Ethnic Politics and Capitalist Regimes of Resource Extraction

Political Geography (GEOG 329)

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Governmentality, Oil, and Power

- What are the gaps within existing scholarship on the resource curse?

- How do the political geographies associated with chieftainship, indigeneity, and the nation interlink with the oil complex?

- How could understanding how petro-capitalism produces ‘governable space,’ in terms of configurations of territory, identity, and rule better explain the linkage of oil and violence?
The Niger Delta

1. Abia,
2. Akwa Ibom,
3. Bayelsa,
4. Cross River,
5. Delta,
6. Edo,
7. Imo,
8. Ondo,
9. Rivers
Four Flashpoints in the Niger Delta

1. Struggles between Niger Delta states for expanded access to and control over oil and oil revenues
2. Struggles for self-determination of minority people
3. Militant youth movements, growing insecurity and violence rendering local and state rule ineffective
4. Emergence of a interstate alliances linking oil-producing states against dominance of Nigerian ethnic majorities
Resource Curse

The World Bank

International Monetary Fund
THE OIL CURSE

Historical evidence in oil producing countries shows that rather than reducing poverty and inequality, oil has adverse social and economic effects and in many cases fuels conflict.

3 processes are primarily responsible for this "natural resource curse"

DRAW THE LINE

Say Yes to Renewables #SeizeYourPower  Say No to Oil Exploration in Virunga #SOSVirunga

CORRUPTION
Oil revenues raise the value of being in power and provide politicians with more resources to influence the outcome of elections leading to higher levels of corruption.

DEVALUATION
Exporting oil causes the local currency to appreciate making other exporting sectors less competitive.

DISRUPTION
The price of oil fluctuates leading to unpredictable revenues and causing severe economic disruptions making long-term planning challenging.
Resource Curse
From the Oil Curse to Petro-capitalism

Need to think through how petro-capitalism produces ‘governable space,’ in terms of specific configurations of territory, identity, and rule associated with conflict and violence.
Petro-capitalism

• Petro-capitalism operates through a set of relationships between firm, state (and its security forces), and community that is territorially constituted through oil concessions

• This generates revenues for the firm but also crucially centralized (unearned) revenues for the state

• The activities of the oil companies as part of the oil complex challenge customary forms of community authority, inter-ethnic relations, and local state institutions
The Politics of Petro-capitalism

Local struggles seek to capture:
1. company rents and compensation revenues, and
2. federal petro-revenues by capturing rents through the creation of new regional or local state institutions
Complex and contradictory politics produced through the intersection of extant political forms with the emergent political economy of oil:

- at the level of the local community, the overthrow of elders’ authority by youth gangs
- at the level of the ethnic community, tension between civic nationalism and a sort of exclusivist militant particularism
- And at the level of the nation, contradiction between oil-based state centralization and state fragmentation
Governmentality

1. Forms of power/knowledge that organize relations between people and things (communities and oil)

2. The constitution of governable spaces in terms of constructing:
   - The forms of visibility (the picturing and constituting of objects of government management)
   - The means, mechanism, tactics, and technologies is authority constituted and rule accomplished
   - The forms of thought, knowledge, expertise, calculation for governing
   - The production of governable subjects
Nigerian Oil Complex

• The federal state has a statutory monopoly over mineral exploitation
• It set up a national oil company to develop oil through joint ventures with oil majors who are granted territorial concessions
• The security apparatuses of the state works to protect oil investments and ensure the continual flow of oil
• Federal oil revenues are distributed to the states, ethnic communities, and the local oil-producing communities
The Importance of Oil

Oil needs to be understood materially and symbolically

• It is a biophysical entity with fluid, subterranean, and enclave qualities

• It is also a commodity that enters the market with its price tag

• It is the bearer of particular relations of production

• It has symbolic qualities, as a symbol of wealth as well as corruption
The Double Movement of Oil

- Oil is a centralizing force which financially underwrites a process of state building.
- However, centralized oil revenues flowing into weak institutions and a volatile federal system produced corrupt forms of development that discredited the state and its forms of governance.
- Oil thus both produced and undermined the modern Nigeria state.
The Space of Chieftainship

- At the level of the local oil-producing community, traditional forms of authority have been altered by the rise of youth gangs that extort resource rents from companies on the basis of cultural claims or protection money.
- As primary revenue streams in the community link to extracting rent from resource extraction, state government authority is limited.
- As ‘cultural groups’ (and traditional leaders) fight to control territory in which to extract resource rents, violence proliferates, creating ungovernable space.
The Space of Indigeneity

• On the basis of previous struggles from regional self-determination and sovereignty, Indigenous movements have sought to leverage the language of identity to make claims to control.

• This required overwritting fractured, heterogeneous forms of identification within the Indigenous community and drawing upon international legal doctrine and NGOs to legitimize a unified subject.

• Oil has been key to this politics, as it created a basis on which new scales of political claims could be legible internationally.
The Spaces of Nationalism

- Oil has fueled the growth of Nigeria
- Nigerian state formation has built upon the colonial model, in which ethnic groups were controlled as distinct governable populations
- As growing oil revenues enabled an expanding state apparatus, the Nigerian political society became increasingly fractured as ethnic groups advanced claims to statehood and revenue share
- The proliferation of state and regional authorities, thus represents an expanding apparatus for distributing not services but corruption
How do we understand the resource curse?

“Oil may indeed be a curse but its violent history – and its ability to generate conflict – can only be decoded if we are attentive to the unique qualities of oil itself, to the powerful corporate and state institutions for which it becomes a bearer, and not least to the ways in which oil becomes an idiom for doing politics as it is inserted into an already existing political landscape of forces, identities, and forms of power.”