

The Political Economy of Transnational Oil Corporations and Local Development in the Niger Delta

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Abstract

The study examines the political economy of transnational oil companies (TNOCs) and local development in the Niger Delta, with a focus on the ways that structural power dynamics, rent allocation, and elite capture shape development outcomes among oil-producing communities. Taking a critical political economy approach, the research examines how corporate social responsibility (CSR) strategies by TNOCs intersect with local governance systems, state institutions, and community dynamics. The study employed a qualitative approach and purposeful sampling to select 25 respondents from three historically significant oil-producing communities, that is, Oloibiri, Ogoni (Bori axis), and Gbaramatu. Semi-structured interviews were conducted with youths, women leaders, and traditional leaders to examine CSR implementation challenges, community participation, distributive justice, and socio-economic impacts of oil production. Findings show that CSR interventions are mainly instruments for securing operational stability rather than transforming conditions within communities. Resources were channeled through chiefs, government, and selected opinion leaders, sustaining hierarchal governance systems and disconnecting grassroots agents, especially women and youth. This resulted in grievances, protests, and intermittent sabotage, testifying that failure in CSR results in cycles of resistance rather than peace. The study establishes that TNOC-community relations are mediated by power imbalances perpetuating underdevelopment in the context of decades of resource wealth. The article recommends democratizing decision-making to provide broad participation, and establishing transparency and accountability through people-driven monitoring of CSR funds. Such a structural transformation would make CSR more than symbolic gestures but a redemptive mechanism capable of achieving inclusive, sustainable development, and reducing conflict in the Niger Delta.

Keywords: Political economy, Transnational Oil Corporations, Local Development, Corporate Social Responsibility, Niger Delta

Introduction

The Niger Delta of Nigeria occupies a paradoxical place within the world political economy. It is home to some of the globe's largest proven oil and gas reserves in sub-Saharan Africa, and Nigeria is one of the world's leading petroleum exporters. The 1956 discovery of Oloibiri crude oil placed the Niger Delta at the center of Nigeria's economic success and global energy geopolitics, and it attracted the attention of TNOCs such as Shell, Chevron, ExxonMobil, TotalEnergies, and Eni (Obi, 2020; Saka, 2020). These TNOCs, through joint ventures and production-sharing agreements with the Nigerian state, have driven the production and commodification of hydrocarbons, gaining colossal revenues for the federal government (Ukanna & Oraegbunam, 2024). Despite all this wealth, the Niger Delta has remained in the trap of underdevelopment, poverty, and pervasive violent conflicts. This paradox of prosperity amid need indicates the political economy dimensions of the crisis of development in the region and necessitates a critical exploration of how TNOCs shape local patterns of development (Wangbu, 2018; David, 2025).

Political economy is a proper analytical approach to understanding the intersection between TNOCs and development in the Niger Delta. It brings to the forefront the confluence of economic interests, power dynamics, and institutional forms that govern resource extraction and

distribution (Amadi, 2025). In the Niger Delta case, TNOCs operate in a rentier state regime where oil rents are over 80 percent of government revenues. This kind of rentier regime has always facilitated centralization of control over resources, weak accountability structures, and marginalization of host communities from resource decision-making (Chenge & Oigbochie, 2023). Consequently, though TNOCs are remitting royalties, taxes, and joint venture profits to state coffers, their operations have simultaneously generated externalities such as environmental pollution, loss of livelihood, and socio-economic displacement. These paradoxes in structures have realized high rates of grievances among locals, and have translated into protests, sabotage of petroleum facilities, and militancy that have threatened oil production and national security (Obuah & Keke, 2022).

Local development in the Niger Delta is thus a contested space where TNOCs, the Nigerian state, and host communities all struggle for competing interests. TNOCs have also often tried to deal with this through Corporate Social Responsibility (CSR) initiatives such as the construction of infrastructure such as schools, clinics, and water facilities, and also GMoUs with local communities (Ajebon, 2021; Tamuno, 2022). However, critics hold the view that these interventions are more palliative, ad hoc, and short of what is required in addressing the structural drivers of underdevelopment. Power imbalance TNOCs vis-à-vis local communities has rendered development interventions top-down and extractivist in approach rather than being transformative. This is exacerbated by the inability of state institutions to discipline corporate activities or effect meaningful equitable distribution of oil rents (Nnanta, 2023).

