

**AN ASSESSMENT OF THE NIGER DELTA AMNESTY  
PROGRAMME AND ITS IMPACT ON CRUDE OIL  
PRODUCTION IN NIGERIA**

**Robert Chinonyerem Odoemene**

Department of Political Science, Imo State University Owerri, Nigeria.

E-mail: bobbyroby1@yahoo.com

**ABSTRACT:** Crude oil gradually took over from agriculture and has formed the main stay of the Nigerian economy since its discovery in the country in the late 1950s. The swampy land of the mangrove South-Southern part of Nigeria known as Niger Delta brought the first crude oil, providing hope of a greater Nigeria in a few years to come. However, this discovery later ushered in an antithesis of conflict and armed terrorism in the Delta. This crises situation lasted until the federal government, under the leadership of President Umaru Musa Yar' Adua, on June 25, 2009, initiated an amnesty programme, for militants in the Niger Delta. The study assesses the extent to which the programme has impacted on the crude oil production and revenue of the country. The survey combines primary and secondary methods of data collection and analysis. Resource curse theory serves as the theoretical framework in which the study is anchored. The findings reveal that the amnesty programme has engendered relative peace and security in the Niger Delta, thereby causing a significant increase in the nation's oil production and revenue and therefore recommends that the federal government should expand the amnesty frontiers to accommodate other genuine militants in the region who were for one reason or the other denied inclusion into the programme in 2009, to sustain the peaceful atmosphere in the region for increased oil production.

**Keywords:** *Amnesty, Niger-Delta, Economy Crude-oil, Militancy, Government*

**INTRODUCTION**

The federal government of Nigeria, under the administration of President Umaru Musa Yar'Adua, on June 25, 2009, granted amnesty to men and women who had directly or indirectly been involved in militant activities in the Niger Delta region of the country. The crises which grossly affected oil production activities in the region and dealt a 'heavy blow' on the nation's oil revenue and economy necessitated the implementation of an amnesty programme. From the date the program was declared, militants were given a sixty-day-period to lay down their arms and embrace the programme or face dire consequences (Ojione, 2010). The programme according to Egwemi (2010) was President Yar' Adua's last-ditch solution to the lingering crises in the Niger Delta region. Between 2007 and 2009, the crises in the region had grown to its crescendo and a point of embarrassment for the entire nation. At the peak of the crises in 2008, crude oil production dropped from 2.6 million barrels per day (bpd) to merely 600,000 bpd. This figure represented about 70% drop in production and a significant impact on revenue accruing to the government. Militant activities in the Delta comprised the whole gamut of bellicose actions

ranging from kidnapping of expatriates (and even Nigerian) workers in the oil sector and demanding ransom on them, to blowing up of flow stations and sundry activities that often bordered on criminality.

The amnesty programme is a political solution for a problem which seemed to have defied other solutions. Before the granting of amnesty, President Yar' Adua had tried other possible solutions which included drawing up of the Niger Delta Master Plan (NDMP) and establishing of the Ministry of Niger Delta (Ikenya & Iwuagwu 2009, Omotola 2010). It would appear that it was the President's frustration with the failure of the earlier solutions he applied that led to the experimenting with the amnesty option (Egwemi, 2010).

When the first (Disarmament) phase of the programme elapsed after sixty-days, many, especially those from government quarters said it was a huge success given the quantum of arms and ammunition recovered by government in the region through the programme, maintaining that it would lead to a reversal of most of the problems that had plagued the Delta since over three decades. But some Nigerians remained sceptical as to the capacity of the programme to eliminate militancy and bring about lasting peace in the region that could allow optimum production of crude oil. This group claimed that heavy arms were still at the disposal of the major militant groups in the Delta, such as the Niger Delta Avengers (NDA), and that the major armories were never surrendered by the groups, even though the surrendering of arms had tended to suspend hostilities by the various militant groups.

Crude oil is believed to be the most important and most valued commodity in Nigeria. While oil accounts for 13% of the nation's Gross Domestic Product (GDP), it represents 70% of federal government earnings. The meaning is that the survival of the nation has largely been dependent on oil. So whatever happens to oil affects every Nigerian (Ezeanyika, 2002; Obi, 2005; Ezeibe, 2015).

