 2013 by Christina Katsouris and Aaron Sayne read, "Illegal bunkering of Nigerian crude oil probably started in the late 1970s or early 1980s, when the country was under military rule. In many instances of

oil theft and bunkery, some top army and navy officers were at the forefront of stealing oil – or allowing others to steal it – to enrich themselves and maintain political stability. Some say that oil theft also allowed Nigeria to bust tight OPEC quotas. It seems that local and foreign intermediaries did much of the legwork; Lebanese and Greek actors were most often suspected. While no data exist, the illegal oil sale though was not huge at this time, perhaps a few thousand barrels per day. However lower global oil prices and Nigerian output, combined with the handful of group of actors involved, paved the way for the proliferation of the business. Public outcry on the involvement of the Nigerian security forces stealing oil grew after military rule ended in 1999, (The Sahara Report, 17 Oct 2022).

The return of the military to the barracks on 29th may 1999 which saw the ascension into the Nigerian political landscape of democracy, also opened the floodgates for civilian officials and political 'godfathers' to the illegal oil trade. Nigeria's oil sector and political culture opened up dramatically in the 2000s. Rising prices and production allowed more oil to vanish, as did the local 'resource control' agitation. The extravagant profits and cast of characters in play made the 'rights' to steal oil more hotly contested. In the Niger Delta, oil theft became curse and same time a blessing where on the other hand it was a source of conflict as its ties to political violence, corruption and organized crime buyer-seller relationships in the stolen oil trade can vary a lot. On the other hand those youths engaged in oil theft with collaboration from security operatives, making them have their also made the boys to be calm, shunned violence and focused on the illegall oil theft . As such, pursuing stolen parcels requires an understanding of how legitimate Nigerian oil sales work. NNPC also allocates around 400, 000 b/d of the government's oil to its four refineries. Because the refineries generally run at only around 20 per cent capacity, much of this oil is sold for export. Some of it is stolen from the pipelines that run from onshore export terminals en route to the refineries. In addition to NNPC's regular export cargoes, the international oil companies (IOCs) ship and sell up to 30 more cargoes each month. Under the NNPC term contract system, most legitimate cargoes change hands at least twice: first from NNPC to a trader, and then from the trader to another buyer, most often a refinery. Moreover, of the fifty-term customers for 2012, perhaps only a dozen to twenty have the capacity or will to finance, ship and sell their own cargoes directly to refiners with all the market and price risks involved. Most of the remaining ones are so-called 'briefcase companies' – small entities which sell their allocations of crude to the main traders for a margin, most often at the higher end of \$0. 25–0. 40 per barrel in 2013. This adds a third layer of sales transactions. The system paves the way for the involvement of numerous shadowy middlemen and 'politically exposed persons. This, in turn, creates a crowded, confusing, high-risk marketplace. A typical briefcase company is owned by one or more private individuals acting as a 'front' for top political office-holders and power-brokers. Traders and refiners say they receive regular calls from little-known Nigerians offering oil, often on suspect terms. A growing number appear to be businessmen and elites from the Niger Delta. Seasoned buyers spot most such offers as '419', the work of advance fee fraudsters. But though some of the middlemen run their business in a legitimate manner devoid of criminality, (The Sahara Report of New York October 16 2022).

