

Oil Exploitation and Conflict in the Niger-Delta Region of Nigeria

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ABSTRACT The Niger-Delta area of Nigeria, coincides approximately to the south-south geopolitical zone of the country. Before the discovering of the black gold (crude oil), agriculture was the dominant occupation of the people in the area. Crude oil was discovered in commercial quantity in the area in 1956. Since then exploration and exploitation of crude oil has resulted in environmental degradation, soil impoverishment, pollution, loss of aquatic life and biodiversity etc. This study reveals that the causes of the crises in the Niger-Delta region is sequel to the inability of the multinational companies involved in the explorations and exploitation of crude oil, and the federal government to adequately mitigate the consequences of their activities in the region. These multinational companies use capital-intensive technologies developed in core countries, which generate high wage employment for only a few workers but little employment for most others. This paper is of the view that adequate mitigation measures such as: construction of access roads, health facilities, educational facilities, electricity, income yielding ventures (cassava mill, rice mill, palm oil mill etc) piped water supply scheme, provision of micro credit facilities, capacity building, agricultural development etc will greatly reduce the crises in the region to the barest minimum.

INTRODUCTION

Niger Delta region of Nigeria is one of the most blessed deltas in the world, in both human and material resources. Suffice to say that the unfavourable manner, in which these resources have been harnessed over time, is the bane of the regions predicament today. Thus, the people of the region are prone to a number of health hazards and socio economic constrains which for long has made the people more volatile resulting in youths restiveness: conflicts between youths and community leaders, youths and government agencies, youths and multinational companies and so on. Attempts by government and multinational companies (operating in the area) to address this ugly scenario of wanton destruction of lives and property as well as impingement on the exploration process of crude oil, refining and distribution of petroleum products has not yielded the desired results.

Identification of needs by the people and participation of the people, in the process of servicing their needs, is a vital synergy towards actualizing the peoples needs and desire (that are accepted as satisfactory). Assessing the records of a good number of the multinational corporations, donors and government agencies, stating the number of developmental projects to host communities, (where oil mineral is being

tapped); one might easily get fancied but a visit to such communities will however, reveal that what is on ground is indeed a far cry from what is actually needed to ameliorate the plight of the people. Considering the amount of deprivations and damages the activities of the multinational corporations which are into crude oil explorations has caused the people in the region dating back to 1956 for some communities –pollution, environmental degradation leading to low agricultural yield, destruction of aquatic life, home displacement, etc. It is obvious that the multinational companies operating in the area has not done enough to satisfy the yearning and aspirations of the people.

Another factor observed to have further fueled the tension in the region, is the failure of the multinational corporations to meet with their earlier promises to their host communities. Some community representatives – community heads and youth leaders – who do negotiate deals with the companies on behalf of their respective communities, are not altruistic. They are more interested in what will benefit themselves and their immediate family members at the detriment of their respective communities.

Today, some of the problems confronting the various communities in the Niger-Delta region includes:

* Environmental degradation,

- Poor health facilities,
- Inadequate, and in some cases lack of transportation facilities,
- Land and poor housing, infertile soil as a result of crude oil exploitation,
- Insecurity,
- Poor educational facilities,
- Epileptic electricity power supply where it exists,
- Lack of potable drinking water,
- Lack of access to credit facilities,
- Unemployment
- Corrupt practices etc.

A visible sight of abandon buildings, in very many rural communities in the region today, is evidence of the fact that there is migration of people from the rural communities to urban centres. This is due to government policies that are urban bias, in terms of provision of social amenities. In addition to these, the people are faced with declining food crop yields from their farms, lack accessible roads and facilities for the transportation of farm produce as well as unfavourable market price for their farm produce. This trend is also observed to be worsening the situation in the few urban centres where there is little or no economic fortune. This paper is aimed at identifying the rationale behind the series of confrontations, confusion and low productivity in the Niger-Delta region of Nigeria as well as proffering mitigating measures in addressing the dilemma.

NIGER DELTA REGION OF NIGERIA

The region has huge oil and gas reserve and ranks the sixth world's largest exporter of crude oil and rank third as world largest producer of palm oil after Malaysia and Indonesia. The region is the world's largest producer of cassava and rubber. In Nigeria the region leads in the production of timber, Pineapple and fish. Also cocoa, cashew, rice, yam, orange etc are Produced in large quantity. Solid minerals such as limestone, marble, lignite, clay, gold, granite, etc are found in large quantity in the region. Other major deltas in the world are either famous for crude oil and natural gas (Orionoco in Venezuela, Mahakarn in Indonesia, Amazon in Brazil, Mississippi in the United States of America) or predominately cultivate rice (e.g. Ganges in Bangladesh, Mekong in Vietnam and Indus in Pakistan).