For many years before the amnesty programme, Nigeria experienced serious disturbances in the N/Delta because of its huge oil and gas deposits; the crises being the action of angry youths in the area, who believed their people, are not getting any fair share of the gains of the natural resources with which their land is endowed. They perceive themselves as the most suffering, poverty-stricken and dehumanized people in Nigeria, whereas they are the "goose that lays the golden egg" who ought to enjoy the largest portions of the nation's resources (El-Rufai, 2013). This idea fostered a siege mentality among them and made them feel condemned to a future without hope. As a reaction to this perceived poverty, neglect and marginalization, some youth in the area had to adopt confrontational strategies from the many years of peaceful agitations that had been explored, to address their problems, since the federal government would not sincerely address them (Anyanwugo and Okoh, 2008). Consequently, they started forming groups, procuring and stockpiling arms and using same to terrorize oil workers and frustrate production activities that go on in their territory. This is the genesis of armed militancy in the N/Delta.

### **Statement of the Problem**

In keeping with the foregoing, Nigeria suffered a huge loss due to the sharp drop in its crude oil supply and was not able to meet its Organization of Petroleum Exporting Countries (OPEC) quota of about 2.6mbpd between 2005 and 2008. With this short fall, it became evident that the country was incapable of generating the needed revenue to meet its obligation of providing a quality life to its teeming population. As a result, poverty and unemployment increased at

astronomically high rates. Again, the implementation of the program cost the federal government a huge sum of money. About N400 billion was used to maintain the program and rehabilitate about thirty-thousand (30,000) ex-militants in the N/Delta between 2009 and 2014 (Vanguard, February 18, 2015). Government provided skill acquisition centers, formal education, overseas training and monthly stipends to the “penitent” hoodlums. This huge amount spent by the FG on the program might after all, not be a wise investment as it did not present any promise of a financial returns to the government, at least in the short run. The expenditure was part of the reasons why the FG did not live up to its billings of providing the needed social amenities in many parts of the country. There are few good roads, no public pipe borne water; the epileptic nature of our electric can be compared to non elsewhere (Ushie, 2013).

Even with the amnesty programme, there are still pockets of criminal vandalism, insecurity and oil theft in the N/Delta. In 2012, militants claimed responsibility for the blowing up of Chevron’s pipelines that supplied oil to the nation’s refineries, resulting in the shutdown of the Kaduna and Port Harcourt refineries in that year. Furthermore, Nigeria is still losing a difficult-to-determine quantity of crude oil in the Delta on a daily bases. The oil theft in the region is estimated at over 400,000 barrels per day. This amounts to several millions of dollars that could have come into the coughers of government and which could have probably been used for the overall development of the nation. The following questions are therefore asked:

1. How does the amnesty programme affect crude oil production in N/Delta?
2. To what extent has the change in oil production affected the revenue of the federal government?

### **Objectives of the Study**

The general objective of the study is to assess the impact of the amnesty programme on crude oil production in Nigeria in order to ascertain whether or not the overall aim of increasing oil production in the Delta through the programme has been achieved.

Other specific objectives include:

- i. To find out whether or not the amnesty program has caused an increase in the quantity of crude oil produced in Nigeria’s N/Delta.
- ii. To ascertain if any rise in production has led to a corresponding increase in the revenue of government.

### **Hypotheses**

1. The amnesty programme has caused an increase in the quantity of crude oil produced in N/Delta through the restoration of relative peace in the area.
2. The noticeable increase in revenue of the federal government since the inception of the programme is likely to be the result of a positive change or increase in oil production

### **Theoretical Framework of Analysis: The Resource Curse Theory**

This study adopts two variants of the resource curse theory – political conflict and rent seeking approach, to analyze the subject matter of the study. Political conflict is an approach of the resource curse which explains how the presence of natural resource often provokes conflicts in a country that has need for immediate economic income within its society, where each entity looks to get the greater share of the natural resource. The theory holds that conflict is obvious in such a jurisdiction, with groups openly competing for the natural resources in their regions. Such unhealthy competition often makes it difficult for the government to operate effectively and is consistently navigating to resolve conflicts between the various groups (Bannon & Collier, 2003). Based on this theory, a country with a large amount of natural resources may be more susceptible to internal political conflict. This, in turn, can cause difficulties for the government in terms of establishing a strong economic performance and a robust governance structure. For instance, research by Bannon and Collier, 2003, suggested that where a country has commodity exports which make approximately 25% of gross domestic product (GDP), it then has a 33% risk of internal conflict, whereas, if it exports just 5% of GDP, the expectation of internal conflict reduces to just 6%.

Another theoretical background that has emerged from resource curse and which is also, considered relevant to this study, is the rent seeking approach. The rent seeking approach was developed in 1974 by Krueger. This theory can be used to explain why there is often a negative growth where there is abundance of natural resources (Robinson *et al*, 2006). Rent seeking behaviour refers to a situation whereby an individual or a group will look towards increasing their own share of the wealth available within a country by ‘fair’ or ‘foul’ means without necessarily increasing the overall level of wealth in the country as a whole (Baland & Francois, 2000). This primitive acquisition of wealth can typically be achieved by manipulating regulatory agencies or trying to gain some form of advantage in the system, while placing others at a competitive disadvantage. Such a rent seeking behaviour, particularly from those involved in the higher level of management of natural resources can then create a situation whereby those individuals benefit and the overall country does not (Papyrakis and Gerlagh, 2004). And when this happens, any group or region that feels deprived can seek means that could create tension in the country and even disrupt or jeopardize further exploitation of the natural resources.

### **Application of the Theory to the Study**

In applying the political conflict theory to the study, the paper believes that the large quantity of crude oil resources available in Nigeria’s Niger Delta is primarily the root cause of the conflict that has kept the region very restive and disrupted the exploration and exploitation of the mono product of Nigeria and by extension, diminished the revenue accruable there from, to the nation, and which actually necessitated the introduction of an amnesty for militants in the area. It is regrettable that a few privileged individuals squander the vast opportunities and wealth generated in the petroleum industry in Nigeria, making it impossible for a larger majority to have access to the oil wealth of the nation. This scenario creates frustration among people who sometimes, adopt unethical means to get their own share of the symbolic “National cake”. Furthermore, the rent seeing behaviour is prevalent in the Nigerian political economy as it leads to primitive acquisition and appropriation of the available resources by those who are entrusted with the

management of the nation's oil resources, leaving the rest of the people to a miserably poverty condition, that breed armed hostilities among belligerent and militant groups in society.

### **Empirical Review of Literature**

The term amnesty is derived from a Greek word, *Amnestia* meaning (forgetfulness, passing over). Encarta 2009 defines amnesty as an act of effacing and forgetting past offences granted by the government to persons who have been guilty of crime and rebellion against the state. In the words of Goldman 2002, amnesty is a general pardon of offence by government; a deliberate overlooking of offence against the state. It may also be defined as a strategy of a sovereign power to apply the principle of 'tabula rasa' to past offences committed against the state (Sabella, 2009). It is pardoning past violations without changing the laws violated. It is a term used to express freedom and the time when prisoners can go free.

Historically, the earliest recorded amnesties include that of Thrasybulus at Athens, in which the thirty tyrants and a few others were excluded from its operation, and the amnesty proclaimed on the restoration of Charles II which was not extended to those who had taken part in the execution of his father. Amnesties in the United Kingdom may be granted by the crown or by an Act of parliament and are usually done on coronations and ceremonial occasions, but are mainly exercised towards the association of political criminals (Wikipedia.org). Other notable amnesties were napoleon's amnesty of March 13, 1815, in which thirteen eminent persons including Talleyrand were exempt, the Prussian amnesty of August 10, 1940 and the general amnesty granted by President of the United States of America, Andrew Johnson after the American Civil War (1861 – 1865). Much recently, some developing nations of Africa and Latin America have adopted amnesty into their criminal justice system. A good example is Nigeria. In Nigeria, the President and governors of the component states can through the powers of prerogative of mercy, grant amnesty to penitent violators of the law by granting them absolute freedom by fiat and without changing the laws which was violated.

### **Conditions for the Granting of Amnesty in Niger Delta**

The conditions prescribed by the Yar' Adua government for the acceptance of militants in to the amnesty programme in Niger Delta include that any militant wishing to be enrolled into the programme must surrender and hand over every weapon (arms and ammunition) in that person's possession, as well as complete the renunciation form provided by the government via the amnesty office (Touitou, 2016). The militants were assured of safety by the government. No militant would be arrested, prosecuted or killed after they have surrendered their arms. More so, the label 'militant' was to be removed for those who wilfully embraced and complied with the rules of the programme. But militants who did not embrace the programme were still to be regarded as criminals.

