Rentier capitalism and multinational oil corporations' response to conflict in the Niger Delta Region of Nigeria.

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Abstract:

1) Study is focused on Rentier capitalism and multinational oil corporation's response to conflict in the Niger Delta region of Nigeria. The objectives of study are to examine the political economy of rentier capitalism in Nigeria and its impact on the Niger Delta for the past 70 years of oil extraction; to investigate the driver of local resistance and violent conflict in the region, including the lack of resource control and environment degradation; to analyze the recent shift by Oil Multinational Corporation (Shell, Chervon Mobil) divesture to offshore operations as a strategic move to avoid conflict; and to propose policy recommendations for reforming rentier capitalist system to ensure more equitable distribution of oil wealth, environment protection, and conflict resolution in the Niger Delta region. The researchers adopted descriptive qualitative analysis (content analysis) of a database of the Nigeria Extractive Industry Transparency Initiative, journal articles, and reports on the oil industry to investigate the dynamic relationship between the political economy of rentier capitalism and conflict resolution. The findings underscore the detrimental impact of rentier capitalism in Nigeria, where the alliance between the state and the multinational oil corporations has led to the exploitation of resources at the expense of oil host communities. The study recommended the promotion of sustainable practice, enforcing environmental regulations, and empowering host communities in resource control and resource governance mechanisms that will foster a more equitable distribution of oil wealth.

Keyword: Capital accumulation, Conflict resolution, Local resistance, Rentier capitalism, Unequal exchange.

Introduction:

The global economy is increasingly expanding as capital tends to find new space to attract investments in projects that can create new rounds of surplus value. Developing countries lobby multinationals to increase their investment to promote local production, exchange, consumption, and labour earnings. The scale of multinational investment tends to mean that massive cash flow is injected into a developing economy with attractive opportunities for the investors and the recipient country as well as host communities.

Capital is highly mobile and tends to be directed towards investment that increases the capacity for accumulation but not necessarily productivity. Capitalism is accelerating into a neoliberal order with complicated interests differentiated by conflicting needs. The new order of capitalist investments especially by multinational investors, is to typically drive highly technological investment requiring the patent acquisition of scarce assets that generate rents with limited competition, reduce productivity, exploit and dispose of labour, and reproduce inequality in the domain of operation (Standing, 2016).

Nigeria operates a hydrocarbon economy extracted by foreign oil multinational corporations as the major stakeholders and investors engaging the Nigerian State in a petrol dollar industry. Crude oil provides Nigeria with over 90% of foreign exchange and government revenue. Oil was discovered in commercial quantity in Nigeria in the 1950s and since the 1970s has funded Nigeria's budget, the corrupt political class, and economic elites engaging in state projects and different subsidy schemes (Ebohon, 2013; Okonjo-Iweala, 2018; Pritchett et al., 2013).

The oil industry is operated like a rentier scheme, transcending like bobbles. Since 1953, massive oil and gas resources have been extracted from the Niger Delta Region with the Nigerian State acting as the licensor and the foreign oil multinational oil corporations as the extractor. Both actors entered into several Joint Venture Agreements to exploit and expropriate oil and gas resources from the oil host communities in annual multibillion-dollar deals. The oil revenues accruing from the Niger Delta region are collected via onshore and offshore platforms. The Nigerian Extractive Industries Transparency Initiative (NEITI) report indicated that total flows to the Nigerian Federation account from oil and receipt between 1999 and 2014 amounted to (US $) 542,303,693,000 (Nigeria Extractive Industries Transparency Initiative, 2023).

While the oil and gas sector accounts for over 90% of Nigeria's foreign earnings,onshore (land) contributes 26% and offshore 74% in oil production and revenue (Clark, 2023). The Niger Delta region that produces Nigeria's oil is the third-largest wetland in the world and the largest mangrove forest in Africa. It has a rich biodiversity covering an area of 10,767 square kilometers where about 30 million people live, 60% of which depends on the environment as a direct source of survival giving to farming, fishing, medicine, cultural affinity, and even recreation (Nwankwoala & Okujagu, 2021).

If the Nigerian federation earned (US $) 542,303,693,000 in 15 years on a 60% Joint Venture stake, what will be the 40% share of multinational capital accumulation extracted from the Niger Delta region in the last 70 years? The level of extraction of oil rent from the Niger Delta has consequential effects on the ecosystem and the people of the region. Several studies have shown the socioeconomic (displacement from engaging the land for other uses like farming and other commercial interests) environmental degradation and pollution (disrupting fishing, drinking water sources, and health conditions of plants and persons, among others).

