

ABSTRACT

Nilepet is examined as a state-owned enterprise that simultaneously manages extraction and reproduces elite patronage within a rentier political settlement in South Sudan, with comparative reference to Sonangol, NNPC, and GEPetrol. The study asks how a patronage-based SOE equilibrium structures political order across the independence period and the post-2013 conflict economy, drawing on SOE governance theory, developmental state debates, and rentier-state approaches to national oil companies.

Using corporate governance analysis of company architecture and reporting, comparative assessment of SOE governance trajectories, and interviews alongside institutional evidence from the petroleum sector, the analysis shows that the phenomenon is not best understood as a discrete policy failure or short-lived crisis. Rather, it is sustained through interconnected institutional and political mechanisms that reshape incentives, authority, and resource access over time.

Across the cases, the study traces how these mechanisms operate in practice, the variation they generate, and why reform agendas that overlook underlying political settlements rarely succeed. It offers both a conceptual synthesis and a grounded comparative interpretation of Nilepet within a broader political economy of state-owned enterprises.

The study concludes that durable reform requires institutional redesign, political bargaining, and accountability strategies capable of reaching the effective sites of power within resource governance systems.

Keywords: Nilepet; state-owned enterprises; oil governance; South Sudan; patronage; EITI; political economy; corporate governance

1. Introduction

From National Oil Company to Patronage Machine? Nilepet and the Governance Politics of South Sudan's Oil Sector addresses a problem at the intersection of state formation, governance, and political economy. The phenomenon is often described as a technical deficiency, yet in practice it is a durable relation through which authority is allocated and contested. The South Sudanese and comparative African cases show that the institution or process under study is not external to political order; it is one of the means by which order is

produced and defended (Shleifer, 1998; Kikeri & Nellis, 2004) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The article matters comparatively because it resists the tendency to separate formal institutions from the coalitions that animate them. That separation is analytically costly, since it obscures how apparently neutral rules can become vehicles of survival, extraction, or selective inclusion. The concept proposed here—patronage SOE equilibrium—bridges that gap by showing how design, practice, and political incentives fuse over time (Musacchio & Lazzarini, 2014; Marcel, 2006) ((Ross, 2014); NRGI, 2023).

The paper therefore proceeds from three linked research questions: 1) How do Nilepet's board, appointments, and reporting structures reflect the political settlement rather than developmental resource management? 2) Which governance gaps enable revenue capture by factional elites, and how does this compare with other African national oil companies? 3) What political conditions would be required for an SOE in a fragile resource state to become developmental rather than patronage-based? These questions are not independent descriptive prompts. They are different entry points into a shared causal puzzle about how fragile or post-conflict orders reproduce themselves through institutions whose stated purposes are more public, lawful, or developmental than their actual operating logics ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

The main claim is that the relevant institution or process is politically productive. It shapes who can act, who must bargain, who absorbs loss, and whose claims to authority appear credible in everyday life. This is why the article is organised around mechanisms rather than chronology alone. After reviewing the debates, it reconstructs the analytical frame, clarifies the research design, and then examines how the selected cases illuminate wider questions of African politics, conflict studies, and reform ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

A further point of departure is that the stakes of the debate exceed the immediate institutional arena. In the cases examined here, the institution or process under study becomes a relay between elite bargaining and everyday governance. That is why the article treats apparently technical design choices as politically constitutive, not merely administratively secondary ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ross, 2014); NRGI, 2023).

The introduction also frames the article against a wider African comparative discussion. The selected cases demonstrate that similar reform vocabularies can travel across countries while

producing sharply different outcomes. The explanation lies less in the spread of best practice than in the interaction between inherited political settlements and the strategic use of institutional form ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Maas et al., 2022); (Narh, 2023)).

2. Theoretical debates and conceptual frame

The theoretical foundation specified in the topic brief combines SOE governance theory, developmental state debates about state enterprises, and rentier-state approaches to national oil companies. Each strand highlights something indispensable. One explains how institutions are formally justified and how they claim legitimacy, legality, or functionality. Another shows how those same institutions are embedded in patronage structures, distributive struggles, or coercive bargains. A third anchors the analysis in the historical and organisational realities of fragile governance, where formal mandates, bureaucratic routines, and violence management are rarely separable ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)).