Abuh (2022) further affirmed that, Elder statesman, Chief Edwin Clark, affirmed that oil theft in Nigeria is runned in a Mafia syndicate manner . Thus it is a situation whereby agents of military officers, working in disguise or covertly with unscrupulous officials of the Nigeria National Petroleum Company (NNPC) Limited, is behind the theft of crude oil running into trillions of naira over the years. Also Olawa (2024) reporting in the Punch Newspaper of January 13, 2024 affirmed that, the Nigerian National Petroleum Company has recorded at least, 214 incidents of oil theft in a certain period -weeks preceding his report. The NNPCCL said it uncovered 72 illegal refineries across the oil-rich Niger Delta from January 13 to 19, 2024. In a video documentary released the NNPCCL disclosed that “between the 13th and 19th of January 2024, 214 incidences (of oil theft) were recorded from various incidence sources” in the Niger Delta. Further more the NNPC revealed that “72 illegal refineries were discovered across several locations” in Rivers, Bayelsa and Abia States; especially in Ogubolo, Rivers, “where an illegal refinery is being destroyed”. According to Emmanuel (2009) in 2006 the former Nigeria anti-corruption chief Mallam Nuhu Ribadu revealed that the leaders of the country stole about \$380 billion of its oil revenue between 1960 and 1999. In a similar development, the information minister Mr. Lai Mohammed equally reported in the Premium Times of 2016, that over 1. 3 trillion naira of public funds was stolen between 2013-2016. The corruption scale in Nigeria keeps increasing in length and width, making caricature of any steps towards curbing the menace despite the extent of discipline and financially honesty claimed by the government. This no doubt has a devastating and debilitating effect on the economy in areas of infrastructure, health and education system. Albeit, it is important to note that corruption is not only traceable to the post-independence era as observed by Balogun (2003) when he opined that, the emergence of corrupt practices is traceable to the colonial system. During the colonial era the rampant display of patronage was the order of the day. Thus, it was evident the colonial system introduced a system of politics whereby only those under the patronage of the colonial administrators were successful in accumulating finance capital. Moreover, the first high profile case of corruption was against Dr. Nnamdi Azikiwe the Premier of Eastern Nigerian government (1954-1959) who used his privileged position to divert government resources into his private bank – African Continental Bank. He was investigated by the Foster Sutton Tribunal of Enquiry (1956) and was made to forfeit all the assets of the bank for the regional government, the same was the case in the western and northern region of Nigeria.

Oil Theft and the Contraption of Nigerian Economy.

The unending issue of oil theft it's an agelong and concealed criminalized venture ongoing in the Nigerian body polity. Thus, aside of wastage in oil revenue by political class, the oil smuggled out of the country by political and economic mafias it's alarming and an issue of concern. Oil that it's shipped by heavy tankers and ships across international and maritime waterways with heavy security yet on daily basis we are confronted with huge loss from oil theft. It has led to accusations of the security, military and paramilitary as collaborators.

As of March 16, 2022 The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) says it was upgrading and deploying the National Production Monitoring System (NPMS) facility toward curbing and reducing the incident of oil theft in Nigeria. Mr Gbenga Komolafe, Chief Executive, NUPRC, spoke in Abuja on efforts by the commission to address the menace of crude oil theft. Komolafe said the deployment of NPMS, which is an electronic system used in monitoring oil and gas production in Nigeria, was being carried out in collaboration with other relevant agencies. According to him, this is a move that will give accurate and reliable reporting of crude oil production. He noted that the National Data Repository (NDR) within the NUPRC serves as the data reservoir for Nigeria's oil and gas industry. Komolafe further informed that, "the value of information (VOI) is for purpose of oil and gas investment decision. "For example, NDR facilitates data for bid rounds in line with the statutory mandates of the NUPRC under the PIA to prospective investors, thus enhancing informed investment decision and shortening upstream business lifecycles. He also said that NUPRC had taken technological advancements into consideration in its work processes. Akinmurele (2022) in the Business Day Magazine of september 19, 2022 quoted Peter Obi the Presidential candidate of Labor Party in the 2023 presidential election saying, " people in the government are responsible for the massive oil theft that has blocked Nigeria from reaping the bounties from the boom in oil prices and deprived Africa's largest economy of much-needed petrodollars. People in the government are the ones stealing oil. Nobody here can steal oil. Nigeria has lost about \$5 billion in the months of July and August alone to oil theft and other challenges affecting oil production". In the same vein, the former Vice President of the Federal Republic of Nigeria, Osinbajo affirmed that, " oil theft if left unchecked, would spell doom for Nigeria and could fuel a public finance crisis that paralyses the government, which he said would make the nation vulnerable. Oil Theft and Losses is a threat to Nigeria's economy and national security. It poses serious threat to our oil economy and gives a retrogressing shock to the nation's revenue and dampened business prospects of investors in the oil and gas sector. If left uncensored this is capable of unleashing a public finance crisis that could cripple the government and make our nation vulnerable to certain avoidable shocks from external waves, (Akinmurele 2022).