The recent Niger Delta Development Bill

defines the Niger Delta to include the South-South geo-political zone, comprising Edo, Delta, Bayelsa, Rivers, Akwa Ibom and Cross River States, and the neighboring oil producing parts of Ondo, Abia and Imo States.

In order to have an appreciable understanding of the situation, the Niger Delta has to be meaningfully and comprehensively defined to be useful to the people that live there. Who are exposed to oil pollution and environmental degradation and have for long suffered from neglect and poor infrastructural development. It is equally instructive to access events in the Niger Delta today from the perspectives of both human and natural history, in order to be able to trace the root causes and basis of the discontentment in the region by the outside world. In order to better appreciate the need to conserve the region and develop it, it is imperative to emphasize what the region has contributed to the development of Nigeria. For instance, in its, June 7, 1999 article on "pouring oil on troubled waters," "Time Magazine" (1999) reported that about 300 billion US dollars accrued from crude oil sales in twenty-five years (1974-1999) to Nigeria. It is worth noting here that no other section or geo-political zone of the country has contributed so much to Nigeria.

The region (before colonial era) was noted to be very rich in agricultural production, trade and inventions (local crafts). Several scholars of Africa history have pointed out that after surveying the level of development in the continent in the 15th century and those within Europe at the same period, the difference between the two was in no way to Africa's discredit. Indeed, the first Europeans to reach west and east Africa by sea were the ones who indicated that in most respects African development was comparable to that which they knew. For example, when the Dutch visited the city of Benin they described it thus:

The town seems to be very great when you enter into it, you go into a great broad street, Not paved, which seems to be seven or eight times broader than the warmoes street in Amsterdam.... The king's palace is a collection of buildings which occupy as much space as the town of Harlem, and which is enclosed with walls. There are numerous apartments for the princes ministers and fine galleries, most of which are as big as those on the Exchange at Amsterdam. They are supported by wooden pillars encased with copper, where their victories are depicted, and which are carefully kept very clean. The town is

composed of thirty main streets very straight and 120 feet wide, apart from an infinity of small intersecting streets. The houses are close to one another, arranged in good order. These people are in no way inferior to the Dutch as regards cleanliness; they wash and scrub their houses so well that they are polished and shining like a looking glass (Rodney 1972).

Today, despite the enormous resources that are abundant in the region, human and material (oil and gas, agriculture, solid mineral, tourism potentials, good market etc) the region still has majority of its people living and dying in poverty. What it lacks therefore, and has continually lacked since its encounter with the western world, is technology and technological advancement. Technology is the key to economic power in the modern world. This coupled with the people's denial of access to finance, (even while living on a land highly flourished with natural resources) to improve themselves and actualize their God-given potentials. A critical resource of any society is its capacity to develop the right kind of technology for its own needs. The very purpose of a patent system is to encourage the inventiveness of one's own citizens. When technology is controlled from abroad, it ordinarily means that funds for research and development go to the foreign firm to develop its technology still further-technology that is designed for worldwide profit maximization, not for the development needs of poor countries (Barnet and Muller 1974).

DEVELOPMENT PATTERN AND INVESTMENT IN THE REGION

Oil and gas which is currently being exploited from the Niger Delta region, is Nigeria's greatest assets. Suffice to say that, oil and gas industry is capital and technology intensive and not labour intensive. So a lot more is expected from the federal government of Nigeria and the multinational companies who are the major beneficiaries of this resources.

The Niger-Delta Development Commission (NDDC) was established in the year 2000 by the Federal Government of Nigeria. The aims and objectives include, Quick Intervention Projects (QIPs) as,

- Economic development
- Physical infrastructure
- Human and community needs

- Natural environment, human and institutional development.

It is on record that since the year 2000, Niger Delta Development Commission (NDDC) has expended about two trillion naira to help ameliorate the plight of the suffering people of the region. This is done through construction of roads and bridges, classroom blocks, health centres, water bore hole, electrification, provision of free health care services and so on.

In addition to those executed by the Nigerian National Petroleum Corporation (NNPC), multinational corporations, state government, local government, Non Governmental Organisations (NGOs), donor agencies (World Bank and European Union) etc. Despite these efforts, extensive travel throughout the region and intensive local studies in some selected settlements revealed that a lot needs to be done for the socio-economic, political and cultural emancipation of the rural dwellers in the region. A visit to some communities in the region, shows that some of them lack any known social amenities. