

**NEO-MERCANTILISM AND THE PARADOX OF SUSTAINABLE DEVELOPMENT IN
THE NIGER DELTA**

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ABSTRACT

The Niger Delta has been a propitious rendezvous of mercantilists' activities over the centuries, but without concomitant index of human development. This paper, therefore, examines the contemporary rave of the idea of sustainable development in the Niger Delta within the strategic grips of international mercantilism. The paper argues that the mercantilists' gimmicks of yaw are still operational and evident in the Niger Delta. That the collaboration between the state and the multinationals with their home governments in international commerce and exploitation of the resources in the Niger Delta are obviously aimed at the economic and political gains of the hegemons and not the development of the area. In this circumstance, development in the Niger Delta is an illusion and the creed of sustainable development in the Niger Delta a sham or at best a paradox. The paper, therefore, proffers that the peoples of the Niger Delta have to take their destiny into their own hands and invest in human resources development, health care, agriculture, and other environment-friendly ventures.

Key Words: Mercantilism, Neo-Mercantilism, Niger-Delta, Sustainable Development

INTRODUCTION

The Niger Delta stands for, represents, and is defined variously by different groups at different times in line with their perceptions and ideological contexts. The Niger Delta is a sovereign state (maybe with the shortest life span of twelve days) as perceived by front line Izon freedom fighters and nationalists led by Isaac Adaka Boro and his compatriot revolutionists. The Niger Delta represents a philosophy of pride and knowledge as implicit in the philosophy and goals of the foundation and operation of a Niger Delta University and institutionalization of Niger Delta studies in their curriculum. It is a geo-locality - the estuaries of the River Niger. It is also a statutory social development construct as in the statutory definition of the Niger Delta Development Commission (NDDC) and the moribund Oil Mineral Producing Area Development Commission (OMPADEC). It is an economic rendezvous - the oil and gas producing area of Nigeria, the epicenter of the slave trade and oil palm produced during the historical era. The Niger Delta has also become, as it had often been, an international security flash point. It is also the constellation of the diverse cultures within the Niger Delta area and in a rather metaphoric expression, stands for the tripod on which the Nigerian state is founded, and indeed funded.

The geographical region that constitutes the Niger Delta extends from the Mahin Creek to the Bight of Benin and from Apoi to Bakkassi. It covers 560 kilometers, which are about 75 percent of the entire coastline of Nigeria. Covering about 70,000 square kilometers, over half of the region's topography is criss-crossed with creeks and dotted with small islands and the rest has uplands located in the third course the Niger River; the Delta drains the river into the Atlantic Ocean. Its deltaic soil accounts largely for the huge deposits of oil and gas found in the region. The Niger Delta has an estimated population of about 20 million, with about 50 ethnic groups and over 3,500 communities who speak not less than 260 dialects (Nyong and Oladipo 2003).

The Niger Delta is said to be the third largest wet land in the world, with fresh, brackish water and mangrove swamp forests. The region is rich in other natural resources, like palm oil, herbal plants, fish, reptiles, and monkeys, among others. The major economic activities of the people are farming and fishing. The most common mode of transportation is by water.

The Niger Delta essentially is a geographical entity and ought not to be susceptible to political manipulation. However, the discovery of oil and its centrality to the survival of Nigeria vis-à-vis the excruciating poverty and the relative underdevelopment of the area, politicized what is now known as the Niger Delta. It is the contention of the people of the Niger Delta that the Niger Delta proper is

made up of Bayelsa, Delta and Rivers States, and perhaps Akwa Ibom. With oil as the determining factor, other oil producing states, like Edo, Ondo, Cross River, Abia, and Imo, have been added.

International economic activities and relations in the Niger Delta could be traced back to the early mercantilist's era (about the 15th century). Over the years though, with changing dimensions in vigor and contexts but with the same goals and similar methods, the collaboration of state(s) and merchants in trade and exploitation of the Niger Delta has not abated. The inexplicable paradox, however, is that whereas the wealth accumulated in the Niger Delta substantially contributed in the building of the global centers of capitalism and in sustaining the contemporary global economy, the Niger Delta region and the people are overwhelmed in excruciating poverty and unimaginable indices of underdevelopment.

