Oil Theft And Vandalism In Nigeria

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Introduction

Nigeria is one of the largest and richest oil-producing areas in Africa. Nigeria's upstream regulator reported official national reserves of 37.01 billion barrels of oil and condensate and 215.19 trillion cubic feet of gas as of January 1, 2026. Nigeria's oil sector accounts for 90% of the country's balance of trade and is a major contributor in the Niger Delta region. However, the region is underdeveloped and has many cases of oil spillage, gas flaring, and major pollution issues, which have affected the government's revenue. On the other hand, the significant factors influencing the region's oil and gas production are pipeline vandalism and oil theft, which have been increasing over the years.

A 2013 NNPC estimate reported losses of about 300,000 barrels per day from pipeline vandalism and oil theft; this is a historical estimate rather than a current loss rate. This has affected the Nigerian economy and raised environmental problems that have proved to be dangerous for residents (James, H. 2014). The growing issues of theft, environmental pollution, and damage to government revenue have alarmed the Nigerian government, prompting it to take possible actions against illegal activity.

The monetary damage from oil theft and vandalism is incalculable, as the government has faced billions of dollars in losses from spills, while the human cost is very severe since oil discharges have resulted in explosions and pollution that have killed thousands of people in the region. Therefore, Nigerian political leaders consider the issue a major concern that requires effective solutions (Igbinovia, P.E., 2014).

Discussion

The increasing number of cases of oil theft and vandalism in Nigeria can be blamed on the high rate of unemployment, poverty, and poor living standards that encourage individuals to take the illegal path, risking their own lives and those of thousands of others who are affected by oil-spill explosions and the pollution caused by them. The history of oil pipeline vandalism and theft goes back to the experience of oil-producing countries such as Russia, Saudi Arabia, and a few others. It started in Nigeria during the early 1970s and has multiplied to date (Adibe, R., Nwagwu, E. and Albert, O., 2017; Njoku, A.O., 2016).

Causes of Oil Theft and Vandalism

Nigeria has a developing economy, and many of its regions are underdeveloped. Similarly, the oil production industry is underdeveloped, which contributes to oil theft, vandalism, and oil spills that lead to explosions and environmental damage. There are several reasons for the progression of oil vandalism and theft in the Nigerian region.

One of the reasons for such illegal activity is the negligence of the government and the military towards the miserable situation of residents of the Niger Delta and oil production workers. The people of the Niger Delta have requested the attention of the government regarding the killing and kidnapping of local workers, but these concerns have been ignored. This has ignited the aggression of the locals and led to criminal activities and a rebellious attitude toward government regulations (Igbinovia, P.E., 2014).

Secondly, the percentage of people living in poverty in Nigeria is too high, about 70% of the population, which also shows the poor living conditions and very low living standards of the country. Poverty has always been a major contributor to the number of crimes. People with low incomes who lack proper food, healthcare, and shelter are forced to seek other options for fast money that involve oil theft. It is reported that 85% of the revenue is generated from oil production; however, it is accrued to only 1% of the Nigerian population. Hence, poverty and the inequality of wealth encourage people to take part in criminal activities (Boris, O.H., 2015).

On the other hand, people aren't able to achieve legal earnings due to the shortage of job opportunities. This becomes the third reason for an increase in the number of oil crimes, i.e., a high rate of unemployment. According to Nigeria's National Bureau of Statistics, the unemployment rate had been increasing consecutively for the ninth quarter; it rose from 14.2% at the beginning of 2017 to 18.8% by the end of the year. This is one of the most rapid rate increases recorded (NBS, 2017).

This marks the low living standards of the country, which justify the high rate of crimes in the oil and gas production industry. The people are driven by poverty, greed, and aggression against the government, which convinces them to take part in oil vandalism and theft, causing the country billions of dollars in losses.