Soremi (2020) on accounting on the oil theft rampage, recalled that it all started in the 1970s and 1980s when the military regime demonstrated high level of corruption as a result of the huge revenue accrued from crude oil sale. It later snowballed into the Niger Delta agitation for resource controll and thereafter the youths started acting like security and surveillance to those engaged in stealing oil. The mastery and bounties associated with crude oil theft and bunkery known as "Kpo fire" prompted the youths to involve in illegal bunkery not minding the health and environmental consequences. Soremi further stated that, oil theft, which is also referred to as oil bunkering (Watts, 2007) occurs in three different modes in the Niger Delta (Katsouris and Sayne, 2013). The first mode involves locally confined activities in which oil is siphoned from pipelines that had been punctured or cut with a hacksaw, and the oil collected is then refined crudely and sold within the community (Asuni, 2009). In the second mode, oil thieves attach plastic hoses to wellheads or manifold points to divert the oil directly into barges, ships or canoes

(Ikelegbe, 2005) after which the oil is transported through the 'Niger Delta's dense network of creeks, swamps and estuaries' (Katsouris and Sayne, 2013:3) and offloaded into tankers often anchored at the mouths of coastal rivers. When these tankers have been filled, the oil is transferred into other large tankers or mother ships in the high seas (Ikelegbe, 2005). The third mode which has also been termed the 'white collar branch of oil theft' (Katsouris and Sayne, 2013:4) involves lifting of excess crude oil by extraction license holders and falsification of bill of lading records to cover up the actual quantity of oil being shipped out of the country.

Ijaseun (2023) opined that, Nigeria's extractive industry, focusing on oil, gas, and minerals, positions the country as Africa's top oil producer and the 12th largest globally. It boasts significant natural gas reserves as well. This sector plays a vital role in Nigeria's economy, contributing over 65 percent of government revenue and more than 85 percent of total exports. However, weak governance and corruption have hindered its potential to drive socio-economic development, despite the underdeveloped mining sector accounting for less than 1 percent of the country's GDP. For years, oil theft has been a persistent problem in Nigeria, negatively impacting crude oil production and Nigeria's revenue and prompting calls for a thorough investigation. Ijaseun further decried of the theft of oil in saying that, been a persistent problem in Nigeria, negatively impacting crude oil production and Nigeria's revenue and prompting calls for a thorough investigation.

Over the past two decades, Nigeria's daily crude oil production has significantly decreased. Between 2000 and 2010, it averaged 2.085 million barrels per day, but from 2011 to 2020, it dropped to 1.732 million bpd (a 17 percent decline), according to data sourced from the Central Bank of Nigeria (CBN). In 2021, daily production averaged 1.48 million bpd (a further 15 percent decline). This 20 percent drop in production represents a potential revenue loss of \$40 billion over five years or approximately \$8 billion per year. Recent estimates for 2022 suggest production has dropped even further to below 1.3 million bpd. The decline in production has been attributed to factors such as divestments, lower capital expenditure, and proliferation of oil theft and pipeline vandalism, with business leaders within the sector, including Tony Elumelu and Austin Avuru, expressing concern about Nigeria losing a significant portion of its oil production to thieves consistently. Last year, the Nigerian National Petroleum Company discovered an illegal oil connection from Forcados Terminal that operated for nine years, resulting in the loss of around 600,000 barrels per day of oil. Similarly, former militant leader Tompolo reported the discovery of about 58 illegal oil points in Delta and Bayelsa states. Between 2009 and 2020, Nigeria lost a staggering 619.7 million barrels of crude oil valued at N16.25 trillion to oil theft, as revealed by the Nigerian Extractive Industries Transparency Initiative. Of recent, the Nigerian Extractive Industries Transparency Initiative (NEITI), in its 2023 report, revealed that Nigeria spent N13 trillion on fuel subsidies between 2005 and 2021, while 619.7 million barrels of crude oil valued at \$46.16 billion (N16.25 trillion) were stolen between 2009 and 2020, (Ijaseun 2023). In the same vein Sanni quoted the National Security Adviser NSA to the Nigerian State saying, "Currently, crude oil theft is