But amidst this parody of development, discourses, and instruments of sustainable development are strategically flaunted globally and even in the Niger Delta region, by the global merchants and state structures.

The contemporary collaboration between the international state structures and the global merchants in exploiting the resources of the Niger Delta region is only reminiscent of the mercantilists' strategies and objectives of yaw but could only be reconceptualized as neo-mercantilism. The issue however, is, given the relative level of underdevelopment of the Niger Delta region against its several years of hosting and funding the international capitalists hegemons and state structures, what development is to be sustained or even sustainable in the region? Could it be the sustenance of the development of underdevelopment and sustainable underdevelopment?

This paper argues that given the realities of the operational and strategic goals and the enduring tactics adopted by the neo-mercantilists in the region, the ideals of sustainable development in the Niger Delta is a sham and or at best a paradox.

CONCEPTUAL FRAMEWORK

Mercantilism

Mercantilism, as the name implies, is closely associated with trade and commercial activities of an economy. Mercantilism was basically an association, or collaboration, between the state and businessmen in commercial activities in which the state power was employed to protect and direct

trade, secure markets, and regulate transactions of businessmen which brought the much needed revenue to the state treasury.

Since the strength of the state was conditioned and determined by its military strength, mercantilism did not think of the need for cooperation on the part of the subjects, or the possibility of their rebellion. The mercantilist philosophy opts for an ever increase in military strength of the state; this led to their obsession for precious metals and favorable balance of trade at all costs. Mercantilism instruments a consistent advocacy for the power of the state and the way it should regulate trade.

Bhatia observed that, “the framework of mercantilist approach was conditioned by two things, namely, the perpetual neediness of the governments and the effect on the European economic conditions occasioned by the discoveries of the precious metals in the New World and the inflow of the same. That Mercantilism was basically exhibiting the aspirations of rising merchant capitalists to whom an abundant supply of money was important for carrying out business and trade activities in a smooth manner” (Bhatia, 2003:14). Mercantilism was the emergence of the compatibility of the economic interests of the merchants and the political interests of the state. The state was interested in capitalism as a continually increasing source of revenue for the state treasury. Money revenue was the goal of the economic activities which the state engaged in, or suggested to the private businessmen and to all institutions which the state setup in order to direct private businesses into desired channels. In the same way, without the strength of the state, the commercial interests of the trading class could not be protected and the colonies could not be reserved for trade for the home.

The first wave of internationalization started in the 15th century when the European merchants sailed the seas to conquer the other continents. Merchants then were the spare heads of this economic internalization.

However, they needed the protection and financial support of monarchs who took advantage of the situation to commandeer the entire operation. In effect, the state claimed the lion share of profits by levying high taxes on shipments. These profits were invested in new expeditions and the upkeep of fortresses, protecting colonial administrations, and trading posts. State policy and the interests of the merchant class converged in this worldwide expansion of the market (Gelinas, 2003). Mercantilism was responding to the class interests of rising merchant capitalists who wanted state protection for their benefits and whose prosperity in turn was helpful to the state in acquiring an ever-increasing public revenue. Violence, plunder, piracy, and often genocide were the key features of this first

internationalization. This period of so-called “primitive accumulation through agriculture, overseas trade, colonization, piracy and enslaved labour” lasted almost three centuries (Gelinas, 2003).

NEO-MERCANTILISM IN THE NIGER DELTA

Like in the days of slave trade, oil palm trade, and colonial appropriation in which the Niger Delta had been a significant economic rendezvous, the region is yet under the grips of the collaboration between the international state structures and the multinational oil Mongols.