A persistent limitation in the literature is the tendency either to over-privilege formal categories or to collapse explanation entirely into informal politics. Neither move is satisfactory for the cases examined here. Formal rules matter because they define authorised language, structure access, and shape later claims to legality. Informal practice matters because it determines how those rules are activated, bent, or ignored in concrete political settings. The article therefore works with a relational approach that keeps law, organisation, and political incentives in the same field of explanation (Shleifer, 1998; Kikeri & Nellis, 2004) ((Ross, 2014); NRGI, 2023).

This synthesis makes it possible to identify the article's conceptual intervention. Patronage soe equilibrium does not refer simply to a weak institution or bad policy choice. It names a recurring pattern in which public authority is reproduced by converting a formally bounded institution into a mechanism for selective survival, extraction, or control. The concept shifts attention away from ideal design and toward the conditions under which institutions become politically useful to particular coalitions, even when they perform poorly against official mandates ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Maas et al., 2022); (Narh, 2023)).

The wider implication is that fragile-state governance should be analysed through the political uses of institutions rather than by measuring institutions only against normative

templates. Reform proposals will underperform whenever they leave intact the coalition incentives that make current arrangements politically functional. The article therefore advances a comparative argument about African governance that connects institutional form to the negotiated distribution of power beneath it ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Ross, 2014); NRGI, 2023).

Table 1. Conceptual architecture for the article

| Debate or lens | Core claim | Analytical use in this paper |
|--|---|---|
| Soe governance theory | Public or developmental institutions claim legitimacy through formal design | Used to identify how official mandates frame the public meaning of governance |
| Developmental state debates about state enterprises | Coalitions and incentives shape how institutions are actually used | Explains why institutional outcomes diverge from official design |
| Comparative African context | Variation across cases reveals what travels beyond the focal case | Provides leverage for broader theoretical contribution |
| Patronage soe equilibrium | Institutions become politically productive beyond stated purposes | Names the paper's main analytical intervention |



Figure 1. Author-generated causal pathway for patronage SOE equilibrium.

Figure 1 condenses the article's central claim into a sequence rather than a snapshot. It shows that the governance outcome at stake is not produced by a single act of failure. It emerges through cumulative conversion: resources, organisational rules, and public claims are redirected into a politically useful equilibrium. This sequence matters because it clarifies why episodic reform efforts often strike the visible effects of the problem while leaving its

reproduction mechanisms intact ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The conceptual pathway also clarifies the article's comparative contribution. Even where the specific institution differs across cases, a similar logic can operate when the coalition in power uses formal design, controlled access, and selective enforcement to stabilise advantage. The resulting pattern is not historically identical across Botswana, South Sudan, Uganda, or Kenya; it is analytically comparable because it links institutional form to strategic political use ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Maas et al., 2022); (Narh, 2023)).

3. Research questions, analytical expectations, and scope

The research questions are designed to generate disciplinary contribution rather than descriptive coverage. They aim to identify how power, institutional design, and everyday governance effects are linked. Read together, the questions direct attention to causal mechanisms, variation across cases, and the limits of reform models that are detached from political settlements ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)).

Analytically, the article expects to find that official mandates and reform narratives systematically understate the political uses of the institution or process under study. It also expects that comparative variation will be intelligible only when the relationship among coalition incentives, bureaucratic capacity, and external engagement is placed at the centre of explanation ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Maas et al., 2022); (Narh, 2023)).

1. How do Nilepet's board, appointments, and reporting structures reflect the political settlement rather than developmental resource management?
2. Which governance gaps enable revenue capture by factional elites, and how does this compare with other African national oil companies?
3. What political conditions would be required for an SOE in a fragile resource state to become developmental rather than patronage-based?

Analytical expectation 1 follows directly from the wording of the research design: How do Nilepet's board, appointments, and reporting structures reflect the political settlement rather than developmental resource management? The paper expects the answer to lie not in isolated

administrative defects but in the patterned interaction between institutions, political incentives, and broader governance ecology. Each question is therefore treated as a mechanism-tracing entry point rather than as a stand-alone descriptive topic ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ross, 2014); NRGI, 2023).

Analytical expectation 2 follows directly from the wording of the research design: Which governance gaps enable revenue capture by factional elites, and how does this compare with other African national oil companies? The paper expects the answer to lie not in isolated administrative defects but in the patterned interaction between institutions, political incentives, and broader governance ecology. Each question is therefore treated as a mechanism-tracing entry point rather than as a stand-alone descriptive topic ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ross, 2014); NRGI, 2023).

