

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. Niger's oil sector accounts for 90% of the country's balance of trade, the major contributor to the oil sector 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 the residents (James, H. 2014). The growing issue of theft, environmental pollution, and damages to government revenue has alarmed the Nigerian government to take possible actions against illegal activity.

The monetary damage of the oil theft and vandalism is incalculable, as the government has faced billions of dollars of spills, while the human factor is very cruel since the discharges of oil 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 being catered to with 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 that thousands of others who are affected by the oil spill explosions and the pollution caused due to it. The history of oil pipeline vandalism and theft goes back to the times of oil-producing countries such as Russia, Saudi Arabia, and a few others. It started in Nigeria during the early 1970s and is multiplying 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 attracts the invasion of oil theft vandalism and oil spills, which 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 the resident of the Niger Delta and the oil production workers. The people of the Niger Delta have requested the attention of the government for the killing and kidnapping of the local workers, which has 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 over their heads, are forced to seek other options for fast money that involves 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 has 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 justifies the high rate of crimes in the oil and gas production industry. The people are derived from poverty, greed, and aggression against the government, which convinces them to take part in oil vandalism and theft, causing the country billions of 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 the government expenditure to benefit the unemployed population, cater to poverty and improve the infrastructure. Thus, the crimes in oil production also damage the growth of the company and add up 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 requires to get out of (Nwachukwu, I.O., 2017).

Oil theft and vandalism have resulted in severe damage to the economy and the residents of Nigeria. The production and the 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 the local waters and caused pollution in the local area of production, 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 the 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 cater to the issue of oil spillage in the country and employ 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 the local community informants were delegated to keep a check in their area (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 damages that were caused by the vandalization of pipelines and how it resulted in the

deaths of many innocent Nigerian citizens.

Furthermore, it has involved the 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 damages of the 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 their own, the Nigerian government also seeks help from interested foreign companies, such as the United States, to take part in problem-solving and cater to the situation with their help (Amuwo, A.S., 2016).

Conclusion and Recommendations

It is concluded that the negative impact of the 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 efforts to cater to the situation. They have ignored the major causes of the high crime rate and instead tried to minimize the damages caused by these activities. The government requires catering to 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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