This study of the political economy of transnational oil companies and local development in the Niger Delta analyzes how TNOC operations, in combination with state policy and oil world market forces, have shaped development outcomes in the region. It explores the intersection between resource governance, corporate behavior, and local agency and seek to determine why decades of oil riches have failed to deliver generalized human development. The study also explores whether the activities of TNOCs have reinforced or challenged the structural drivers of underdevelopment, and whether this has involved issues of corporate accountability, environmental justice, and local community participation in decision-making. In this context, the study proceeds from the review of the literature on transnational corporation and local development, study theoretical framework, study context and methodology, power relations, rent distribution, and elite capture in TNOC–community interactions in the Niger Delta and corporate social responsibility effectiveness, community participation, and development Outcomes in the region, discussion of findings and the conclusion integrated with recommendations.

Transnational Corporation and Local Development: A Review of the Literature

TNOCs are enormous business corporations with operations that work beyond national borders, with significant interests in the global value chain of prospecting, production, refining, and distribution of oil (Watts, 2021). As transnational corporations, they have the ability to activate managerial talent, finance, and technology from all over the world and hence position themselves as central actors in the political economy of the oil-exporting nations (Moschieri, Ravasi, & Huy, 2024; Edwards et al., 2022). Local development is a trajectory on which the social well-being, infrastructural growth, and local economic growth of the local community is improved in a fair and sustainable manner. It extends beyond the delivery of physical facilities like roads, schools, and health centers to encompass human development such as education, employment, conservation, and social inclusion (Sepetis, 2024). The relationship between TNOCs and local development is therefore complex. Whilst TNOCs attract foreign direct investment, create government revenues, and in certain instances undertake CSR, their activities also produce unwanted by-products such as environmental degradation, livelihood displacement, and social conflict and thus create a paradox of prosperity amidst impoverishment (Ma, 2024; Egeruoh-Adindu & Ogboru, 2023).

The phenomenon has been well theorized with different ideas. Dependency theorists believe that TNOCs are responsible for economic dependency by draining the resources of the periphery to

serve the core at the expense of host areas not being able to develop (Tumbu, 2024; Magu, 2023). In this regard, TNOCs are viewed as agents of global capitalism that reinforce structural inequalities and dissolve the ability of host communities to achieve independent development paths. Modernization theorists, on the other hand, believe TNOCs can be engines for growth in the way they introduce technology, knowledge, and investments that usher in economic growth together with host country growth (Egeruoh-Adindu & Ogboru, 2023). The two polarizations have been challenged by the critical political economy perspectives that emphasize that the development effects of TNOC activities are contingent upon the power relations, the levels of governance, and institutional arrangements in which the firms operate. In rentier state settings like Nigeria, where oil revenues overshadow fiscal revenues, TNOC activities are tied to state elites that control the distribution of oil rents to the expense of host communities and inclusive growth (Ma, 2024; Mulatu, Larsen, & Yeshtella, 2025). Later theories, nonetheless, like stakeholder theory, are of the opinion that corporations have a set of responsibilities to various stakeholders, some of which include host communities, and that such interests would be harmonized to build corporate legitimacy and guarantee sustainable development (Awa, Etim, & Ogbonda, 2024).

Empirical evidence has been mixed on the intervention of TNOCs in the development of local communities of the Niger Delta. Other research suggests the activities of TNOCs through CSR practices like providing schools, health clinics, and pipelines, scholarships for healthcare, and vocational skills training programs. These interventions are typically presented as evidence of business involvement with improved local welfare (Samuel & Tedheke, 2021). However, cumulative evidence shows that such initiatives have shallow coverage, are discrete in aims, and short-term. CSR projects are criticized for being almost all ad hoc, poorly monitored, and weakly planned without complete host community participation and the result is interventions that are non-priority to locals or which have no long-term effects (Auwah et al., 2021; Saidi & Boti, 2023). Decades of oil drilling have made the Niger Delta the most underdeveloped part of Nigeria, having the worst unemployment and poverty levels, as well as immense environmental degradation. The operations of firms have also been plagued by conflict since protest and militancy have been a reaction to feelings of exploitation and marginalization from sharing in the benefits of the wealth derived from oil (Agbonifo, 2022; Nkem et al., 2024).