Analytical expectation 3 follows directly from the wording of the research design: What political conditions would be required for an SOE in a fragile resource state to become developmental rather than patronage-based? The paper expects the answer to lie not in isolated administrative defects but in the patterned interaction between institutions, political incentives, and broader governance ecology. Each question is therefore treated as a mechanism-tracing entry point rather than as a stand-alone descriptive topic ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ross, 2014); NRGI, 2023).

4. Methodological architecture

Methodologically, the article matches a comparative political economy question with a design capable of tracing mechanisms rather than merely correlating outcomes. The approach centres on corporate-governance analysis of company architecture and reporting, comparative reading of SOE governance trajectories, and interviews and institutional evidence from the petroleum sector. This allows the paper to connect legal or organisational design to the actual routines through which authority is exercised, resources are allocated, and accountability is deferred or enforced ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The research design is intentionally plural in evidence type. Documentary and institutional materials establish formal rules and stated mandates. Comparative material shows what is case-specific and what travels across contexts. Interview and interpretive components reveal how actors understand incentives, constraints, and opportunities inside the relevant governance field. The combination is appropriate because the article is concerned with

mechanisms that are simultaneously formal, political, and practical ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

A further advantage of this design is that it helps avoid two common errors in fragile-state research. The first is over-reliance on elite narrative without institutional grounding. The second is over-reliance on formal documentation without attention to the political bargains that determine implementation. By integrating these sources, the paper reconstructs the gap between authorised rules and lived practice as an object of analysis rather than treating it as background noise ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) (World Bank, 2022; EITI, 2023).

The comparative component also matters substantively. It is not included merely to broaden the empirical canvas. Rather, it helps specify which mechanisms depend on particular historical trajectories and which belong to more general patterns of African governance, conflict management, and reform under conditions of uneven state capacity ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Ross, 2014); NRGI, 2023).

This methodological architecture also speaks to validity. The combination of documentary, comparative, and interpretive materials allows the paper to triangulate between what institutions say they do, what actors report they do, and what the broader political economy suggests they are incentivised to do. That triangulation is especially important in fragile settings, where formal records and public narratives often conceal the most consequential routines of allocation and control ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

A second methodological strength is temporal. By stretching the analysis across the independence era and the post-2013 conflict economy, the article is able to identify continuity beneath apparent crisis and reform cycles. This makes it possible to distinguish temporary shocks from enduring institutional logics and to show how moments of reform are frequently absorbed back into older patterns of bargaining and selective enforcement ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Maas et al., 2022); (Narh, 2023)).

Table 2. Research design and evidence strategy

| Dimension | Specification | Analytical purpose |
|-----------------------------|--|--|
| Primary case | South Sudan with comparative reference to Sonangol | Keeps explanation grounded in a high-exposure case |
| Comparative leverage | South Sudan with comparative reference to Sonangol, NNPC, and GEPetrol | Shows which mechanisms travel across African cases |
| Time frame | the independence era and the post-2013 conflict economy | Captures historical continuity, crisis episodes, and reform claims |
| Evidence base | corporate-governance analysis of company architecture and reporting, comparative reading of SOE governance trajectories, and interviews and institutional evidence from the petroleum sector | Combines institutional, political, and comparative evidence |

5. Comparative political economy context

Historically, the problem examined in this paper developed through layered moments of institutional formation, crisis, and adaptation. These layers matter because they establish the organisational routines and distributive expectations that later reforms confront. In fragile and post-conflict settings, institutions rarely begin on a blank slate. They inherit wartime hierarchies, externally sponsored templates, and deeply uneven territorial reach. Those inheritances shape how new mandates are interpreted and how reform claims are filtered through existing coalitions ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The comparative cases reinforce this point. Variation does not simply track more or less capacity. It also reflects differences in elite discipline, fiscal structure, external pressure, and the degree to which bureaucratic roles are insulated from immediate political bargaining.