### **Amnesty and Crude Oil Production in N/Delta**

Agitation by youths in the region precipitated a regime of restiveness, which led to the formation of militant groups; some based on ethnicity and others on fraternity, and frequently targeting oil corporations and their employees for hostage taking, vandalism, kidnapping, and sometimes, outright murder. The Freedom House says kidnapping in the region is fueled by ransom payments, of which some government officials receive a cut. The Freedom House report may be a subject of debate; regarding what Osumah and Aghedo (2011) call the “commodification” of kidnapping. But the overall cost of conflicts in the region is available for anyone to appreciate, albeit with enormous challenges. In 2006 alone, the federal government reportedly lost about N500 billion on account of restiveness in the region. The problem became worse in 2008, with an estimated US \$6.3 billion in oil stolen, and another US \$28 billion in – deliberately not produced in comparison with decline in crude oil to the tune of 500,000 barrels per day (Ubhenin, (2013). This translates to a revenue loss in the region of US \$40 million per day. Another impact of the conflict could be found in major escalations between 30 and 40 percent across key upstream projects, as contractors were compelled to factor in their contract bids, ‘Niger-Delta premium’, covering community expectations, kidnaps, and higher insurance premium

According to Ubhenin, (2013), the disarmament, demobilization and reintegration (DDR) process was followed by a monthly stipend for the ex-militants. Earlier, the government was made to pay several millions of dollars to the leaders of the major militant groups for handing in their weapons at the outset. Educational and vocational training was also organized for the ex-militants in foreign countries, such as Houston, London, Seoul and South Africa. Furthermore, in 2011, the federal government commenced the payment of \$9 million a year to Mujahid Dokubo-Asari and his four thousand foot soldiers to protect the pipelines they attacked in the past. The government through the NNPC also signed a \$22.9 million-a-year contract with Government Ekpemupolo (Tompolo) to guard and maintain pipelines his boys used to attack. NNPC also gives \$3.8 million yearly apiece to Generals Ebikabowei ‘Boyloaf’ Victor Ben and Ateke Tom “to have their men guard Delta pipelines they used to attack.” Three years after the proclamation of amnesty in the Niger-Delta, violence reduced and crude oil production has risen back up to 2.6 million barrels per day. But the amnesty is beginning to attract unpleasant comments from the oil industry watchers and conflict analysts. The amnesty has been described as a “gilded pacification campaign”, which the Nigerian government regards as “a success story.” Dimieari Von Kimedi says the Niger-Delta conflict is “just on pause. The challenge is to move from pause to stop.” Chris Newsom says “the amnesty process opened a door for stabilization but did not reduce the long-term potential for violence

### **Method of Data Collection and Analysis**

The research combines the qualitative and quantitative methods of data collection and analysis. Questionnaires and structured interviews are used to extract research relevant information from respondents, comprising stakeholders in the amnesty deal such as the youth, community leaders, officials of the amnesty office and penitent militants from the selected states of Bayelsa , Delta and Rivers. The reason behind the selection of these states is because they are more prone to

militant attacks and oil induced communal crises than the other N/delta states. The data is presented in analytical tables while interview responses are presented in prose (word) form, and logical interpretation is used to analyzing speeches by respondents, and then, the more generally held views are accepted.

### Population of the Study

The population of this study consists of the thirty thousand ex-agitators who accepted amnesty between 2009 and 2014. This period is justifiably chosen as the federal government planned to end the amnesty programme in 2014. Unfortunately, it was not possible to reach all the units of the population spread across the nine states (Adamu & Johnson, 1983, p.3). Therefore, it became imperative that a sample should be selected.

### Sampling Technique

A version of the non-probability sampling method (i.e. purposive or judgment sampling method) is used. The research is based on a subjective selection of the sampling units from the population based on researcher's personal judgment, on assumption that by that judgment the sample would serve the purpose of the research (Ofuebe and Izueke, 1998, p.37; Oguonu and Anugwom, 2014, p.70).

To determine the sample size, the researcher applied the Taro Yamane's formulae (see Ofuebe and Izueke, 1998). In each of the three states, 100 questionnaires were circulated and retrieved, making it a total of 300, to respondents who qualified into the categories stated below, i.e., whether literate or illiterate; age, 18 years and above and male or female. At least 17% (20 ex-militants) are included in each state sample. This guarantees the representativeness of the study sample size to the population (Kumar, 2011, p.15).