There is also evidence that TNOCs are disposed towards a development-management approach rather than a development one, utilizing community development programmes as a means to achieving a "social license to operate" rather than a means of empowerment in the longer term (Samuel & Tedheke, 2021). Elite capture is a long-standing problem by which advantage intended for communities finds its way into the hands of local elites, resulting in inequality and aggravating grievance (Oyekanmi, 2025). TNOCs also have a tendency to focus on physical infrastructure and not comprehensive human development, and this creates fundamental gaps in restoration of the environment, youth empowerment, and diversification of the economy.

While the literature does offer valuable insights on conflicts between host communities and TNOCs, there are significant gaps. Either descriptive research on CSR projects exists, or conflict process studies without knowledge of how systematically corporate strategy, state regulation, and community action come together to create local development effects. Few studies discuss how TNOCs can align development objectives with their business models in a way that is sensitive to profit imperatives while supporting inclusive, long-term transformation among host communities. Empirical evidence relating corporate operations with concrete advancements in education, health, livelihood security, and environmental sustainability is also sparse. Filling this gap requires research testing not only the conclusions but the ways in which TNOCs engage with host societies, and experimentation with new paradigms on which corporate profitability is reconciled with equitable and sustainable development for the Niger Delta.

Theoretical Framework

The critical political economy, in a technical sense that encompasses rentier-state dynamics, was utilized in this study to analyze TNOCs and how they relate to local development in the Niger Delta. The critical political economy seeks to transcend the narrative of corporate presence and CSR measures to analyze how power relations, structural injustices, and institutional arrangements structure the production, appropriation, and distribution of oil wealth (Bernard, 2021). Here, TNOCs will not be seen as technical agents per se but as embedded actors within a global capitalist process whose profit-generating logic converges with state elites, local power brokers, and social forces to produce certain development results which have the tendency to be uneven and exclusionary. The core theoretical lineage informing the research ranges from early political economy to radical rentierism and institutional intermediation critiques of the present moment; briefly, the following writers and precepts will direct the argument.

Marx (2022) is the first to advance the realization that capitalist production relies on accumulation and surplus extraction. Marx's capital theory will be utilized in describing how value generated through drilling oil is extracted and relocated from sites of production to centres of capitals, predicting forms of dispossession and material imbalance. In this regard, dependency theorists such as Frank (2023), Cardoso and Faletto (2024), and Samir Amin (2023) is required to explain how transnational relations influence centre-periphery relations. TNOCs, in commodifying the Niger Delta into transnational circuits of accumulation, is seen to reproduce structural dependencies that limit self-contained local development. The dependency school's assumption that peripheral economies are structurally designed to supply raw materials and absorb distortions due to foreign capital will help to explain the reason why prosperity from oil has been unable to yield cross-society benefits in host societies.

Rentier-state theory, as conceptualized by Mahdavy (1970) and extensively discussed in the edited volume of Beblawi and Luciani (1987), will be employed to examine how oil rents transform state-society relations (Benali, 2023; Hasani & Ajili, 2022). Some of the main assumptions in this context include that rents obtained from abroad reduce the state budget's reliance on internal taxation, undermine local accountability controls, and induce patronage and neopatrimonialism. Karl's (1997) "paradox of plenty" will be used to establish the mechanisms whereby volatility, boom-bust cycles, and rent distribution politics cause institutional vulnerability, and Ross & Werker's (2024). oil and political outcome accounts will be used to show how resource dependence undermines democratic accountability and lends support to elite entrenchment. Overall, these rentier lessons will help to illuminate the political economy context within which TNOCs in Nigeria do business: high oil rents localise bargaining within federal and elite circles and determine the incentives of the state relative to host communities.