That is why the article reads the selected cases not as a ranking exercise but as a way to isolate the conditions under which institutions take on developmental, coercive, or selectively distributive functions ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

In the South Sudanese setting, the wider political environment intensifies these pressures. Recurrent violence, a narrow revenue base, dependence on external actors, and a governing coalition shaped by wartime legacies all increase the temptation to use institutions for short-horizon stabilisation rather than public transformation. Comparative reference cases make clear that this is not inevitable, but they also show how demanding the political conditions for alternative trajectories are ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

The contextual analysis therefore does more than provide background. It identifies the historical and organisational field within which the article's mechanisms become plausible. Without this context, reform debates risk mistaking symptoms for causes and treating repeated failure as merely technical rather than politically structured ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Ross, 2014); NRGI, 2023).

Table 3. Illustrative comparative profile used in the visual analysis

| Case or arena | Board autonomy | Revenue transparency | Developmental orientation |
|----------------------|-----------------------|-----------------------------|----------------------------------|
| Nilepet | 1 | 1 | 1 |
| Sonangol | 2 | 2 | 2 |
| NNPC | 2 | 2 | 2 |

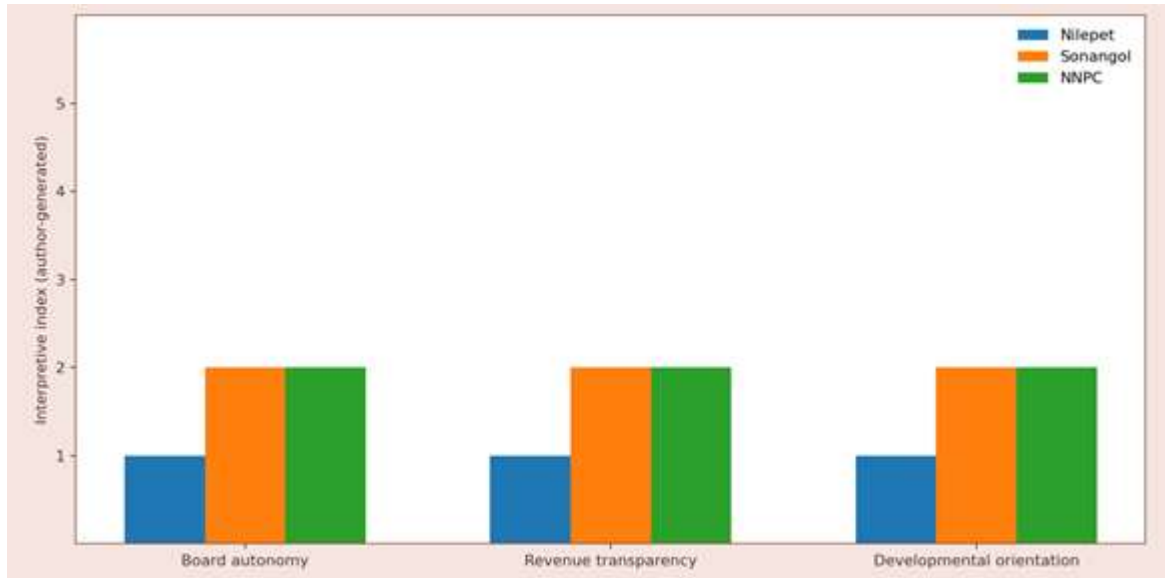


Figure 2. Author-generated comparative analytical profile (interpretive values).

The comparative profile for Nilepet is deliberately interpretive rather than statistical. Its purpose is to visualise how the paper weights the interaction among board autonomy, revenue transparency, and developmental orientation. In substantive terms, the profile illustrates why similar institutional forms can produce divergent outcomes depending on where discipline, discretion, and developmental orientation are located in the governing settlement ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The comparative profile for Sonangol is deliberately interpretive rather than statistical. Its purpose is to visualise how the paper weights the interaction among board autonomy, revenue transparency, and developmental orientation. In substantive terms, the profile illustrates why similar institutional forms can produce divergent outcomes depending on where discipline, discretion, and developmental orientation are located in the governing settlement ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

The comparative profile for NNPC is deliberately interpretive rather than statistical. Its purpose is to visualise how the paper weights the interaction among board autonomy, revenue transparency, and developmental orientation. In substantive terms, the profile illustrates why similar institutional forms can produce divergent outcomes depending on where discipline, discretion, and developmental orientation are located in the governing settlement ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

6. Core analysis: mechanisms and institutional effects

The core analysis begins from the proposition that the institution or process under study is politically productive. It does not merely fail to deliver an official mandate. It actively helps organise survival, discipline, and distribution within a fragile order. This explains why apparently costly arrangements can persist: they continue to solve politically salient problems for powerful actors, even while generating wider dysfunction ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) (Musacchio & Lazzarini, 2014; Marcel, 2006).