### Data Presentation and Analysis

**Table 4.1 Respondents feeling about the amnesty programme**

Question Response	Bayelsa (%)	Delta (%)	River (%)	Total
The program enriches only the militants	6 (6)	12(12)	8 (8)	26
It is a welcome development because it brought relative peace to the N/Delta.	50 (50)	77(77)	79(79)	206
The program effectively rehabilitates and reintegrated Ex-militants	43 (43)	58(58)	68(68)	169
Fatality rate in N/delta has reduced, giving room for enhanced development.	70 (70)	66(66)	55(55)	191
The program really captures the right people	45(45)	50(50)	57(57)	152
The program reduces the rate of tension in N/Delta.	50 (50)	47(47)	52(52)	149
No comment	1(1)	3(3)	11(11)	15
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>300</b>

**Source: Field Survey on N/Delta Amnesty, 2018.**

Table 1 represents data collected on the feelings of respondents about the amnesty programme. From the table, the analysis is based on the response from one hundred (100) questionnaires retrieved from each of the three states included in the study area. A total of 26 respondents (Bayelsa 6, Delta 12 and Rivers 8) in all three states believe that the amnesty program is intended to enrich only the beneficiaries as against the 74% which feels otherwise. This is probably because the peaceful atmosphere generated by the programme could bring about massive investment and employment generation for even non militant individuals. Majority of the respondents in the three states combined agrees that the programme effectively rehabilitates and reintegrates the ex-militants, though less than 50% (43% only) in Bayelsa feels so. More so, 70% (Bayelsa), 66% (Delta) and 55% (Rivers) feels that fatality rate in the N/delta has reduced on account of the amnesty programme and that this would certainly encourage development. 50% Bayelsa, 47% Delta and 52% Rivers feels that the tension in N/Delta caused by high incidences of militancy, vandalism and criminality has actually gone down. Tension in n/Delta could be a thing of the past if the programme is sustained by the federal government.

**Table 4.2 Amnesty’s usefulness to the beneficiaries**

<b>Question Response</b>	<b>Bayelsa (%)</b>	<b>Delta (%)</b>	<b>River (%)</b>	<b>Total</b>
Provides gainful employment to beneficiaries	64(64)	82(82)	87(87)	233
Removes the York of imprisonment and restored freedom to ex-militants	50(50)	76(76)	67(67)	193
It provides lasting training and educational benefits	67(67)	59(59)	60(60)	186
No comment	1(1)	7(7)	3(3)	11
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>300</b>

**Source: Field Survey on N/Delta Amnesty, 2018.**

Table 2 represents data on the usefulness of the amnesty programme to the beneficiaries of the programme. When asked how they benefited from the programme, 64% Bayelsa, 82% Delta and 87% Rivers supported employment provision benefit of the programme. 50% Bayelsa, 76% Delta and 67% Rivers said they were completely freed from the punishment of impending imprisonment and death facing them. 67% Bayelsa, 59% delta and 60% Rivers attested to the fact that the programme has provided education and training to the penitent militants.



**Table 4.3: Crude oil production is boosted as a result of the peace brought about by the amnesty program**

State	A (%)	SA (%)	Undecided (%)	D (%)	SD (%)	Total (%)
Bayelsa	41(41)	53(53)	4(4)	2(2)	0	<b>100</b>
Delta	60(60)	23(23)	3(3)	12(12)	2(2)	<b>100</b>
Rivers	62(62)	20(20)	4(4)	7(7)	7(7)	<b>100</b>
<b>Total</b>	<b>163</b>	<b>96</b>	<b>11</b>	<b>21</b>	<b>9</b>	<b>300</b>

**Source: Field Survey on N/Delta Amnesty, 2018**

In table 3, a greater percentage of the respondents in all three states gave an affirmative response to the question on whether crude oil production in N/Delta has been boosted by the amnesty programme. 94% Bayelsa, 83% Delta and 82% Rivers sufficiently noted that that crude oil production in N/delta since the inception of the amnesty programme has doubled, as the number of vessels laden with crude oil, leaving the ports on daily bases has increased since the programme