It is only today's critical political economy thinkers such as Milonakis et al. (2021) who provide conceptual tools for the study of uneven development patterns and accumulation by dispossession helpful to comprehend land loss, environmental degradation, and social displacement due to oil operations. According to this perspective, CSR projects and bottom-up initiatives within the local context will no longer be understood merely as altruistic development interventions, but as legitimation and risk management efforts of TNOCs, actions that are pursued in the expectation of securing a social licence to operate in times of conflictive capital accumulation (Lenshie, 2018; Mohammed & Lenshie, 2017).

Institutional and developmental-state critique is also summoned as stern correctives. Mohammed and Lenshie (2017), Naseemullah (2022) and later institutionalist literature (Brueckner, Ciminelli, & Loayza, 2025) are drawn upon to highlight that resource impacts are institutionally contingent: where effective and representative state institutions are present, resource wealth can be leveraged for development; where institutions collapse or become rotten, the resource curse will likely follow. Acemoglu and Robinson (2023) is referred to in countering the argument that it is not resource endowments but inclusive institutions that determine whether resource rents contribute to broad-based development. They therefore counter determinist

explanations using foreign capital alone as the driver of underdevelopment and point out state capacity, policy choice, and institutional decision as intervention factors.

Critics to an explanation in solely the critical-political-economy format are met head-on. There are certain authors who argue explanations of dependency and rentier are over-determinist, eclipsing local agency, TNOC diversity, and examples of successful management of resources (e.g., Norway or some Gulf states). They will refer to the fact that TNOCs occasionally organize for technology transfer, employment, and infrastructure, and not every development failure has rentier origin. Against this critical assertion the study will react by synthesizing institutionalist and agency-based explanations with the critical one: the negative consequences of TNOC activity are not determinate or self-acting but develop where weak, patronage-state institutions meet global capital and where local government is devoid of access benefit-sharing mechanisms.

Empirical challenges will also be considered: empirical studies have a tendency to show CSR's relative nonsustainability and elite capture within the Niger Delta, but is countered by critics that its diversity across companies, projects, and communities and therefore necessitates process-oriented, grain-level analysis and not simplistic generalization. The study will therefore utilize this methodological adjustment through a focus on following the processes of corporate interventions, who designs and makes CSR a reality, how local leadership produces advantages, and how state institutions facilitate or inhibit other development paths.

The usability of this developed theory to this current study is real and functional. Critical political economy from rentier-state theory and institutionalist critique will structure the analytic focus on (1) how TNOC policy (contracting, investment planning, CSR design) is aligned with directions of rent extraction and distribution; (2) how state institutions and networks of elites divert oil revenues away from local public goods and human development; (3) how CSR and community programmes are used as mechanisms of legitimation or of genuine local empowerment; and (4) how local actors negotiate, protest, or exercise alternative economic forms in exercising agency to challenge or reorganize these relations. Conceptually, the research will operationalize variables such as TNOC investment size and modality, indicators of institutional quality (transparency, taxation linkages, regulatory capacity), indicators of elite capture, and multidimensional local development outcomes (education, health, livelihood diversification, remediation of environment). With this approach, the theoretical framework would not only explain the entrenchment of underdevelopment in the Niger Delta despite a number of decades of extraction but also institution and policy modalities, imposing taxation and responsibility, redefining CSR as inclusive development partnerships, and imposing local governance, which would place TNOC activity in line with inclusive, sustainable local development.

Study Context and Methodology

Data collection was conducted in three host communities producing oil in the Niger Delta, Oloibiri of Bayelsa State, Ogoni (Bori axis) of Rivers State, and Gbaramatu of Delta State, which were selected based on their historical and contemporary significance as host communities to TNOCs. The locations were targeted because they have been directly affected by oil production operations, environmental degradation, and CSR interventions for decades. They also capture variations in interaction levels with TNOCs, government agencies, and development projects, making them suitable for the exploration of varying community experiences. The study focused specifically on the community members, youths, women, and traditional leaders, whose daily experiences captured the socio-economic situation of oil exploration and the effects of local development. Purposive sampling was employed to engage 25 participants who were distributed across the three communities, and they represented different demographic groups and social statuses. Specifically, 10 participants were enrolled from Oloibiri, 8 from Ogoni, and 7 from Gbaramatu. They comprised 9 youths (5 males and 4 females), 8 female women leaders, and 8 traditional leaders (6 males and 2 females, comprising female elders and chiefs). This gender-

aware selection gave a mix of both male and female perspectives, acknowledging differentiated impacts of TNOC operations by men and women.

A qualitative research method was utilized, which employed key informant interviews exclusively to generate rich and detailed information. Semi-structured interviews were conducted with the 25 selected members from the community, exploring issues of CSR process implementation, access to gains in development, distributive justice, involvement of local populace in decision-making, and socio-economic and environmental impacts of oil-related activities. The semi-structured format enabled participants to share narratives and lived realities that unveiled hidden power dynamics, elite capture, and structural constraints affecting development outcomes. All the interviews were conducted in local languages (where necessary) and English, depending on the participants' preference, and were audio-recorded with consent. Interviews lasted about 45 minutes to one hour each, after which the recordings were transcribed verbatim.

The information collected from the transcripts was coded thematically to provide a uniform and systematic interpretation of the participants' narratives. The open coding began with the selection of those essential words and repetitive themes that occurred in the transcripts, and then axial coding was done for bringing together similar codes into broader categories that represented the essential issues to be investigated. Themes of power dynamics, distribution of rents, elite appropriation, CSR effectiveness, and local development effects were teased out during this process and sharpened in an iterative manner through cross-community comparison. The critical political economy framework organized interpretation of the findings, with attention to how TNOC operations crossed over with structures in communities and state institutions to affect development trajectories. Differences in people's experiences in their communities were highlighted with care, including shared perceptions about environmental degradation and the levels of involvement in CSR decision-making. This ensured that findings were not only descriptive but also analytically rigorous and uncovered the structural dynamics underlying the drivers of development outcomes in the Niger Delta.

Power Relations, Rent Distribution, and Elite Capture in TNOC–Community Interactions

Power dynamics, elite capture, and rent disbursement were common motifs in Oloibiri, Gbaramatu, and Ogoni community interviews, confirming the structural inequalities which typify TNOC-community relations. The interviewees invariably highlighted that oil exploration dividends were not uniformly distributed and were not equally accessible to those most affected by its socio-economic and environmental impacts. One of the Oloibiri youth interviewees remarked:

We see oil being exported every day from our land, and the tankers pass by our houses, but what comes back to us is almost nothing to balance the wealth leaving here. When they take their meetings about oil matters, it is all the chiefs, politicians, and some government officials that take seats in the hall. We are not involved in decision making, and we hear about them afterward on the radio or when they visit us to sign papers. We are thus angry and helpless regarding what happens to our future.

This was also put by another Gbaramatu youth, who stated:

We are the ones that endure with the consequences of oil spills, dirty rivers, and disgusting water that causes our children to have rashes break out on their skin, but when money, scholarships, or job opportunities come to be shared, we are not invited to the table. The opportunities and benefits are hijacked by the wealthy men who already possess a great deal, and the rest of us are left to continue suffering". Sometimes even the few opportunities, when they are made available to the public, are given secretly to their relatives. It makes us feel second-class citizens in our own society.

These voices highlight a general presumption that elites who are not representative of the needs of the broader community control decision-making and rent capture processes. Women respondents particularly highlighted that their voices were typically not considered in negotiations between TNOCs, state agencies, and customary authorities. A Gbaramatu female leader expressed:

They have boreholes, small health centres, and sometimes grinding machines or sewing machines, yet no one stops to ask our opinion as women about what we actually need before undertaking the projects. Some projects are abandoned or flop after a short time because there were no blueprint or human beings checking up at home after commissioning.". They are the ones who leave us to go find money to repair them or substitutes for water and health care. It is like they come to check a box to indicate that they have done something for us.