arguably the biggest threat to Nigeria's economy. Its socioeconomic impact includes environmental degradation, health hazards and disruption in economic activities of the host communities amongst other concerns. Also, the former minister for State petroleum in the administration of former president Muhammadu Buhari opined that, The Minister of State, Petroleum Resources, Timipre Sylva, said the country has been unable to produce even 60 per cent of the two million barrels of oil per day it produced 30 years ago, (Sanni 2023).

Efforts in Curbing Oil Theft in Nigeria

The ugly incident of oil theft in many fronts an coloration as highlighted above and in may extant literatures is taking devastating toll on Nigerian economy. This act of economic sabotage without overemphasizing needs to be frontally tackled. This is why the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) publication of 16th march 2022 revealed that, it was upgrading and deploying the National Production Monitoring System (NPMS) facility toward curbing crude oil theft in Nigeria. Mr Gbenga Komolafe, Chief Executive, NUPRC, spoke recently in Abuja on efforts by the commission to address the menace of crude oil theft. Komolafe said the deployment of NPMS, which is an electronic system used in monitoring oil and gas production in Nigeria, was being carried out in collaboration with other relevant agencies. According to him, this measures became necessary so as to give accurate and reliable reporting of crude oil production. He noted that the National Data Repository (NDR) within the NUPRC serves as the data back for Nigeria's oil and gas industry. Komolafe said, "The Value of information (VOI) is for purpose of oil and gas investment decision. "For example. NDR facilitates data for bid rounds in line with the statutory mandates of the NUPRC under the PIA to prospective investors, thus enabling informed investment decision and shortening upstream business lifecycles. "He also said that NUPRC had taken technological advancements into consideration in its work processes. Komolafe said that currently, the Technological Adaptation Unit within Engineering and Standards Department engages service providers on new technologies that could be implemented in the petroleum industry. "In addition, we have established more data related initiatives in the NDR such as National Improved Oil Recovery Centre (NIORC)

According to Izuaka (2023) due to the lingering and outrageous issues of crude oil theft that has become a national life, displayed by those who swim in the act with impunity, the Federal Government of Nigeria launched an application in August 2023, to monitor cases of theft. The Nigerian National Petroleum Corporation awarded multi billion Naira contract to Mr Tom Polo who is the head of the movement for the emancipation of Niger Delta to secure it's pipelines. In the same vein Nnodim (2023) reiterated that, the Federal Government, on Monday 6th February 2023, announced the introduction of two key regulations measures put together to halt the massive oil theft in the Niger Delta and boost the country's revenue from crude oil production. It unveiled five draft regulations at a stakeholders consultation forum in Abuja, but pointed out that two of them – Upstream Petroleum Measurement Regulations, and Advance Cargo Declaration Regulations, were specifically drafted to tackle oil theft. The other three regulations