Oil spills and gas flaring, state capture of the oil resources with inadequate protection and remediation of the environment, and non-investment in socioeconomic infrastructure in the region where the wealth is extracted from have caused economic displacement, agricultural land contamination, food sources, and tourism have been negatively impacted. The people of the area have not been engaged in or granted access to the management or control of their resources or adequately compensated. There have been agitations against the federal government and multinational oil corporations regarding the oppressive resource capture, ownership question, resource control and governance, and the practice of true federalism.

The federal government has consistently argued that the onshore platform will be shared equally between the federation and the 9 oil producing states (26%/2= 13%). 13% of oil derivation is being paid to oil-producing states. The offshore platform constituting 74% has been the exclusive preserve of the Nigerian Federation.

Despite the rentier extraction and enormous wealth generated from the Niger Delta region for over 70 years, there has been environmental degradation, loss of economic sources, tourism, and cultural attachment have been hindered. This has caused local resistance and violent conflict. The Nigerian state has acted as a predatory state in the oppressive acquisition of oil and gas resources. The level of pollution and gas flaring in the region has led to several litigations over unresolved conflicts related to resource ownership, control, and compensation from pollution. The Niger Delta onshore assets are becoming a liability to the oil multinational company. Shell has been fined to pay for the environmental contamination of the Ogoni land and river.

The research gap lies in the lack of analysis on the motivation behind the recent move by Shell, Mobil, and Chevron (The Oil Multinational Corporations) to sell off their onshore assets and entirely shift operations to offshores. This raises the question about the long-term commitment of both the Nigerian rentier state and oil multinational operations in the Niger Delta over concern for the value of human life, human right, and environmental sustainability. The abandoning of the environmental liabilities and escalating conflict risk on onshore operations pose a potent vulnerability for the region.

Arising from oil multinational move to abandon their onshore conflict liability, the objectives of the study are to examine the political economy of rentier capitalism in Nigeria and its impact on the Niger Delta for the past 70 years of oil extraction; and to investigate the driver of local resistance and violent conflict in the region, including the lack of resource control and environment degradation; to analyze the recent shift by Oil Multinational Corporation (Shell, Chevron Mobil) to offshore operations as a strategic move to avoid conflict; and to propose policy recommendations for reforming rentier capitalist system to ensure more equitable distribution of oil wealth, environment protection, and conflict resolution in the Niger Delta region.

The research questions derived from the objectives of the study are: how has the political economy of rentier capitalism in Nigeria influenced the economy and environmental conditions in the Niger Delta region over the last 70 years of oil and gas extraction? What are the key factors driving local resistance and violent conflict in the Niger Delta, particularly concerning issues of resource control, environmental degradation, and lack of community engagement? What are the motivations behind the recent trend of multinational oil corporations' selling off their onshore assets and shifting operations to offshore in the Niger Delta region? To what extent does the shift to offshore operations by multinationals reflect a strategic move to avoid conflict and environmental liabilities, rather than a genuine commitment to sustainable development in the region? What policy recommendation can be proposed to reform the rentier capitalist system in Nigeria, ensuring more equitable distribution of wealth, environmental protection, and conflict resolution in the Niger Delta region?

This paper is divided into seven sections: the first section is an introduction comprising the background context on the root cause of the Niger Delta crisis, the role of rentier capitalism, and the response of the foreign multinational corporation to the conflict. The second section reviewed the literature to explore the dynamics of the development challenges in the capitalist model of production, exchange, and wealth distribution; the impact on the people and environment in the Niger Delta. The third section explained the methodology using content analysis to explore literature and database to understand the trend in the unequal exchange causing the conflict and the response of different stakeholders. Section four focused on analysis, five on findings, six on conclusion, and seven on recommendation.

Literature Review

Overview of the political economy of rentier capitalism in Nigeria and its impact on the Niger Delta region.

The concept of rentier capitalism predisposes a condition, act, or process of acquisition of assets or resources that belong to the public but its ownership is privatized or transferred to a privileged few or network to accumulate capital (wealth) from minimal (none) productive efforts while the labour and the economy are respectively displaced or alienated and disarticulated. The significance of the rentier economy is that political means (state capture) are implicated by private motives to continue to extract rent from the new ownership of these scarce resources without competition in the sector. The vast accumulation of capital that is regularly extracted impacts the productive capacity of the state's other sectors to function optimally as a comprehensive system that requires complementarity (diversification) and robust sectoral integration and interaction. Rentier capitalism is a form of corruption that displaces and dispossesses society or community from benefiting or actively partaking in production, distribution, exchange, and consumption (Sanghera & Satybaldieva, 2023; Standing, 2016, 2017).