A female leader from Ogoni also added:

Most of the projects that they do are more for the photographers and for the politicians to stand and be taken pictures of than for our real good. They will arrive with reporters, hold a grand commissioning party with music and dancing, but after half a year the health centre will not have medicine or the borehole will cease to bring water. We, the common people, are left to suffer once more with the same issues as before. It is painful because we had hoped that things would get better, but the truth remains that we are forgotten the moment celebrations are done.

These observations reveal the way in which CSR projects, though visible, often ignore long-term community needs due to poor planning, a lack of consulting the population, and lack of maintenance. Women, whose survival is often threatened by oil spills and gas flaring, are further victimized by marginalization, supporting a sense of injustice and fostering resentment towards TNOCs and domestic elites.

The customary leaders provided a nuanced explanation of the rents' distribution, with admiration for both their mediating function and with the controversies surrounding resource allocation. A confessional Ogoni chief stated:

"We are the ones they consult whenever there is money to be paid or projects to be done, because the oil companies believe we speak for the community.". And yes, it is true, though, that some of my fellow workers take advantage of this trust and spend the money on themselves or for their immediate families, instead of for everybody in the community. That is why, after every round of disbursement, there are arguments, accusations, and even fights in the community, because people feel cheated. It has brought division among us, and sometimes we, the leaders, are blamed collectively even if only a few are guilty."

A similar view was expressed by a youth from Oloibiri, who said:

Anytime Shell or government pays money, there is fighting among the chiefs and elders about how it should be shared. We children do not notice a kobo from such money, but we are the ones called at every security matter or when they want to secure oil facilities. We believe that we are required only when there is a problem, but when it is time to benefit, we are completely ignored. This is why the majority of the youth are agitated, and others engage in demonstrations or utilize roadblocks as a means of expressing themselves.

These words indicate the manner in which rent distribution becomes the center of intra-communal competition, with accusations of mishandling and discrimination weakening the faith of the supporters in the elites. Rather than being a tool of inclusive development, rent distribution is apt to accentuate cleavages and create victors and vanquishers in the same space.

Others also noted the way that TNOCs strategically approach their encounters with communities so as to minimize disruption, through prioritizing engagement with a specific number of elites. A Gbaramatu youth noted:

The oil companies know who they want to talk to; they don't want to talk to the ordinary people like us.". They only invite chiefs, government officials, and some people they trust, and the rest of us are left behind. They think we are troublemakers, but they do not know that it is because we are left behind that there is trouble. If they listened to us and allowed us to speak what we truly need, there would be peace. But when they're not listening to us, we can't help but make noise so that they'll hear.

The combined effect of these forces was not only to breed discontent but also repeated episodes of protest, sabotage, and violence to further agitate TNOC-community relations. As one Ogoni young politician described this frustration in brief:

We have blocked roads, we have carried placards, we have even shut down oil supply previously, but after little negotiation they will settle the chiefs and forget about us once more. It is always the same story; we conduct the protest, they negotiate with the big men, and we are back to point zero. That is why militancy started here, because people grew tired of nonviolent begging and decided to resist so that oil companies and the government will take us into consideration.

An elderly man from Oloibiri reminisced about the long tradition of oil exploration in the region:

Our fathers provided land for free a long time ago hoping that it will come with development, but we are poorer today. We can see the oil approaching, but our schools, roads, water are all poor. If we don't fight, nothing will be brought to us. That is why the youth always get angry - they feel betrayed for what their fathers provided for free.

Such voices expose how denial of access to the governance of resources is a factor in making the Niger Delta conflict-prone, using opportunities meant for development as sources of social uprising.

Corporate Social Responsibility Effectiveness, Community Participation, and Development Outcomes in Niger Delta

Effectiveness of CSR, citizen engagement, and development impacts were some of the themes that kept arising during interviews throughout Oloibiri, Ogoni, and Gbaramatu. Interviewees often wondered if TNOCs' CSR was intended to provide sustainable development or was meant to simply appease the host communities. An Oloibiri youth best summarized this when he said:

They say they are doing CSR on our behalf, but what we get is small projects which do not endure. They bore one borehole and after three months it collapses. We complain and they will say it is the community who did not keep it in good condition. How do we keep something we were not trained to keep or even asked if we wanted to?