The idea of neo-mercantilism refers to the contemporary application of the mercantilists’ principles, the operation of the mercantilist’s objectives and strategies in the economic activities in the Niger Delta. It conceptualizes the observable collaboration between the international state structures and the oil multinationals in the prospecting, exploitation, and exploration of oil and the related economic activities in the Niger Delta.

The Niger Delta region has been particularly attractive to major international oil companies, including Shell, Chevron, Mobil, ELF, Agip, and Texaco, among others. These international companies have been involved in the joint ventures with the federal government in connection with oil exploration, exploitation, and production. But links between their operations and human deprivation in some areas of the Delta had raised local expectations that the oil companies should contribute to physical and human development in affected communities. Other expectations include the monitoring and promotion of respect for human rights, compliance with environmental standards for explorations and exploitation where necessary and restitution for damages. On their part, the oil companies expect the provision of security for the oil facilities, the prevention of damages to their facilities and environment, and the protection of their personnel (UNDP, 2006).

The Niger Delta is host to Nigeria’s vast oil infrastructure of 300 oil fields, 5,284 wells, 7,000 kilometers of pipeline, 10 export terminals, 275 Flow stations, 10 gas plants, 4 refineries, and a massive liquefied natural gas (LNG) sector (Watts, 2008). The oil industry in the Niger Delta has developed into several billion U.S dollar market (Watts, 2008). But the UNDP report on the Niger Delta 2006 was rather apt in observing, “*some amazing paradoxes have come from the Development of the Niger Delta region. Ordinarily, the Niger Delta should be gigantic economic reservoir of national and international importance. Its rich endowments of oil and gas resources feed methodically into international economic system, in exchange for the massive revenues that carry the promise of socio-economic transformation within the Delta itself. In reality, the Niger Delta is a*

region suffering from administrative neglect, crumbling social infrastructure and services, high unemployment, social deprivation, abject poverty, filth and squalor and endemic conflict” (UNDP, 2006).

Observable realities in the petroleum trade in the Niger Delta evidence the operation of the mercantilists’ principles and strategies. The article of trade, however, is predominantly oil, petroleum produce, and allied services. The merchants are the multinationals and global corporations engaged in oil exploration, exploitation, and production activities with their servicing contracting firms. These include Chevron, ELF, Agip, Shell, and others.

These merchants and global oil prospecting and exploration companies have the backing of their home governments, the United States, United Kingdom, the Netherlands, and others. But more significantly these companies are into joint ventures with the Nigerian state through the Nigerian National Petroleum Corporation (NNPC) which is said to have 55% equity in the joint venture. The Nigerian state relies dominantly from rents, taxes, and funds from sales of oil to finance her economy. The multinationals, however, look up to the Nigerian state and their home government to secure their facilities and personnel and make the Niger Delta safe for exploitation.

In tune with the collaboration between the multinationals, their home governments and the Nigerian State, the Niger Delta is effectively occupied by the Nigerian military forces and Western Mercenaries. The multinationals invest on the acquisition of superior weaponry by the state and also at times assist the Nigerian State in equipping the security apparatus to contain any eventuality from the people.

In this circumstance, the multinationals do not care what protests that would come from the indigenes of the region. Yet the resources and wealth accruing to even the Nigerian State is carted away through various corrupt channels into private hands in government and to the centers of global capitalism, leaving the region in abject poverty, and environmental decadence.

SUSTAINABLE DEVELOPMENT

There are many definitions of sustainable development, but the most popular definition is by the Brundtland Report of 1987. It defined sustainable development as “meeting the needs of the present generation without compromising the needs of future generations” (Jhingan, 2004; Kirkby, O’ Keefe, and Timberlake, 1995).

Sustainable development means that development should “keep going”; it emphasizes the creation of sustainable improvements in the quality of life of all people through increases in real income per capital, improvements in education, health, and general quality of life, and improvements in the quality of natural environmental resources. Sustainable development is development that is everlasting and contributes to the natural environment. Thus, sustainable development is closely linked to economic development. It is a situation in which economic development does not decrease (Jhingan, 2004).

