

A SOCIO - LEGAL APPRAISAL OF NIGERIA'S JOINT VENTURE ARRANGEMENT IN THE PETROLEUM INDUSTRY.

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ABSTRACT

This article takes a look at the joint venture arrangement in the petroleum industry in Nigeria. It examines the economic basis for the joint venture arrangement and discusses the basic features of joint operating agreements in Nigeria. The writer observes that although joint venture agreements have led to substantial increase in the revenue of the government accruing from the petroleum sector, provided employment for Nigerians and that it articulates the ideals of self-reliance and economic independence as well as providing access to the operational strategies, policies and techniques of the multinational oil companies, it has not achieved the major objectives of Nigerian government in terms of the acquisition by Nigerians of the necessary technological and managerial skills and thus control of the petroleum industry. The efforts of the multinational oil companies to transfer technological capability to Nigeria leave a lot to be desired. Nigeria should therefore look inward and not rely completely on the multinational oil companies as the only vehicle for the transfer of technology. Indeed Nigeria should follow the example of other developing countries such as Brazil, India and China who have made giant strides in the development of their petroleum industries.

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