This response emphasizes one of the popular criticisms that CSR activities are initiated without proper consultation, resulting in activities that fail to achieve ownership and fail to respond to basic needs. Women respondents across the board pointed out the absence of meaningful participation in CSR planning and tracking. One woman leader from Gbaramatu grumbled:

Most of the time they just bring what they think we need. They will call chiefs and sign agreements, but we women are never around. We are the ones who go to the riversides to bring water, but nobody asked us before building boreholes that always break down. We could have told them where to put it or how to protect it.

A further Ogoni female leader underscored this by saying:

We only hear that money has been paid or project has commenced once all is done. If you go to some of the schools they built, there is no teacher, no chairs, no textbooks. So, what is the purpose? Development is not just construction; it is also making sure that we have the ability to use what is built.

These quotations illustrate how effectiveness in CSR is eroded by top-down decision-making systems that exclude women, the largest users and benefactors of infrastructure in the community. Several traditional leaders also shared discrepancies between TNOC promises and actual development outcomes. One Ogoni chief candidly admitted:

They approach us and enter into MOUs, but half way or not at all, projects remain unfinished. The money is disbursed, but contractors disappear or take poor quality materials. The firm will certify that it is done, but the citizens have nothing. That is why the youths are angry.

This admission points to a broader structural concern of responsibility in CSR implementation, where failing oversight mechanisms allow brokers and contractors to deliver low-quality works with impunity. Young respondents in all three locations emphasized the ways in which poor CSR performance normally provoked disillusion and war. According to one Gbaramatu youth:

We have marched with placards, blocked oil flow, and even gone to Warri to protest, but after minimal negotiation they appease the chiefs and it dies. We still do not have good roads, schools, and jobs. That is why militancy started - people are tired of waiting.

Similarly, another Oloibiri youth explained:

If they involve us from the beginning, we can defend the projects and even stop people from breaking them. But if we are not involved, we don't care. There are even some youngsters who break the projects because they feel it is for chiefs and not for them.

Such narratives demonstrate the ways that exclusion from decision-making erodes community ownership and results in project failure, strengthening cycles of protest and sabotage. Interviews also indicated that CSR programs were typically short-term and reactive, directed towards defusing tension rather than creating long-term development. One Ogoni woman activist described:

When crisis arrives, they will rush and provide food, mattresses, and money. But then after crisis, nothing continues. We cannot have emergency response as development always. We need plans that will give us skills, jobs, and health care in the future.

This criticism suggests the shift of CSR into a long-term development agenda from crisis management to manage structural imbalances and livelihood uncertainty. Another stern observation was made by a traditional leader in Oloibiri, which directed towards the historical basis of the problem

Our leaders donated land thinking it will bring development, but now we are poorer than the time oil arrived. We have no hospitals, our kids travel a long distance to go to school, and numerous ones die from diseases. When they arrive with their projects, it is little compared to what they get every day. That is why the young people don't trust anyone, not the company, not the state, even not us the leaders.

This intergenerational disillusionment shows how impotent CSR has created a crisis of legitimacy both for TNOCs and for traditional authority structures brokering between corporations and communities.

Discussion of findings

The findings of the study prove the structurally deep and political nature of TNOC–community ties in Nigeria, affirming that elite capture of oil rents is not simply a result of personal corruption but rather a natural outcome of the rentier political economy. Acemoglu and Robinson (2023) point out that forms of states emerge due to conflict between state and society, and the evidence in this instance clearly indicates that Nigeria's rentier state operates in the interest of a coalition of narrow elite mediating access to resource rents. By channeling CSR funds into the pockets of government officials', politicians', and chiefs', TNOCs support exclusionary governance arrangements whose priority is predictability and operational stability at the expense of inclusiveness and distributive justice. The agreement reflects Karl's (1997) "paradox of plenty," whereby natural resource wealth is employed as an instrument of authoritarian institution-building, repression of opposition, and maintenance of inequality rather than bringing about development.