Essentially, sustainable development is about development that could be kept going. An analysis of sustainable development could not be extricated from the concept of development. The literature on development is extensive and varied even as the concept is perceived in various dimensions at different times. The linear perspective views development as the capacity of a national economy whose initial economic condition has been more or less static for a long time to generate and sustain an annual increase in its Gross National Product (GNP) at rates of perhaps 5% to 7% or more (Todaro and Smith, 2004).

Rodney (1972) perceived the concept as at the level of individual; it implies increased skills and capacity, greater freedom, creativity, self discipline, responsibility, and material wellbeing. At the level of society, it means an increasing capacity to regulate both internal and external relationships.

Todaro and Smith (2004) present that development, in essence, must represent the whole gamut of change by which an entire social system, tuned to the diverse basic needs and desires of individuals and social groups within that system moves away from a condition of life widely perceived as unsatisfactory, toward a situation or condition of life regarded as materially and spiritually better. They argued that it is possible then to conceptualize development as “the sustained elevation of an entire society and social system toward a better or more humane life”.

But we would rather adopt the millennium conception of development as explicated in the millennium development goals. In the context of the millennium development goals, development may be conceptualized as an increasing or sustained reduction or elimination of poverty and hunger, sustained education for all children, ensuring gender equality, control or eradication of infant and maternal mortality and disease, using resources wisely and sustaining the environment, and implementation of the ideals of global links or working together for development globally.

A critical examination of the various conceptualizations of development rather affirm that sustainable development more or less means continuing development and the element of sustainability is obvious in the definition of development (Jhingan, 2004; Rodney, 1972; Todaro and Smith, 2004; Thomas, 2007). It could be argued then, that sustainable development essentially has no analytically identifiable value and elements other than those inherent in development.

THE PARADOX OF SUSTAINABLE DEVELOPMENT IN THE NIGER DELTA

The conceptualization of development in the context of the millennium development goals, as in all multi-dimensional perspectives, embodies sustainability as a feature. The contemporary rave and flaunting of the ideals of sustainable development is rather a further complication and deliberate strategic manipulation of the idea of development to condition and perpetuate underdevelopment in the third world.

The indices of underdevelopment in the Niger Delta are obvious and shocking. The UNDP Report (2006) captures the infrastructural decay in the region trenchantly, “In general, the available social development indicators in the Niger Delta region point to inadequate, unavailable and poor quality infrastructure and social services, from water to telecommunications. The historical neglect of the region’s development poses a steep barrier to attaining socio-economic transformation and poverty alleviation.”

Nyong and Oladipo (2003) captured the situation; thus, the history of the Niger Delta up to the present day is characterized by the dynamics of external exploitation, coupled with blatant disregard for the basic rights and needs of this resource-rich region. The long term neglect of the area by governments and oil companies in supporting critical human development infrastructure, including the provision of basic social services, has aggravated this situation in the region. Severe economic deprivation and social exclusion stood in sharp contrast to the enormous oil wealth of the area, creating a paradox of poverty in the midst of plenty. As a result of the persistent low volume and abysmal quality of development investments by public and private entities, the area has remained grossly underdeveloped relative to the rest of the country.

The data presented in the UNDP (2006) Report on the Niger Delta reveal troubling findings and deep worries. Life expectancy is falling in an age of blockbuster oil prices. Energy availability is poor in a region that provides one fifth of the energy needs of the United States. The Delta needs to import fuel despite producing over two million barrels of crude oil per day. There is almost a total lack of

roads in a region whose wealth is funding gigantic infrastructural development in other parts of Nigeria and expensive peace-keeping activities in other parts of Africa. The Delta accounts for upwards of 80% of Nigeria's foreign exchange earnings and over 70% of government revenues. The low life expectancy is also a reflection of high mortality rates and obvious high incidences of disease and poor health care services in the region.