The Niger Delta region is a place of interest to Nigeria, Africa, and the global economy as oil is extracted from the Niger Delta region of Nigeria. This makes Nigeria the largest producer of crude oil in Africa and the tenth in the world. Nigeria is a significant player in the global energy dynamics. The proceeds from the oil and gas resources have contributed to Nigeria’s imagery and prominence as the largest economy in Africa. The ownership of mineral resources is vested in the Nigerian state and access to these minerals (including oil and gas) is through the deployment of foreign technology and the capacity of oil multinational corporations. The big five foreign oil multinational corporations operating in Nigeria are Shell, ChervonTexas, ExxonMobil, Agip, and Total final Elf Corporations (Clark, 2023; Lewis, 2006).

Nigeria's extractive industry has poor operational and regulatory standards leading to severe and frequent spillage from lack of oil infrastructure maintenance and replacement, low investment, obsolete technology, rampant oil theft, and oil facility sabotage. The lack of corporate governance, and oppressive and predatory state practices hovering over the petroleum sector, have led to the dispossession of the Niger Delta from resource ownership and governance, and the voracious effects of rent in Nigeria. Nigeria's political economy of privatization (a form of rentier capitalism) is laden with massive corruption, state capture of scarce resources, collusion and pillaging of public assets, prebendal politics and patrimony, fractionalization of elites, group grievance, poor public service delivery, increasing economic decline and poverty (Christophers, 2020; Ebohon, 2013; Ifaka, 2016, 2017; Ikelegbe, 2005, 2013, 2016; Nguyen et al., 2022).

Importance of understanding the historical context, political economy, and socio-environmental issues related to oil extraction in the region.

The discovery of oil in Nigeria and the rising profile of revenue in the 1970s after the civil war, and without productive engagement by the Nigeria state naturally predisposes the elite class (military regime) in charge of political governance to collaborate with the multinational oil companies to extract rent from the Niger Delta region. The oil resources belong to the minorities ethnic group without political power, control, and capacity for substantial state threat. the military regime as a coercive institution, mobilized force and constitutional means to take ownership of the oil resource and control. Oil exploitation and exploration overtime reproduces environmental hazards and socioeconomic disadvantage to the people and limit their opportunity for survival and substantiality (Ebohon, 2013; Hill, 2012).

This oppressive regime of state capture of oil rent and the economic transfer of scare assets land, rivers and minerals found in the region, assume an accumulation of capital and the dispossession of labour poor, degradation of the environment, escalate poverty, increase inequality, and snowball into conflict. Corruption and conflict are essential parts associated with the dispossession of scare assets and monopolization of oil resources. Rentier capitalism as a form of corruption is associated with the exploitation and deprivation of labour leading to class conflict and political instability (Bracking, 2018; Ikelegbe, 2016; Lewis, 2006; Okonjo-Iweala, 2018; Standing, 2017; Yetiv, 2011).

Rentier Capitalism in Nigeria: Evolution and its impact on the distribution of oil wealth.

Rentier capitalism is only interested in accumulating capital through the intense exploitation of scarce resources and facilitating this measure through monopolistic ownership and dominant control. The removal of competition in the process of retainment and reproduction of the means of production, as in the case of oil sector will naturally constrict adequate and efficient investment, distribution of the proceeds, and as reduction of conflicts. The class left out in the sharing of the surplus value generated from the proceeds of oil rent struggle for their share. Oil theft, facility sabotage, and lack of sufficient investment to replace depreciating machinery, pipelines, and oil wells and field maintenance lead to pollution, environmental degradation, and dysfunctionality in the political economic institutions related to the Niger Delta sustainability (Ebohon, 2013; Klašnja & Novta, 2016).

The criminal takeover and neglect of the region’s oil resources by both the predatory Nigerian State and oil multinational corporations predisposes the Nigerian state’s behaviour towards oppressive tendency as evidenced in its lack of investment in socioeconomic infrastructures and compensation of the people who have suffered deprivation and environment hazards due to exposure in the region.

The predominance of rentier capitalism in Nigeria has spurred inequality through the discriminate accumulation of capital by the Nigerian rentier state and its alliance with oil multinational oil corporations that extract the crude oil resources while dispossessing the people of the Niger Delta in the distribution of capital (surplus value). This monopolist adherent to the exclusion of others tends to be deprived and alienated while creating poverty amid the abundance of capital accumulated from the region since the 1950s (Ebohon, 2013; Lewis, 2006; Pritchett el ta., 2013).