Impact of Oil Theft and Vandalism

As mentioned earlier, the Nigerian economy depends highly on the oil production industry. The industry contributes about 90% of the government's foreign exchange revenue. Hence, any activity in the oil production industry significantly impacts the country's economy. Changes in the prices of oil and gas also affect the growth and success of the economy. Nigeria's high number of oil theft and vandalism cases are significantly affecting the government's revenue, resulting in incalculable losses of billions of dollars (Wilson, G., 2014).

When the government faces losses in its biggest industry, it has a major influence on the whole economy and the amount invested towards the development and growth of the economy and the country. This reduces government expenditure intended to benefit the unemployed population, address poverty, and improve infrastructure. Thus, crimes in oil production also damage the growth of the country and contribute to the increase in poverty and unemployment, which are the causes of the problem in the first place. It is a continuous cycle of poverty that the country needs to escape (Nwachukwu, I.O., 2017).

Oil theft and vandalism have resulted in severe damage to the economy and the residents of Nigeria. Production and criminal activities surrounding the oil industry have resulted in the loss of many human lives, which is also a factor influencing the economy, its death rate, and healthcare conditions. The thefts have caused over 350 deaths, which include factory workers, police officers, residents, and oil thieves (Yeeles, A. and Akporiaye, A., 2016).

Moreover, the increase in oil vandalism has resulted in major oil spills that have led to explosions and many human deaths. Additionally, the spills are damaging the environment (Igbogi, E.G., and Njoku, I., 2015). Oil vandalism has damaged local waters and caused pollution in the local production areas, which has resulted in many health problems and human deaths. For example, in 1980, one hundred and eighty people died in the Escravos explosion, about 200 people died in Aledo, Lagos, in 2006, and many were killed in the explosion of a gas pipeline in May 2006 (Igbinovia, P.E., 2014).

Furthermore, the damage caused to the economy and the environment has affected the overall image of the country, which means that foreign countries avoid trade with Nigeria and are afraid of making major investments. This contributes to the underdevelopment of the country and never-ending poverty (Assi, V.E., Amah, O.I. and Edeke, S.O., 2016).

Government Efforts

The Nigerian government has made several efforts to address the problem of oil theft and vandalism since they have a significant influence on government revenue, the growth of the economy, and the environment.

The National Assembly of Nigeria investigated the matter when oil theft reached its peak. The government further made efforts to control the situation by hiring militants to keep a check on the vandalization of the pipelines. Additionally, the Nigerian government created the National Oil Spill Detection and Response Agency to address the issue of oil spillage in the country and employed the Joint Task Force and other security agencies to control the number of crimes in the oil industry. The pipelines crossed many regions of Nigeria, for which local community informants were delegated to keep a check on their areas (Umar, A.T. and Othman, M.D.S.H., 2017).

To improve the environmental situation in Nigeria, the government began awareness campaigns to explain the damage that was caused by the vandalization of pipelines and how it resulted in the

deaths of many innocent Nigerian citizens.

Furthermore, it has involved oil companies and other relevant groups to spread awareness regarding the issue and educate the public about the matter. This will help people understand the damage caused by criminal activity and try to stop or at least report it when they see it in their surroundings (Allison, C., Oriabure, G., Ndimele, P.E. and Shittu, J.A., 2018).

Other than making efforts on its own, the Nigerian government also seeks help from interested foreign countries, such as the United States, to take part in problem-solving and address the situation with their help (Amuwo, A.S., 2016).

Conclusion and Recommendations

It is concluded that the negative impact of oil theft and vandalism in Nigeria has done enormous damage to the country, both financially and environmentally. The primary causes are poverty, greed, negligence of the local people, corruption in the government, and unemployment. The government has made little to no effort to address the situation. It has ignored the major causes of the high crime rate and instead tried to minimize the damage caused by these activities. The government needs to address the situation from the core of the problem, i.e., poverty and unemployment. It should, with the help of international groups, create more employment opportunities and improve the internal situation of the government.

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