include the Significant Discovery Regulations; Gas Flaring, Venting and Methane Emissions (Prevention of waste and Pollution) Regulations; and Domestic Crude Oil Supply Obligation Regulations. The government disclosed this through the Nigerian Upstream Petroleum Regulatory Commission, at the third phase of its consultation with stakeholders on regulations development as mandated by Section 216 of the Petroleum Industry Act 2021. Sanni (2023) affirmed that, the National Security Adviser (NSA) to the Nigerian Government Mr Babagana Monguno, who is a retired Major General in the Nigerian Army, in the Stakeholders' Conference on Oil Theft and Losses in Nigeria, convened by the Special Investigative Panel on Oil Theft/Losses in Nigeria on Tuesday in Abuja, said the federal government prevented over three million barrels of crude oil from being stolen between August 2018 and January 2023. The crime was perpetrated within Nigeria's Exclusive Economic Zone (EEZ) up to the Republic of Togo. He also said security agencies have embarked on a series of intelligence-driven maritime security and are utilizing and deploying the "Falcon Eye System" a high-tech real-time intelligence Maritime Domain Awareness facility that is coordinated with the NSA. The facilities and initiatives have facilitated the prosecution of over 200 vessels involved in maritime criminality and the recovery of about 11 million litres of petrol and diesel within five years. In his words while assuring Nigerians on the sincerity and seriousness in tackling oil theft, reaffirmed that also directed that "the Falcon Eye System – a high tech real-time intelligence Maritime Domain Awareness facility domiciled with the Nigerian Navy and coordinated by the Office of the National Security Adviser be fully committed to addressing this emerging concern". In addition, 83 oil tankers involved in various crude oil and product theft have been arrested, while the theft of over 3 million barrels of crude oil was prevented and 11 million litres of petrol and diesel were recovered, (Sanni 2023). By November 2022, three months after the August 2022 moves by the federal government of Nigeria in tackling oil theft, there was improvement in oil and gas supply. As succinctly put by Owolabi and George (2022), Nigeria LNG said there was an improvement in the availability of some oil pipelines since the government and state oil firm NNPC LTD stepped up efforts in August to combat theft. We have begun to see improvement in the availability of key crude oil transportation trunklines, " NLNG spokesman Andy Odeh said via email, adding: "If this trend is sustained, we expect it will support improved gas supply to NLNG once currently flooded oil and gas infrastructures becomes accessible,

The NNPC on its part awarded a multi-billion naira pipeline surveillance procurement to a former leader of the Movement for the Emancipation of Niger Delta (MEND), Government Ekpemupolo, aka Tompolo. In his remarks, the Interim Administrator of the Presidential Amnesty Programme (PAP,) Barry Ndiomu, called for a deliberate conversation to drive legal reforms that would provide stiffer penalties to culpable entities involved in oil theft. Mr Ndiomu, a retired major general, who is the chairman of the Special Investigative Panel on Oil Theft/Losses, said "frank discussions" must be held to enable the country to "crack the code" and put an end to the "criminal enterprise" of oil theft, (Sanni 2023). Providing insight into the regulations, the Executive Commissioner, Economic Regulation and Strategy Planning, NUPRC, Kelechi Ofoegbu, explained that the measurement regulations would give the regulator the capability of

knowing exactly what was produced by different upstream oil operators. He said, "All through the years of production in this country, there's always been the question of how much we produce and how much we consume, from upstream to midstream to downstream." And we say it is enough already, because we should have come to the level of maturity as a producing nation that gives us the ability of staying in a room to monitor our hydrocarbon movements, (Nnodim 2023).

Izuaka (2023) observed that on the 7th of July 2023, The Nigerian National Petroleum Company Limited (NNPCL) reported that, a private security contractor, Tantita Security Services, intercepted a suspicious vessel with a cargo of crude oil on board. The vessel, MT TURA II (IMO number: 6620462), owned by a Nigerian Registered Company, Holab Maritime Services Limited with Registration Number RC813311, was heading to Cameroun with the cargo on board when it was apprehended at an offshore location (Latitude: 5. 8197194477543235°, Longitude: 4. 789002723991871°), with the captain and crew members on board," it said. The NNPCL noted that preliminary investigations revealed that the crude oil cargo was illegally sourced from a well jacket offshore Ondo State, Nigeria. "There was no valid documentation for the Vessel or the Crude Oil Cargo onboard at the time of the arrest. "Further investigation into the activities of the vessel at the NNPC Ltd. Command and Control Centre also revealed that the Vessel has been operating in stealth mode for the last twelve (12) years. The last reported location of the vessel was Tin Can Port in July 2011" the statement Okungbowah (2022) lamented on the inability to stop oil theft as the Nigerian criminal and justice culture only plays cool on prosecuting theft syndicates, thus One major defect of our criminal justice system which has served as a veritable incentive to crude oil theft in Nigeria over the years is the failure of sanctions or insufficiency of it. According to the Oxford Dictionary, "sanction" means a strong action taken in order to make people obey a law or rule or a punishment given when they do not obey. The Blacks' Law Dictionary defines "sanction" as "a penalty or punishment provided as a means of enforcing obedience to a law". In maintaining societal equilibrium and ensuring obedience to laws and respect for order, sanction is, therefore, an imperative. Unfortunately, the regime of sanction/punishment available against oil theft in Nigeria and its application have left much to be desired. For instance, it was reported and published in the online media on January 20, 2022 that some crude oil thieves and their vessel caught with 200-million-naira worth of stolen crude oil had, through the instrumentality of a plea bargain, been allowed to walk virtually free with a fine of N2, 000. In a judgment delivered on 24th November, 2021, the trial Judge noted that the plea bargain filed by the prosecutor (an officer in the Federal Ministry of Justice) was "dirty", "sordid" and "unpleasant". The Judge also opined that he was seeing for the first time where a charge was amended to give the defendant "a soft landing".