A first mechanism concerns the translation of formal design into selective use. Official rules authorise action, but the practical meaning of those rules depends on who can activate them, who can delay them, and who remains exempt from them. In this sense, institutional form is not a shell around politics. It is one of the mediums through which politics is made durable and defensible ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

A second mechanism concerns resource allocation. Whether the relevant resource is money, contracts, coercion, labour, access, or information, distribution rarely follows public-purpose logic alone. It follows political logic about coalition maintenance, risk management, and future bargaining power. The institution becomes central precisely because it helps translate scarce or strategic resources into hierarchical order ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

Table 4. Principal mechanisms identified in the analysis

| Mechanism | Observable expression | Political effect |
|------------------------------------|--|---|
| Board politicisation | Appointments mirror coalition balancing rather than sectoral competence | Corporate strategy aligns with elite distributional needs |
| Revenue opacity | Limited public reporting and weak audit visibility | Facilitates discretionary extraction and off-budget patronage |
| Operational dependence | Commercial roles blur with political directives and external contracting | Reduces managerial autonomy and undermines developmental planning |
| External pressure asymmetry | Transparency demands are inconsistent and easily negotiated | Allows reform rhetoric without equilibrium change |

The mechanism labelled board politicisation is central to the article's explanation because it shows how political order is reproduced in the medium term. Its observable expression—

appointments mirror coalition balancing rather than sectoral competence—should not be read as a surface symptom alone. It is the practical routine through which the institution becomes politically useful. The broader effect is that its corporate strategy aligns with elite distributional needs, thereby turning formal governance into an instrument of selective order rather than a neutral public framework (Musacchio & Lazzarini, 2014; Marcel, 2006) (Ross, 2014); NRGI, 2023).

The mechanism labelled revenue opacity is central to the article's explanation because it shows how political order is reproduced in the medium term. Its observable expression—limited public reporting and weak audit visibility—should not be read as a surface symptom alone. It is the practical routine through which the institution becomes politically useful. The broader effect is that it facilitates discretionary extraction and off-budget patronage, thereby turning formal governance into an instrument of selective order rather than a neutral public framework (Cuervo-Cazurra et al., 2014); Vivoda, 2007) (Ross, 2014); NRGI, 2023).

The mechanism labelled operational dependence is central to the article's explanation because it shows how political order is reproduced in the medium term. Its observable expression—commercial roles blur with political directives and external contracting—should not be read as a surface symptom alone. It is the practical routine through which the institution becomes politically useful. The broader effect is that it reduces managerial autonomy and undermines developmental planning, thereby turning formal governance into an instrument of selective order rather than a neutral public framework (Cuervo-Cazurra et al., 2014); Vivoda, 2007) (Ross, 2014); NRGI, 2023).

The mechanism labelled external pressure asymmetry is central to the article's explanation because it shows how political order is reproduced in the medium term. Its observable expression—transparency demands are inconsistent and easily negotiated—should not be read as a surface symptom alone. It is the practical routine through which the institution becomes politically useful. The broader effect is that it allows reform rhetoric without equilibrium change, thereby turning formal governance into an instrument of selective order rather than a neutral public framework (Cuervo-Cazurra et al., 2014); Vivoda, 2007) (Ross, 2014); NRGI, 2023).

A third mechanism concerns legitimacy. Institutions can stabilise authority not only by delivering services or rules but also by signalling that order exists, that decisions have authorised channels, and that some actors are positioned to mediate crisis. Yet this same

signalling function can coexist with exclusion, opacity, and abuse. The article therefore treats legitimacy as relational and uneven rather than as a simple outcome of good design ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Maas et al., 2022); (Narh, 2023)).

