



Alienation and Militancy in Nigeria's Niger Delta

By Esther Cesarz, J. Stephen Morrison, and Jennifer Cooke

On March 16, Royal Dutch Shell, Nigeria's biggest oil producer, evacuated nonessential staff from its facilities in the Warri district of southern Nigeria's Delta region. This abrupt decision followed a month of mounting unrest by ethnic Ijaw militants that culminated in an attack on the Nigerian Navy on the Escravos River and left seven people dead, wounded several soldiers, and significantly disrupted riverine travel. The Ijaw accused the Nigerian military of provoking the attack, while the military accused Ijaw groups of seeking to disable oil facilities. Subsequent attacks by militants killed one Chevron contract worker and five TotalFinaElf (TFE) personnel, while gunfire badly damaged a Shell helicopter seeking to evacuate employees. Shortly after Shell had moved its personnel to safety, ChevronTexaco and TFE shut in (or closed) production altogether. ChevronTexaco removed its substantial staff—normally 1,600–2,000 employees—and reverted to a skeletal crew of two dozen. In combination, the shut-in of the three operations caused a supply disruption of over 800,000 barrels of oil per day, or 40 percent of Nigeria's national production of over 2 million barrels per day. This production disruption very quickly aggravated national fuel shortages and diminished the capacity of power companies to provide electricity, thereby extending the crisis in Warri to the Nigerian public and adding to general social tensions and national unrest in the run-up to the April 12 and April 19 national elections.

Not since the Biafran war of 1967–1970 has such a massive proportion of Nigeria's petroleum production been pulled from world markets. Moreover, three decades later, the stakes of such a precipitous decline have risen dramatically, both for Nigeria and the world. Proven Nigerian oil reserves have doubled since 1993 from 17 billion barrels to 34 billion, and

major new deep-water fields off shore are expected to yield 1.2 million barrels per day in five years time. Accumulated investment in on-shore production is estimated to exceed \$8 billion. Investment in deep-water fields was \$2.5 billion in 2003, and these fields are expected to attract an additional \$14.5 billion by 2010. In early 2003, Nigeria stands as the world's sixth-largest oil producer and fifth-largest supplier of oil to the United States. World markets are tight, tense, and uncertain, owing to events in the Persian Gulf and Venezuela. In this context, the sudden loss of 800,000 barrels a day, and the uncertainty over when production might be fully resumed, are no longer local or regional events. They assume global importance, attract global media attention, and generate complex cross-pressures on Nigerian president Obasanjo to remedy the situation without resort to violent military repression. Of all the complex dynamics at play in the Warri crisis, it has been the disruptions in Nigeria's oil production that have garnered the most international attention. But the crisis also highlights more profound national challenges with which Nigeria will need to contend, most notably issues of federalism, law enforcement and security, minority rights, resource allocation, and political reform.

The immediate crisis in Warri has somewhat abated, overshadowed by the recent seizure by striking Nigerian oil workers of some 100 hostages on offshore oil rigs. But tensions in the Delta region will not quickly disappear and will almost certainly flare again in the near future unless President Obasanjo takes positive measures to address the underlying context of the problem. In the immediate aftermath of the Ijaw attacks, the president was constrained from heavy-handed action by the impending elections and had few peaceful options beyond the largely symbolic establishment of an interim commission, chaired by Defense Minister Danjuma, to mediate the crisis and seek to reduce inter-ethnic tensions. Now secure in his second term, Obasanjo has deployed two navy vessels to the Escravos waterways to discourage further rebellion. Oil production has recovered to some extent—although a number of swamp-based platforms remain closed—and the drop in revenue over the last six weeks took a considerable toll on government

budget projections. Production is unlikely to reach previous levels until operators are fully confident that elementary security is guaranteed. In the Nigerian context, this may be very difficult to achieve. The current hostage standoff will add to companies' new security concerns and deepening sense of vulnerability, with potentially costly effects over the longer-term. Psychologically, the deliberate, violent killings of oil firm employees in the March incident crossed a pivotal threshold, and will change dramatically the calculus of international oil corporations operating in the region.

Allegations of serious electoral flaws and widespread voter disenfranchisement in the April legislative, gubernatorial, and presidential elections have now added another layer of grievance to the already volatile southern region. Election-related violence and fraud were most intense in the Niger Delta region, including Bayelsa, Rivers, and Delta States, and in many precincts in Warri's immediate vicinity, elections were postponed or canceled because of security concerns.