**Table 4.4: Economic benefit of amnesty to the country**

Question Response	Bayelsa (%)	Delta (%)	River (%)	Total
Increased revenue, high productivity and investment opportunities	48(48)	44(44)	66(66)	158
It is a waste of funds and resources	37(37)	29(29)	22(22)	88
Human resources development and socio-economic growth	51(51)	34(34)	49(49)	134
Reduction of vandalism and criminality	60(60)	48(48)	55(55)	163
Conducive environment	60(60)	50(50)	70(70)	180
Youth empowerment	52(52)	40(67)	47(47)	139
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>300</b>

**Source: Field Survey on N/Delta Amnesty, 2018**

Table 4 shows the perception of respondents on the economic benefit of the amnesty programme to the country, Nigeria. 48% Bayelsa, 44% Delta and 66% Rivers opines that the programme has engendered increased revenue, high productivity and investment opportunity in the country although, response from Bayelsa and Delta are below the averages of the two states. However, more and more foreign investors are now picking interest in coming to invest in the country due to the pervading atmosphere of peace in N/Delta. 51% Bayelsa, 34% Delta and 49% Rivers said human resources development is actually taking place in the N/Delta. Though the rate at which people get new jobs in the three states may vary. The data suggests that more job opportunities are being created in Bayelsa than the other two states. The respondents, 60% Bayelsa , 48% Delta and 55% Rivers also maintained that vandalism of oil pipeline and criminality have declined in

recent years owing to the amnesty policy of the federal government. However, a minority view (37% Bayelsa, 29% Delta and 22% Rivers) is pessimistic about the benefit of the programme to the country as they do not believe that the programme has made any significant impact to the nation's economy. Their preferences indicate that not many people in the N/Delta are opposed to the amnesty programme. Therefore it is safe to infer that the programme is not a waste of funds and resources and needs to be sustained to increase oil production for socio-economic development of the nation

## Findings of the Study

### 4.2.1 Amnesty Programme as a Peace Building Agent: Effects on Nigeria's Oil Production

The amnesty programme arguably has provided relative peace in the Niger Delta. But peace is the product of security. Security in Niger Delta has tremendously improved since the completion of the amnesty programme in December 2009. The disarmament exercise that the ex-agitators went through significantly reduced the volume of arms and ammunition domiciled in the region, an ex-militant who pleaded anonymity told the researchers in Yenogua, Bayelsa State. "We decided to accept amnesty and surrender our arms not because we are tired of fighting for our right, but because we want peace to rain in Niger Delta and in Nigeria as a whole and government should understand this", he noted.

**Table 4.5: Nigeria's Quarterly Crude Oil Production Estimate 2008 - 2014**

Period	2008	2009	2010	2011	2012	2013	2014
1 <sup>st</sup> quarter	189.90mb	184.66mb	214.64mb	231.17mb	270.17mb	206.88mb	197.16mb
Daily average	2.09mb/pd	2.06mb/pd	2.36mb/pd	2.51mb/pd	2.91mb/pd	2.22mb/pd	2.14mb/pd
2 <sup>nd</sup> quarter	184.50mb	187.66mb	214.49mb	222.57mb	214.77mb	192.12mb	200.78mb
Daily average	2.03mb/pd	2.06mb/pd	2.36mb/pd	2.39mb/pd	2.36mb/pd	2.11mb/pd	2.21mb/pd
3 <sup>rd</sup> quarter	196.03mb	199.63mb	232.58mb	219.20mb	-	207.71mb	194.61mb
Daily average	2.13mb/pd	2.17mb/pd	2.53mb/pd	2.38mb/pd	-	2.26mb/pd	2.14mb/pd
4 <sup>th</sup> quarter	198.54mb	213.39mb	234.33mb	213.15mb	-	197.16mb	201.12mb
Daily average	2.16mb/pd	2.31mb/pd	2.55mb/pd	2.32mb/pd	-	2.14mb/pd	2.19mb/pd

Source: Data derived from NNPC Annual statistical bulletin 2016

**Table 4.6: Nigeria's Annual Crude Oil Production Estimate 2008 - 2014**

Year	Daily average crude oil output	Total crude oil output per annum
2008	2.10mmb/pd	768,745,326mmb
2009	2.14mmb/pd	780,347,940mmb
2010	2.45mmb/pd	896,043,406mmb
2011	2.37mmb/pd	866,245,232mmb
2012	2.27mmb/pd	852,776,653mmb
2013	2.19mmb/pd	800,488,102mmb
2014	2.19mmb/pd	798,541,598mmb
<b>Total</b>		<b>5,763,188,257bbrls</b>