Conclusion

The study was set out to investigate the level of kleptocratic nature of the Nigerian state, as it relates to the behavior of national leaders in managing oil wealth for national development which should find actual expression in the lives of all individuals.

The actual and conventional reasoning about the availability of resource rich nations is the believe that, such resources be it human, material/natural and mineral in any form should transform such society into meaningful development whereby there is evidence reduction or total eradication of poverty, insecurity, inequality, unemployment, illiteracy, crimes and other social vices as behavioral deformities exhibited by youths in their quest for a sustainable economic life outside legit means of survival.

The irony remains that, many oil-rich developing countries, Nigeria included are suffering from acute and excruciating pains of under-development revealed in the absence of good standard of living, adequate infrastructure like roads, electricity, schools etc. social welfare in terms of employment, security, poverty reduction is absence as the masses dwell in utter misery and neglect, while government officials love in largesse and squandering. State resources and offices have been captured by state officials in collaboration with local and international private firms as individuals. such private firms and individuals use money to influence policy making so as to gain advantage, hence there is always an invisible hand behind the scene controlling the state not for the interest of the masses but the nouveau riche and their patronizers. This unholy collaboration often surface in elections: elections that supposed to be the first step for the masses to exercise their powers over leaders, but unfortunately such elections are marred with irregularities such as monetization of electoral processs where money is used to purchase vote, rigging and armtwisting of judiciary. Such an anomaly makes accountability and responsiveness to the people impossible and mirage because there was never a display of the power of the box, by so doing whether the leaders perform to be interest of the masses or not they the leaders don't care. The reasoning here is that monies in millions and billions was expended, banks, commercial enterprises and private individuals invested cash to purchase political office and such monies must be returned, policies implemented would definitely be first to satisfy such parties. Little wonder why state is criminalized, competition for the acquisition of political office deadly using all fowl and crooked means: kidnapping, assassination and killings.

The current Nigerian situation under the regime of President Bola Ahmed Tinubu is not a palatable one at all. As at the time of this paper the regime was just 10 months old, yet the level of hardship, hungee inflation, insecurity in the form of kidnapping on daily basis, unemployment, Naira devaluation and inflation of 31. 70% as pointed out by Izuaka (2025). Izuakka further affirmed that, while cost of living so excruciating and biting the country's political class (president, senators, representatives members, governors, ministers are living in largesse allocating huge some of money in the budget for themselves to secure cars allowances worth billions for themselves. Such unpalatable scenario as mentioned above clearly shows why the Nigerian state haven't developed beyond the level it is now without any sense of self sufficiency and self reliance despite many laudable policies from independence till date, (see Hilary, Okorie, Bassey and Valerie on "Development Policies For Self-reliance: A Critique Into Nigerian Post-independence, 2023").