Ijaw Militants: Bigger Ambitions, Better Capacities

Interethnic violence is a longstanding feature of the oil-rich Niger Delta, fueled by decades of economic neglect, environmental despoliation, and more recently, disenfranchisement, and human rights abuse. Grievances by the Ijaw, who according to various estimates number anywhere from 8 million to 13 million, have been met by successive Nigerian governments with intransigence, indifference, or ineptitude. The Ijaw have periodically mobilized, sometimes violently, against the state and rival ethnic groups for perceived injustices. Protests have been generally organized at the grassroots, spearheaded largely by increasingly frustrated and angry youth. Grievances have predominantly been localized, focusing most recently (post-1996) on unfair local electoral ward delineation that allegedly favors the Itsekiri, disproportionate representation in local councils, and inequitable resource allocations to Ijaw communities. In recent years, beginning under the rule of General Sani Abacha, tensions have worsened between Ijaw and Itsekiri militants, dramatically escalating violence. Ijaw have routinely targeted the oil industry, both rhetorically and through hostage taking, as a means of getting high-level attention in Abuja and the Delta state governor's office and winning incremental resource gains. These tactics have occasionally succeeded. At times, they have provoked bloody and highly publicized clashes with poorly commanded federal troops brought in to contain violence. Over time, in the midst of these struggles, Ijaw youth leaders have become increasingly radicalized. They now consistently reject the

authority and legitimacy of the federal government and operate outside the effective control of Ijaw elders.

This history of conflict notwithstanding, the Ijaw violence of March and April departs fundamentally from prior patterns. First, although Ijaw grievances still include significant local concerns, their focus is increasingly at the national level, directed at flaws in the national electoral process, resentment of Nigeria's national army, and most notably inequities in the national formula for allocation of oil wealth. This last grievance has intensified significantly since the Federal Court decision determining that off-shore oil production is a national asset and hence not subject to the 13 percent derivation formula for Delta communities (which holds that 13 percent of the revenue derived from natural resources should be paid to the states where it is produced). In aggregate, Ijaw mobilization now extends well outside the Delta region and can no longer be dismissed as an outlier issue limited largely to localized concerns that are relatively easy to contain. President Obasanjo, now in his second term, will need to confront Delta grievances reflecting broader national concerns—resource allocation, political access, corruption—for which he will bear ultimate responsibility.

Second, Ijaw militants have displayed new lethal capacities, and a willingness and skill in using them. They acted swiftly, with astute timing linked to the April election cycle, to deny the national government 40 percent of its financial lifeline. They brought to the confrontation new assets: rocket-propelled grenades, AK-47s, machine guns, satellite phones, and speedboats. They demonstrated a willingness, and ability, to kill oil company and Nigerian military personnel and credibly threaten oil sector infrastructure. Quickly, they proved their dominance of Delta waterways and ability to impede the passage of security agents. They handily overpowered the 1,000 Nigerian troops deployed to quell their assaults, provoking a humiliating retreat into the ChevronTexaco compound.

Third, these successes by the militants have stirred speculation that they have established political and operational linkages with several other key actors. Some observers allege that they may be linked with criminal syndicates who illegally “bunker” (divert) substantial oil flows (anywhere from 100,000 to 300,000 barrels per day, according to oil industry experts) from remote, vulnerable onshore pipelines, defending these schemes with well-armed militia and financial patronage. These syndicates thrive on market distortions in Nigeria and illicit market opportunities in Liberia and elsewhere in West Africa's porous, chaotic environments, relying on effective control of riverine traffic,

political payoffs, and organized, armed security contingents. Ijaw militants are also suspected of operating in concert with oil union activists seeking better terms on a national level. And some observers speculate that they may be operating with the forbearance (or support) of the Delta governor, whose political future in late 2002 and early 2003 was in jeopardy, owing to President Obasanjo's reported hostility. These linkages, while alleged, are unconfirmed. What is clear, however, is that Ijaw youth have quietly evolved in recent years from a loosely organized, ethnic, sporadic movement into an armed ethnic militia able to test significantly the regional political environment, while also dramatically leveraging attention and compromise from Nigeria's national leadership.

What Path Out?