**Source: Data derived from NNPC Annual statistical bulletin 2016**

Again, there is a significant rise in Nigeria's crude oil output and this has by necessary implication, increased the revenue accruable to the nation since 2009. Available data shows that the average total crude oil production in the first quarter of 2009 was 2.06million barrels per day (mbpd) (Analysis of the 2010 budget Proposal). The projected total crude oil production for the year 2010 was 2.088mbpd. This figure however was lower than the 2.29mbpd projected for 2009 that could not be met due to the N/ Delta crises (Analysis of the 2010 budget Proposal). The aggregate average production for 2009 was 2.14mbpd or 780,347,840million barrels, compared with 2.10mbpd or 768,745,326million barrels in 2008. This was higher than the previous year by 1.49% (NNPC Annual Statistical Bulletin 2016). A friendlier working environment occasioned by the amnesty programme might have contributed to the increase in production in the last quarter of the 2009. Declining production had characterized oil output over the previous five years preceding the amnesty programme due largely to militant activities and attendant destruction of oil facilities.

The amnesty programme brought relative peace to the N/Delta area in the 4<sup>th</sup> quarter of 2009. Consequently, production level rose from about 1.75mbpd in January 2009 to 1.94mbd in September and closed at the end of the year at 2.31mbd (CBN, 2009). More so, Nigeria's crude oil production rose in the first half of 2011 with a total estimated daily production of 2.39mbpd compared with 2.36mbpd in the first half of 2010 (CBN, 2011). Again, in August 2014, Nigeria produced an average of 1.86mbpd, about four percent higher than the production in the month of July 2014 according to the Organization of Petroleum Exporting Countries (OPEC), (The Nation Tue. Oct.6, 2015, p. 12). However, the total crude oil and condensate production for the year was 798,541,598 giving an overall daily average of 2.19mmb/pd. This means that there was a significant increase in the daily production of crude by the country post-amnesty, essentially attributable to the relative peaceful atmosphere occasioned by the amnesty programme.

Prior to the inception of the programme in 2009, offshore crude oil production activities were often disrupted by the activities of militants and sea pirates operating in Niger Delta. Royal Dutch Shell which started its Bonga deep water prospect, Nigeria's first deep water project in 2005 has been able to expand oil production off Nigeria's coast by starting the third phase of its Bonga field, and there has not been any disruption in its operations in that field since 2009 due largely to reduced activities of the militants. According to the Managing Director, Shell's Regional Exploration Subsidiary, Tony Ettah, the third phase of the Bonga project has a peak production capacity of about 50,000 barrels of oil equivalent, and to date, the full project has produced more than 600million barrels of oil. "The country's deepwater resources are making an important contribution to meeting the growing energy demand in Nigeria and around the world", Attah declared. This was possible because of the effort of the federal government in taming the angst of the militants in the Niger Delta through the amnesty programme.

According to Bekes ApeAre, President of the Niger Delta Buckingham Palace, a socio-political organization in Niger Delta, the amnesty office which is under the Presidency has carried out its mandate very successfully and this has brought relative peace to the region. He noted that though the core mandate of the amnesty office was disarming, rehabilitating and reintegrating 26,358 ex-agitators from the region, who accepted amnesty offered them by the federal government, "the amnesty office not only completed the Disarmament Demobilization and Rehabilitation (DDR) aspect of its mandate, but it was rated globally as the best among countries, where such strategy had been used to fight militancy". One cannot but imagine the colossal impact of the criminal activities of 26,358 armed militants on the oil industry of a nation. "The amnesty office has so far conducted the integration phase of the programme successfully and this has led to the relative peace in the region, which has led to an increase in Nigeria's oil production from less than 1mbpd pre-amnesty period to an average of 2.2 million barrels a day by 2014, due to improvement in the amnesty programme" (Vanguard Feb. 18, 2014).