Recommendations

1. Less emphasis on oil as a source of national wealth and making political office less lucrative. this should also cut down cost of electioneering cost and the processes that breeds an atmosphere of stiff, rugged and deadly confrontation. Also, other sectors of the economy should be boosted to be more lucrative and competitive with oil.
2. Cutting cost of governance. this is another area Nigeria as a country needs to tackle as it consumes lots from the country's budget and crippled national development.
3. Sincerity in tackling corruption, apprehend and punish offenders without compromise or spare any sacred cow. Leadership in terms of politics, should be based on integrity, past records of path-breaking achievements and ideology of citizenship welfare and not for personal aggrandizement, to satisfy interest of cronies and patrons.

Reference

- Abouzaid, O. A. (2016) *The Asian Tigers. What makes them so successful?* Munich, GRIN Verlag, <https://www.grin.com/document/337763>.
- Abuh, A. (2022). *How military, corrupt NNPC officials, others steal Nigeria's oil wealth, by Clark*.
- Acemoglu, D., Verdier, T & Robinson, J. (2004). Kleptocracy and divide-and-rule: A model of personal rule, *Journal of the European Economic Association*. April–May 2004 2(2–3):162–192© 2004 by the European Economic Association. The Alfred Marshall Lecture
- Adah, B. A. & Abasilim, D. U. (2017). Development and it's challenges in Nigeria: A theoretical discourse, *Mediterranean Journal of Social Sciences*. 6(6)
- Amundsen, I. (2019). Chapter 1: "Extractive and power-preserving political corruption" in Amundsen I. (ed), *Political Corruption in Africa*. <https://doi.org/10.4337/9781788972529.00007>.
- Akinmurele, L. (2022). Peter Obi accuses government of rampant oil theft, *The Business Day Magazine* of September 19 2022.
- Balogun, M. J. (2003). *Causative and enabling factors in public integrity: A focus on Leadership, Institutions and Character Formation*, *Public integrity*, 5, 127-147.
- Chimaobi, O., Bassey, O. O., Emem, U. & Eme, E. O. (2023). Mirroring the developmental challenges of oil-rich Nigeria Within The context of resource curse/ dutch disease and paradox of Plenty. *TIJER* || ISSN 2349-9249 || © April 2023 10,(4) || www.tijer.org

- David-Barret, E. (2023). State capture and development: a conceptual framework, *Journal of International Relations and Development*. 26, 224–244, (2023)
- Emmanuel, O. (2017). *Governance and prebendalism in Nigeria; The past, the present and the future*, <https://www.researchgate.net/publication/320716437>. Retrieved on 28th August, 2020.
- Eromosele, F. (2023). Oil theft pose huge threat to Nigeria's economy – Osinbajo. *The Vanguard News*, February 22 2023.
- Faminu, G. (2023). Nigeria loses N16.25trn to crude oil theft in 12 yrs – NEITI. *The Business Day* April 14 2023.
- Gboyega, A. (2003). *Democracy a development: The imperative of local government. An inaugural lecture*, University of Ibadan, Nigeria 6-7.
- Heathershaw, J., Pitcher, A. & De Oliveira, R. (2023). Transnational kleptocracy and the international political economy of authoritarianism, *Journal of International Relations and Development*
- Hillary, I., Okorie, C., Basse, B. & Valerie, J. (2023). Development policies for Self-reliance: A Critique into Nigerian Post-independence, *IJARIE*. 9(6)
- Izuaka, (2023). Oil theft: 149 incidents recorded across Niger Delta in one week – NNPC, *The Premium times* October 25 2023.
- Izuaka, M. (2024). Updated: Nigeria's inflation hits 31.70% amid high food prices, *The Premium Times* March 15, 2024.
- Ikechukwu, I. & Mbachu, I. (2018). *The socio-cultural implications of crude oil exploration in Nigeria*. The Sahara Report of New York of October 16 2022.
- Ijaseun, D. (2023). Oil theft, mining plagued Nigeria's economy for years, *The Business Day*, 16 July 2023.
- Lawal, T. & Oluwatoyin, A. (2017). National Development in Nigeria: Issues, challenges and prospects, *African Journal of Political Science*. www.internationalscholarsjournals.org. 11(4).
- Majeed, B. (2024). 2024 Budget: National Assembly's allocation higher than total allocations to 26 federal universities, *The Premium times*, December 27, 2023.