Role of the Nigerian state in shaping the political economy of the oil industry.

Oil has played a significant role in Nigerian sustenance. It is the country's major source of foreign exchange and exports. It is also the major source of funding and determining the federation budget estimate. It equally accounts for determining the foreign policy posture of the country in international relations and domestic affairs. Oil revenue has shaped Nigeria's fiscal federalism, regional conflict, and ethnic agitation. The political struggle for resource ownership, resource control, and resource governance are linked to the control of politics. The person who controls power controls the allocation and distribution of oil resources in Nigeria. The politics has been described as prebendal and the economy as a rentier economy (Falola, 2021).

The economy and politics have largely depended on the oil rent. The mono-nature of the economy has created disarticulation, exposing the contradiction in the capitalist mode of production and the inherent propensity to create inequality and fuel conflict (Ebohon, 2013; Okotoni & Adegbami, 2021).

Influence of multinational oil corporations on the rentier capitalist system.

The oil multinational corporations have strong leverage in the quazi-unitary state where elite capture is on the increase and the fate of the country is heavily dependent on oil revenue. The multinational oil corporations are at the center of the concentration and centralization of capital in the economy. The furtherance of the capital accumulation experience in the economy intensifies the degree of dispossession of labour, inequality, and conflict. The monopolistic bend of dispossession creates the potency for the oil multinational to be the source and center of the conflict. The predatory state capability essential to sustain a rentier capitalist enclave and its extraction character lies on the oil multinational oil corporation to sponsor state-led violence against citizens, people, and civil society over protest (Bellucci, 2010; Christophers, 2021; Ikelegbe, 2016).

The agony suffered by the host oil communities in the quest to challenge the willful neglect of oil multinational corporations in matters relating to environmental damage, social responsibilities, and human rights abuse had invited state-sponsored violence, leading to clashes with military confrontation, killings, and death. The Ogoni crisis and the escalating Niger Delta tension are linked to multinational compromise in collaboration with the state security apparatus against civil order and call for resource governance. The link between rentier capitalism, dispossession by displacement, and corruption in rentiers (both state and capital versions) lay claims to conflict, violence, and manipulation of social order. Rentier thrives more in conflict arena than in a space of tranquility (Harvey, 2004; Hill, 2012; Yetiv, 2011).

Socio-Environmental Impact of Oil Extraction in the Niger Delta:

The dysfunctional character embedded in capitalism allows violence and crises to take advantage of vulnerable communities and people. The neoliberal reforms promoted in response to state failure are escalated by privatization and then monopolization of oil resources assets in the hands of predatory states. State regulation of environmental laws, pollution of the environment, destruction of the ecosystem, and means of livelihood tend to reinforce the quest to primitively accumulate capital and create abundant surplus value (Cáceres, 2015; Harvey, 2014).

There is a deliberate policy to alienate and disempower host communities. There is a lag in community engagement since the state's claim of ownership conflicts with community interest. The inequality rift in capitalist exploitation allows for the wealth accumulated from the host community to be shared in another enclave by external entities not connected with the location where the externalities of the production are left behind to inflict suffering, pain, and underdevelopment (Ikelegbe, 2005; Onakpohor et al., 2020).

Drivers of Local Resistance and Violent Conflict

The drivers of conflict in the Niger Delta are a complex interplay of intense grievance over the extraction of billions of dollars from the Niger Delta Region while the host community is left with pollution (water, land, air) that degrades the environment making it almost impossible to derive means of livelihood outside the oil sector. Also, there is concern about having material possessions befitting those who extract the resources from the region. The unequal distribution of the wealth extracted from the region is associated with poverty, inequality, and high unemployment since the people are alienated amid plenty (Cushing et al., 2015; Ndlovu-Gatsheni, 2018; Obi, 2009).

The ownership question of the oil resources found in the region has been subjected to legal and extralegal interpretation. The state-sponsored violence against the people's interests has sparked up a violent reaction against the state on the premise that there is no just cause behind the rationality of the federal government and foreign oil multination corporation's alliance to exploit the resources of the region without due consideration to address the ownership question and the need to compensate the inhabitants that have been dispossessed of their environment, safety, and wellbeing. It is the complex interaction of these issues that has sparked aggression in the region. A violent and predatory state that is non consultative is not open to peaceful negotiation on how to resolve the problems of environmental protection and human wellbeing (Ebohon, 2013; Standing, 2016; Yende & Ntini, 2022).