The Niger Delta is at a new point of crisis. Its alienation, level of militancy, and instability have been exposed and exacerbated in the run-up to Nigeria's elections. President Obasanjo emerged victorious from the national elections of April 19, but as he enters his second term, he will need quickly to determine how best to address the problem in the Niger Delta expeditiously and effectively. How he will do this is by no means clear. Obasanjo is at a fragile moment in his political career as he begins a new term amidst widespread allegations of vote rigging and fraud. He now also confronts a power shift in the interplay between discontented Delta ethnic militants and the national leadership in Abuja. Better organized, better equipped, better funded through access to oil diversions, and bolstered by growing linkages with other powerful political players, the Ijaw are far better positioned than in the recent past to press their will and defend their interests against President Obasanjo's government. They have begun to resemble, in an unsettling way, the FARC and ELN armed insurgents in Colombia or the Aceh-based rebels in Indonesia in their ability to defy and embarrass central government authorities. They have dramatically raised the stakes—taking the lives of oil workers and soldiers—and exposed a new, acute vulnerability to President Obasanjo's rule, at the juncture when the president strives to move from a first to second term amid political controversy.

Warri and the broader Delta region have now become a critical early test of President Obasanjo's second term. Ignoring the problem—a common response in the past—will not be feasible in view of the financial losses, and political damage, should the shut-in of 600,000 to 700,000 barrels per day be repeated, and if insecurity expands in geographic scope or persists indefinitely. Deep-water blocks so far

remain attractive to international oil companies, and the Nigerian government is relying on the deep water as the source for continued investment and new revenue streams. But continued uncertainty could slow the development of new and existing shallow-water fields. The government can again apply pressure on oil corporations to resume production but will be unlikely to see much gain, until operators are convinced their personnel's security is assured. Violent repression—another past approach, seen in the 1999 village massacre in Odi and in similar attacks by the military in Benue in 2001—is also not viable. If the president gives in to military pressures to avenge the deadly events of March, additional massacres may result that further erode his internal position and his international reputation. Or the military may again be itself routed, which would escalate tensions and carry other undesirable effects for civil-military relations.

The Nigerian government's best option will be to undertake a systematic, sustained strategy that at once addresses the political and economic grievances that underlie the crisis and ensures a modicum of security in the region. This will require timely, innovative action that breaks with entrenched attitudes and past habits. A first step will be to mitigate the immediate crisis, through intensive mediation, de-escalation, and intercession with militia leaders and state governors. Over the longer term, the government will need to fundamentally and effectively address the grievances that are at the root of the region's insecurity. Negotiations for political compromise will be difficult—the parties lack negotiating acumen and baseline trust, and negotiating precedents are practically nonexistent. Nonetheless, the federal government will need to engage in good faith on issues of jurisdictional boundaries, corruption, allocation of resources, economic revitalization, electoral administration, and developmental commitments. These issues reflect broader national issues with which Nigerians as a whole will need to deal—federalism, minority rights, corruption, political reform—but dialogue on the particular concerns of Delta residents should be a priority. At the same time, the government will need to take swift and meaningful steps to enhance the region's security, combating criminality and arms flows, buttressing police capacity, securing the waterways, and eliminating as much as possible illegal diversions of oil. Unless the government tackles both political and security issues simultaneously, flare-ups and crises in the Niger Delta will be an increasingly frequent and destabilizing influence on Nigeria's national political landscape.

The persistent crisis in the Delta region impinges increasingly on U.S. interests and should become a significant element in

the U.S.-Nigeria bilateral dialogue. The crisis threatens implications beyond immediate localized concerns regarding rule of law, human rights, environmental degradation, and economic equity. First, U.S. companies and their employees have become targets for violence, and the Warri crisis and others like it have starkly illustrated the vulnerability of Western oil installations in the region. Second, conflict in the Delta, combined with other Nigerian flash points and fissures, threatens an upward spiral of violence and state-sponsored counter violence that can ultimately undermine Nigeria's national stability and cohesion. Finally, the new level of organization and weaponry that Delta militias appear to have at their disposal raises serious concerns about their linkages with regional or international networks of criminality and violence. The United States and other concerned countries should make a concerted effort to improve collection and analysis of data on these linkages and their scope. The United States should work with the Nigerian and other regional governments to trace and eliminate the source of illegal arms and commodity flows that have already wreaked havoc in much of West Africa and now threaten to undermine the stability of its largest member, Nigeria.

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