#### **4.2.2 Federal Government Oil Revenue and Increase in Crude Oil Production**

It is instructive to note that the federal government of Nigeria, since the discovery of oil at commercial quantity in 1958 has made made the product the sole earner of Nigeria's foreign exchange. And what is more, the nation has as shown by records racked several trillions of naira from the sale of crude oil under successive administrations in the country, though these monies have not been properly accounted for, and worse still , there was no noticeable development in the N/Delta until the inception of the amnesty programme. Between 1960 and 2016, the nation earned N96.212 trillion from the sale of crude oil. Of this whopping sum, only about N12.258 trillion (14%) has been paid to oil producing areas in nine states as derivation (Vanguard, Aug. 14, 2016). Between 2009 and 2014, the federal government spent N243 billion in the implementation of the amnesty programme for N/Delta ex-militants (Vanguard Feb. 18, 2014). According to the former Special Adviser to the President on Niger Delta Affairs, Mr. Kingsley Kuku, "this amount is far from the N400 billion being bandied about by enemies of former President Jonathan's administration as money spent by that government on the amnesty programme. The sum of money being expended on the programme annually merely amounted to about five days' oil revenue derived from the Niger Delta. "Nigeria's daily oil output had fallen

from 2.2mbpd to 700,000bpd, as a result of youth restiveness in 2007, but the success of the amnesty programme had restored the production level to between 2.4 and 2.6 million barrels per day (Vanguard Feb. 18, 2014). Experts have juxtaposed this against the 700,000 to 800,000bpd in 2007 and they had maintained that, at the 2014 crude oil price peak of \$110 and the exchange rate of N160 to one Dollar, Nigeria and its Joint Venture (JV) partners were making production savings of about N14.9 billion per day. The budget for amnesty programme in 2013 was N66.7 billion, which is less than five days' gain from the programme (Vanguard Feb. 18, 2014).

**Table 4.6: Oil Revenue of Nigeria under successive administration from 1958 to 2015**

<b>Year</b>	<b>Leader</b>	<b>Crude Oil Revenue</b>
1958 – 1966	CG/ T Belewa	N140m
1967 – 1975	Gen. Y. Gowon	N11. 03b
1975 – 1979	Gen. M. Mohamed/ O Obasanjo	N25b
1979 – 1983	Alhaji S. Shagari	N36b
1984 – 1985	Gen. M. Buhari	N25b
1985 – 1993	Gen I.B. Babangida	N420b
1993 – 1998	E. Shonekan/Gen. S. Abacha	N1.6t
1998 – 1999	Gen. A. Abubakar	N350b
1999 – 2007	Chief O. Obasanjo	N27t
2007 - 2010	Umaru Y'Adua	N9t
2010 – 2015	Dr. G. Jonathan	N51t

**Source: Compiled from Vanguard 14/8/2016**

Summarily, majority of those interviewed agreed that the amnesty programme engendered relative peace in the N/Delta and contributed to a significant increase in our oil production within the period under review. This rise in oil production invariable generated tremendous funds needed for development of the nation.

### **Recommendations**

From the findings, it is recommend that:

1. The federal government having sustained the programme beyond the 2015 that was giving as deadline for ending the programme should integrate all other genuine militants who were for one reason or the other denied inclusion in the programme at inception and also grant them amnesty.
2. There is need for government to keep records of the ex-agitators and monitor them for a period of between ten to fifteen years to prevent them from returning to their old ways.
3. The federal government should begin the process of absorbing the reformed ex-militants into the Nigerian armed forces. Because they have proven to be people who have passion for handling arms and ammunition; their hitherto misguided energies could be rechanneled into

useful ventures if they get enlisted into regimented forces. They could further be used to maintain security in the area as people who know the terrain very well.

### **Conclusion**

It can observe that the amnesty programme has helped in improving crude oil production in Nigeria through the restoration of a peaceful atmosphere in N/Delta, and making it possible for oil and gas exploration and mining activities in the area to be carried out with reduced risks of militants' attacks and disruptions. The programme has also encouraged human development as it has led to the rehabilitation of about to 30,000 ex-militants in Niger Delta through training, education, gainful employment and payment of monthly stipends since its inception in 2009. Physical projects as roads and houses and oil installations are now constructed with minimal risks of kidnapping and or killing of the contractors and workers handling such projects by hoodlums. Finally, the federal government and the amnesty office still have much work to do, to ensure that the gains of the amnesty programme are not eroded by continuously exploring other means of sustaining the amnesty programme.

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