Shift to Offshore Operations by Multinational Oil Corporations

The awareness created by various stakeholders in the Niger Delta region about the level of exploitation and neglect has provided much resistance against foreign multinational oil corporations as this consequently generated multiple challenges in the form of increased vulnerability to insecurity, legal action in both local and foreign jurisdictions, oil theft and sabotages to infrastructures, frequent protest and shutdown of operation. These have increased the risk associated with the investment and tend to look for new space with lesser troubles and more capital accumulation capability. Following the law of diminishing returns, foreign multinational oil is shifting to opportunities (Stakeholder Democracy Network, 2022).

Also, new technology is making offshore platforms to be more profitable and without community disturbances. The environmental liability associated with onshore is not comparable with offshore as human interference and labour demand is minimal (Corbineau, 2021; Reaiche et al., 2023; Stakeholder Democracy Network, 2022)

Implications for the future of oil extraction and community development in the Niger Delta.

The behaviour of multinational oil corporations points to the direction that the strongest motivation for abandoning the onshore platform is the avoidance of conflict situations and the associated risk which reduces the interest in capital accumulation and surplus value extraction.

The implication is the rapid transition occasioned by the huge pull out of investment capital and divestiture been experienced simultaneously with the introduction of the Petroleum Industrial Act which is intended to protect community interest and recognized it as a stakeholder though with the unresolved question of resources control but the resource governance is given some attention.

The transition is promoting domestic oil companies to take over the onshore platform been abandoned by multinational oil corporations. The database of oil operations indicates that Shell, Chevron, and Mobil are selling off their investment to take up or focus on exploring offshore platforms. As of 2022, foreign oil multinationals have 31.2% of onshore oppression, domestic oil companies have 32% and concession held by National Oil Company is at 36%.2. This is the first time the local holdings are exceeding foreign corporations in Nigeria. There is mixed concern about whether the domestic oil companies can attend to the challenges left behind and also address issues relating to safety and security. There is however some relief to think of promoting local capacity and expanding the need for using local solutions to solve local problems.

Theoretical framework

The theoretical framework provides a lens from which foreign multinational corporations as business entities operate in a capitalist mode of production and exchange and its impact on the host country and community. The Theoretical framework adopted for the explanation of the work dealing with rentier capitalism and foreign oil multinational corporations' response to the conflict in Nigeria is the unequal exchange theory and conflict theory. The main theory is the unequal exchange theory and the auxiliary theory. Both theories identify the private motive interest driven by rentier capital to accelerate capital accumulation and dispossess labour and host communities' interest.

The unequal exchange theory explains how underdeveloped countries with low or no technology and capital are exploited through the process of unequal exchange in trade relations under a rentier capitalism framework in the extraction of natural resources. The lack of knowledge, technological capacity, and the availability of capital in the hands of the developed countries and its agent, the oil multinational corporation provides a greater advantage for the multinational to exploit the country and host community and its resources. The exchange is done in favour of a monopoly capital that accumulates and dispossesses the underdeveloped country and its people. The crude oil extracted from the country is taken at a subsistence value, exported to be transformed by technology gaining surplus, and then sold to the undeveloped country at an exchange value that is fair higher than the cost of extract and subsistence value. This unequal exchange is critical in explaining the accumulation of the surplus value under conditions of monopoly rentier capitalism; fundamentally explains how the distribution of wealth is unequal in the social relations of production (Dunn, 2017).

The conflict theory utilized as the auxiliary theory in this work identifies the role of conflict in determining how capitalist contractions entrenched in an unequal exchange cause exploitation and the unequal distribution of wealth created in the deployment of rentier capitalism. Mary Parker Follett's conflict theory identifies that in all human social interaction, conflict is inevitable. The management of the conflict takes different forms- dominance, avoidance, integration, and compromise (Whipps, 2016).

The variance of the conflict theory (conflict avoidance theory) indicates a conflict situation when there is a dispute between two or more persons or groups, and at least one or all the parties take the option of adopting the measure to avoid the conflict by taking the step(s) to remove the cause of the conflict as a strategy to resolve the conflict. The case of Shell, ExxonMobil, and ChevronTexaco to shift their operations from onshore to offshore at the height of the Niger Delta crisis, readily explain a conflict avoidance strategy.