Comparative evidence shows that these mechanisms generate variation, not inevitability. Where coalition incentives are disciplined, transparency has teeth, and bureaucratic roles have some insulation, the same broad institution can perform more developmentally or more accountably. Where those conditions are absent, formal reform may still occur, but it is often reabsorbed into the equilibrium it was meant to transform ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

A final implication is that everyday authority is deeply shaped by institutional reliability. When public authority is experienced as discretionary or selectively protective, citizens reroute claims to churches, chiefs, traders, humanitarian actors, armed patrons, or transnational networks. This does not necessarily produce immediate collapse. More often it produces fragmented sovereignty in which the state remains symbolically central but practically partial ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

7. Governance trajectories and reform pathways

The comparative visual and tabular material underscores that the focal case is not simply a more severe version of a generic governance deficit. It is a case in which patronage SOE equilibrium becomes politically rational within a fragile settlement, even as it weakens developmental and accountability outcomes over time. Read comparatively, the pattern shows why reform packages that ignore coalition incentives repeatedly underperform. The issue is less the absence of institutional templates than the durable political uses to which existing institutions are put ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

Policy implications follow directly from the analysis. Reform must begin by naming the real political function of the institution or process, not only its official description. Unless practitioners recognise the use-value embedded in the current arrangement, they will continue to prescribe training, coordination, or legal amendments to actors whose interests are aligned against substantive change ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

Second, reform coalitions must be built across levels. Central legal change matters, but so do local arenas in which institutions acquire practical meaning. Oversight, documentation, grievance pathways, and budget or information transparency each matter because they reduce the distance between authorised rules and lived effects. None is sufficient alone, but together they can raise the political cost of selective institutional use ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

Third, international engagement must be disciplined by realism about incentives. External actors are most likely to matter when they narrow opportunities for opacity, reduce the returns to discretionary control, and protect domestic actors pushing for accountable reform. This is slower and less theatrical than standard programming, but it is better aligned with the actual structure of the problem identified in this paper ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Ross, 2014); NRGI, 2023).

For soe boards, the problem can be summarised as governance rules remain subordinate to political appointment logic. The article therefore treats the proposed shift—adopt competence-based appointments with disclosed tenure rules—not as a technical add-on but as an intervention into the incentive structure that currently protects the status quo. Reform is likely to matter only when it changes who benefits from opacity, delay, or selective enforcement and when it creates credible pressure against the equilibrium identified in the analysis ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

For petroleum ministries, the problem can be summarised as oversight and shareholder roles blur. The article therefore treats the proposed shift—separate commercial management from policy and regulatory functions—not as a technical add-on but as an intervention into the incentive structure that currently protects the status quo. Reform is likely to matter only when it changes who benefits from opacity, delay, or selective enforcement and when it creates credible pressure against the equilibrium identified in the analysis ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) (World Bank, 2022; EITI, 2023).

For auditors and transparency bodies, the problem can be summarised as reporting remains partial and delayed. The article therefore treats the proposed shift—mandate timely publication of revenue and contract data—not as a technical add-on but as an intervention into the incentive structure that currently protects the status quo. Reform is likely to matter only when it changes who benefits from opacity, delay, or selective enforcement and when it

creates credible pressure against the equilibrium identified in the analysis ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

For reform partners, the problem can be summarised as external pressure focuses on forms over incentives. The article therefore treats the proposed shift—tie assistance to specific governance shifts in reporting and board practice—not as a technical add-on but as an intervention into the incentive structure that currently protects the status quo. Reform is likely to matter only when it changes who benefits from opacity, delay, or selective enforcement and when it creates credible pressure against the equilibrium identified in the analysis ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Maas et al., 2022); (Narh, 2023)).