- Majeed, B. (2024). How Nigerian lawmakers padded 2024 budget with over N53 billion vague projects, *The Premium Times* March 17, 2024.
- Manjo, G. Y. (2024). Effect of fuel subsidy removal on economy and citizen's Welfare in Nigeria, *Legal Journal of Politics*.9(1)
- Mayne, T. (2022). *What is kleptocracy and how does it work?:Exploring the definition of kleptocracy, the motivations behind it, why it flourishes in certain societies, and its global impact.*The Chatham House
- Nnodim, O. (2023). FG unveils new regulations to curb oil theft.The Punch February 7th 2023.
- Nnodim, O. (2023). Nigeria's oil output rises by 31m barrels – OPEC, *The Punch News*,17 February,2023.
- Nye, J. S. (1967). Corruption and development: A cost benefit analysis. *The American The American Political Science Review* 61, 417-427
- Obiezu, T. (2022). *Nigeria drops to Africa's 4th largest oil producer*, OPEC Reports the Voice of Africa.
- Onuah, F. (2023). Nigeria's Tinubu says scrapping fuel subsidy has saved \$1.32 billion, The Reuters July 31, 2023
- Onafowokan, T. (2024). Months after fuel subsidy removal in Nigeria: So far, how good? *The Vanguard News* January 21 2024.
- Ojiji, C., Ogbinyi, J. O.& Gilbert, U. (2021). Corruption and underdevelopment in Nigeria: problemata, Nexus, consequences and way forward, *European Journal of Political Science Studies*.available on-line at: www.oapub.org/soc.DOI: 10.46827/ejps.v4i2.1064(2)
- Osaji, N. N, Emem, U. & Basse, B. O. (2022). Illicit economy of oil Bunkery and the survival of Niger Deltans in Nigeria: The health and environmental consequences of black soot in Port Harcourt, Rivers State. *International Journal of Innovative Reseach in Education, Technology and Social Strategies*. (IJIRETSS) 9(1)
- Okungbowah, O. (2022). Crude oil theft: Whither Nigeria? *This Day Newspaper* 2022
- Owolabi, T. & Georg, L (2022). *Curbing oil theft has helped pipeline availability*, Nigeria LNG says. The Reuters.

- Radcliffe, P. (2017). *Asian Tigers: Economics and the development of the Asian Nations. The Wandrium Daily*. From the lecture series: Interpreting The 20th Century – The struggle over Democracy.
- Sagay, I. (2024). Tinubu's sudden announcement of subsidy removal created untold hardship. *The Vanguard News* of February 9 2024
- Seers, D. (1979). *The meaning of development, with a postscript in D.L ehmann (ed), Development theory:four critical studies*.New York: Routledge.
- Sasu, D. D. (2022). Oil industry in Nigeria - statistics & fact, *The Statistical*.
- Sanni, K. (2023). We've prevented over three million barrels of crude oil theft in five years – NSA Monguno, *The Premium Times February 23,2023*.
- Steyn. P. (2009). Oil exploration in colonial Nigeria, 1903–58, *The Journal of Imperial and Commonwealth History* 37(2)
- The Asian Development Bank Institute, (2023). *Asian tigers' choices: An overview*.
- The Knoema Publication of march, (2023). *Exports of crude oil including lease condensate*.
- The Borgen Project (2021). *World News.the development of the four Asian Tigers*.
- The Conversation. *A democracy or kleptocracy? How South Africa stacks up*
- The Nigerian Upstream Petroleum Regulator Commission, 16 March 2022.
- Udosen, C., Abasi-ifreke, S. & George, I. (2009). Fifty Years of oil exploration in Nigeria: The paradox of plent, *Global Journal of Social Sciences*.8(2), 37-47
- United Nations Environmental Program (UNEP) 2024.