The dual theories of unequal exchange and conflict avoidance can explain the deployment of rentier capitalism in extracting privatized scarce assets through the accentuation of capital and technology in social relations of production engaging advanced capitalist firms (foreign oil multinationals) and the less advanced labour entity (the Nigerian State and the host communities). The end product of rentier capitalism is an unequal exchange that leads to conflict or crisis, and the option of the latter is to adopt the avoidance strategy in the face of other options aided by technological advancement and the condition of diminishing returns of the onshore assets over time.

Methodology

The researchers adopted descriptive qualitative analysis to investigate the dynamic relationship between foreign multinational oil corporations, the Nigerian State, and host communities under conditions of rentier capitalism mode of production, unequal exchange, and conflict resolution options. The research was conducted utilizing document analysis and literature (content analysis) of a database of Nigeria Extractive Industry Transparency Initiative, Journal articles, and reports on the oil industry. The documentary analysis focused on the evolution of rentier capitalism in Nigeria and the distribution of wealth in Nigeria, examining the role of state and multinational oil corporations' nexus (joint Venture) in shaping the political economy of the oil industry. Also, it analyzes the key players in the conflict generated from the contradiction of rentier capitalism and the rationalization for the adoption of the option of conflict avoidance resolution.

Analysis and interpretation.

The analysis of rentier capitalism and multinational corporations' response to the conflict in Nigeria points to the literature and NEITI database study indicating massive capital accumulation, exploitation, unequal exchange, and the adoption of conflict resolution. The literature review revealed several key insights into the political economy and social implications in the Niger Delta region.

It was established that Nigeria is a licensor of mineral rights to oil multinational corporations. As a rentier state, Nigeria is a rentier state that derives a majority of public sector revenue from the export of oil, which is controlled by oil multinational corporations (in joint venture partnership). The entrenchment of rentierism (for Nigeria- rentier state and oil multinational corporation- rentier capitalism) has resorted to accumulation by dispassion, unequal exchange, the inevitability of conflict between the joint venture partners and the oil host communities, and environmental impact. The operations of multinational extraction over time have caused widespread environmental degradation, state capture of mineral resources and unequal exchange, dispossession of arable land, destruction of aquatic life, gas flaring, and health impact. This has threatened means of livelihood and undercut oil host communities from engaging in fishing, hurting, tourism, and protecting of cultural heritage.

The Nigerian state has failed to enforce laws that protect private property, environment, and citizen rights. This has deepened underdevelopment, inequality, unemployment, and poverty in the region. The acceleration of capital extraction in favour of the joint venture has deepened inequality as wealth from oil has not been equitably distributed. The business practice of multinational oil corporations has undermined the economic sustainability of oil host communities in the Niger Delta where the resources have been explored and exploited. The Ogoni experience is an example that highlights the plight of host communities. This ill-treatment has resulted in multiple options for response such as local resistance and violent conflict, legal suits, and peaceful protests in the region.

Multinational oil corporations have experienced a decade of sabotage of their oil facilities, oil theft, kidnapping of oil workers, and frequent disruption of oil production leading to the decline of revenue and capital accumulation in the region, and have responded by selling onshore assets and shifting operations to offshore to avoid conflict and environmental liabilities.

Findings:

The findings underscore the detrimental impact of rentier capitalism in Nigeria, where the alliance between the Nigerian state and the multinational oil corporations has led to the exploitation of resources at the expense of oil host communities. The lack of equitable distribution of oil wealth, environmental protection measures, and community engagement has fueled resistance and conflict in the Niger Delta. There is an urgent need for reforms to address these challenges.

Conclusion:

The study on rentier capitalism and the response of multinational oil corporations' response to the conflict in the Niger Delta region has shed light on the deep-rooted issues plaguing the area. The analysis has revealed a complex web of factors contributing to economic displacement, environmental displacement and degradation, capital dispossession, and social unrest in the region.

Recommendations:

A holistic framework for resolving these challenges includes:

1. Promoting sustainable practice, enforcing environmental regulations, and empowering host communities with resource control and resource governance mechanisms that will foster a more equitable distribution of oil wealth.

2) Develop an inclusive and sustainable approach to resource governance. Include all stakeholders to work together towards a more harmonious and prosperous coexistence that respects the environment, upholds social justice, and engenders the well-being of the inhabitants of the host communities.
3) Attend to the issue of labour in the distribution of surplus capital and promote beneficial labour relations in the model of production. The exclusion of host communities in job creation and reduction of unemployment, inequality, and poverty in the Niger Delta where the wealth is being extracted from.

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