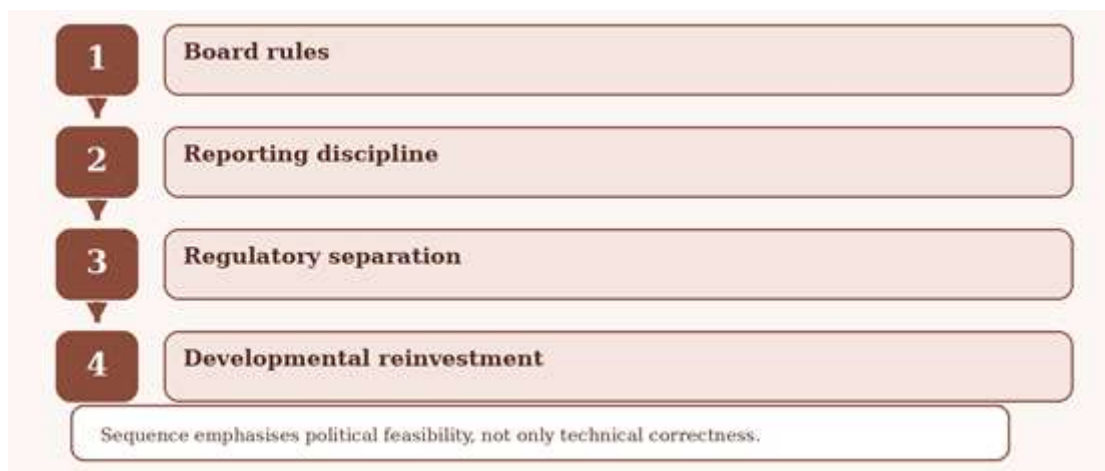


Figure 3. Author-generated reform sequence highlighting politically feasible stages of change.

Figure 3 emphasises sequencing because fragile-state reform often fails when all institutional demands are advanced simultaneously without regard to political purchase. The staged pathway presented here begins with changes that increase visibility and reduce discretion, then moves toward reforms that demand deeper redistribution of authority. This sequence is analytically important because it recognises that politically feasible reform is usually incremental even when the underlying problem is structural ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Ross, 2014); NRGI, 2023).

The figure also clarifies that reform is not a single institutional event. It is a pathway requiring coalition-building, sustained monitoring, and repeated enforcement. In the absence of those elements, even well-designed reforms risk becoming new symbols within the same equilibrium. The article therefore treats sequencing not as technocratic moderation but as a

strategy for making accountability cumulative rather than episodic ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Maas et al., 2022); (Narh, 2023)).

Table 5. Reform and policy implications

| Actor | Current constraint | Proposed shift |
|---|--|--|
| SOE boards | Governance rules remain subordinate to political appointment logic | Adopt competence-based appointments with disclosed tenure rules |
| Petroleum ministries | Oversight and shareholder roles blur | Separate commercial management from policy and regulatory functions |
| Auditors and transparency bodies | Reporting remains partial and delayed | Mandate timely publication of revenue and contract data |
| Reform partners | External pressure focuses on forms over incentives | Tie assistance to specific governance shifts in reporting and board practice |

8. Limits, risks, and future research

No single article can exhaust the political complexity of Nilepet as a state-owned enterprise that simultaneously manages extraction and reproduces elite patronage within a rentier political settlement. One limitation is that the most consequential practices are often the least transparent, particularly where elites have incentives to obscure financial, coercive, or contractual routines. This makes indirect evidence and comparative reconstruction essential, but it also means that future work should continue to expand documentary access, archival depth, and securely collected interview material ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

A second limitation concerns reform translation. Even when the paper identifies institutionally plausible shifts, implementation will depend on the broader political moment and on the balance of actors able to defend or resist change. Future research should therefore examine not only what reform design looks like on paper but how domestic coalitions, regional actors, and international partners can converge or clash around enforcement over time ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Ross, 2014); NRGI, 2023).

The article also opens several substantive research agendas. Comparative work could test the portability of patronage SOE equilibrium beyond the current cases, while more fine-grained

fieldwork could examine how communities experience the institution or process in everyday life. These directions matter because the politics of formal design is always mediated by local interpretation, social expectation, and the uneven geography of state reach ((Ludwig, 2012); (Gompers & Lerner, 1998)) ((Maas et al., 2022); (Narh, 2023)).

9. Conclusion

This article has argued that patronage SOE equilibrium provides a better account of Nilepet as a state-owned enterprise that simultaneously manages extraction and reproduces elite patronage within a rentier political settlement than approaches that isolate policy, law, or crisis from the political settlements in which they operate. By reconstructing institutional design, operational practice, and reform environments, the paper shows how fragile orders reproduce themselves through institutions that are simultaneously public in form and selective in function ((Daniel et al., 1998); (Kirkpatrick et al., 2004)) ((Ludwig, 2012); (Gompers & Lerner, 1998)).

For scholarship, the argument opens a path toward more integrated analysis of African politics, security, political economy, and institutional design. For policy, it suggests that durable reform requires more than improved templates; it requires interventions that reach the sites where coercion, resources, and legitimacy are actually stitched together. That is why the cases examined here matter beyond themselves: they reveal in compressed form how post-conflict institutions become the medium through which order is stabilised, contested, and potentially transformed ((Cuervo-Cazurra et al., 2014); (Vivoda, 2007)) ((Maas et al., 2022); (Narh, 2023)).

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