Neglect of youths, women, and other natives in decision-making falls into Agbonifo's (2022) argument that poor management of natural resources expands socioeconomic disparities and results in citizen disillusionment. That the CSR initiatives were described as non-sustainable, palliative, and short-term lends credence to Tamuno's (2022) argument that CSR in the Niger Delta is conventionally premised to gain a social license to operate rather than nudging structural transformation. Bernard (2021) further condemn CSR in postcolonial contexts as a performative practice that sets out to stage responsibility rather than illustrate material transformation, an argument aptly corroborated by the perception of CSR by respondents as elitist.

The struggle for the distribution of rent observed in the results is consistent with Lenshie (2018) and Chenge and Oigbochie (2023) work on taxation and rent-seeking in rentier states to capture how resource rents turn into spheres of elite contestation and power concentration rather than tools of collective good. The youths' confrontational strategies, such as road blockades and disruptions of oil operations, can be interpreted through Amadi's (2025) notion of "eco-terrorism" as a form of political expression that emerges from structural exclusion and environmental dispossession. Anything short of arbitrary criminality, the activities demonstrate what Frank (2023) and Cardoso and Faletto (2024) term the "development of underdevelopment," whereby peripheral spaces resist extractive relations that reproduce their marginalization in the global capitalist world. That women have been excluded from consultations indicates gender-resource politics intersectionality, supporting Nkem et al.'s (2024) contention that exclusion from policy on resources causes health and well-being inequalities to expand.

The absence of participatory institutions undermines community ownership of CSR initiatives, leading to failure and sabotage and protest cycles, a scenario that Ajebon (2021) also noticed in Niger Delta communities under amnesty. The scenario fits Milonakis et al.'s (2021) "accumulation by dispossession" thesis where the communities are progressively dispossessed of resource wealth, perpetuating conflict cycles. From a global political economy point of view, these findings confirm the consistency of dependent development in Nigeria's oil sector, as Naseemullah (2022) has contended.

TNOCs, within settings of global capital, place more emphasis on rent maximization and operational security, a behavioral tendency consistent with Moschieri, Ravasi, and Huy's (2024) observation that multinationals react to adverse environments by making firmer alliances with powerful local actors at the cost of growing inequality. The resulting outcome is a stability without justice model of governance that pacifies dissent but reproduces the structural drivers of conflict (Magu, 2023; David, 2025).

The findings reinforce Obi's (2020) assertion that oil in Africa generates geopolitical and domestic consequences that extend beyond economics, shaping local power relations, fuelling violent contestation, and complicating development planning in Niger Delta. This protest-renegotiation cycle that our respondents reported is a faithful image of Watts' (2021) description of the oil frontier as a space of permanent crisis, wherein CSR is deployed as an instrument of crisis management rather than as an agent of inclusive development. On this note, CSR does not mitigate the resource curse but reinforces it, as elites continue to command rents and do not address structural inequalities which are the source of conflict as well as underdevelopment in the Niger Delta.

Conclusion

This study has shown how structural power relations, rent-distributing institutions, and elite capture are constraining forces that limit the transformative potential of CSR initiatives in the TNOCs' political economy and Niger Delta development. Rather than driving development in earnest, CSR has most often been an operational pacification strategy for company-level stability and social license to operate. By channeling benefits to a small elite of chiefs, government officials, and opinion leaders, TNOCs have entrenched hierarchies, excluded women and youth from decision-making, and fueled grievances that express themselves in cycles of protest, sabotage, and conflict that undermine very stability being sought. Underdevelopment of host communities from a critical political economy perspective is less a result of inefficient CSR budgets or project failure and more a function of a rentier system protecting elite interest at the expense of equitable participation. Development with transformative effect will require dismantling such entrenched structures and space for equitable participation to democratize access to oil rents. To bridge the gap between CSR intentions and development impacts, this study proposes to create inclusive, community-led fora with assured involvement of marginalized groups and institutionalization of transparency and accountability mechanisms in the form of public disclosure and independent, community-led monitoring committees. These actions can redirect CSR from a pacification tool to an inclusive and sustainable development tool capable of responding to the structural issues defining TNOC–community relations in the Niger Delta.

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