“Dismal health and health care service delivery manifests in poor hygiene, little or no health information and education, a grossly inadequate capacity for service delivery, inadequate provision of hospitals, clinics and primary health centers, and a lack of effective operational plans for holistic health management” (UNDP, 2006). The educational system in the region is near collapse and there is an obvious limited access to educational facilities and opportunities. The unemployment index among youths in the area is also alarming.

Amidst these indicators of excruciating poverty, the oil wealth is exuding among a very few opportunists in government and the oil industry. These social contradictions have resulted in a wide range of violent conflicts and crime in the region. The Niger Delta, as it is now, is in a state of war and uncertainty, as various groups of insurgents engage the Nigerian State Security Forces and their allies in strategic and guerilla warfare, within an obvious failed state.

The impact of the oil industry to the environment in the Niger Delta is catastrophic. The prospecting exploration and production activities have resulted in the deforestation of the vegetation, farmlands, human settlements, damaging of the soil, disturbance of the fauna and flora habitat, accumulation of toxic waste materials with its effects thereof, environmental pollution, oil pollution of the land, seas or streams, pollution from gas and oil processing evaporation and flaring, destruction of mangrove swamps and salt banks, degradation of the arable land through canalization of access ways with cumulative effects, and loss of lives. Nyong and Oladipo (2003) observed that, “Beginning in the 1950's, petroleum production operations have caused, devastating pollution to the Delta because of uninterrupted gas flaring and oil spillages. These operations have essentially caused degradation to the environment with an extremely fragile eco-system and destroyed the traditional livelihoods of the Niger Delta. Pollution has affected the atmosphere, soil fertility, waterways and mangroves, wildlife, plant life, aqua life, and has resulted in acid rains. Fishing and crop production are no longer productive enough to feed the area, and in Ogoni land for example (indeed in all the region) food is imported in an area once known as the food basket of the Niger Delta. The population is prone to respiratory problems and partial deafness.” Ibaba (2005) also echoed the devastating effects of oil

activities in the environment of the Niger Delta. These are the same articles presented in the UNDP Report on the Niger Delta Human Development (2006).

The obvious fact is that as long as the petroleum activities continue in the Niger Delta, the socio-economic and physical environmental dilemma would persist and escalate even as they are endemic in the region. Nature has the capacity to sustain itself. But this would only be where the actors (species) in a given eco-system operate essentially only to serve their needs and not the greed of some actors therein. More so, the exploitation of the resources of the Niger Delta would have made for the development of the region, if the wealth accruing from the region was (is) adequately invested in the development of the region and the people therein.

Ikein (1995) has rightly argued that the lack of attention to the region could be attributed to the pragmatic and international orientation of oil enterprises, which are almost exclusively manned and operated by multinational corporations from the capitalistic point of view, without regard to the welfare of the producing areas. He contends that apparently the multinational firms are no more than contemporary emissaries and purveyors of former colonial interests. They may not necessarily be concerned with genuine development of the indigenous population. They are, in Africa, strictly to exploit Africa's valuable resources for the benefit of their economies.

CONCLUSION

The Nigerian State and the Oil Multinational Companies are partners in the exploitation of the "black gold" in the Niger Delta. The objectives of the multinationals and those of the state in the Niger Delta may not necessarily be the same, but the strength of their common economic interest overrides all local rights to the resources in the area. It is also evident that the Nigerian State and the multinationals are in accord in neglecting the Niger Delta, plunging the region into squalor, abject poverty, and institutionalizing a culture of poverty, violence, and underdevelopment with all the spiral effects and implications. In these circumstances of neo-mercantilists realities and operations, the raves of sustainable development in the Niger Delta are a sham, or at best a paradox.

The people of the Niger-Delta, therefore, have needed to seek peace and avoid violence because application of violence in the area has not availed much to the contending actors in the region.

The people and governments in the Niger Delta should initiate strategic programs and projects, purposefully investing in human resources development, agriculture, health, and environmental friendly ventures.

The right to self-determination and management of the resources in the area by the indigenes, to this extent, becomes not only an index of development but a sinequanon to development of the Niger Delta.

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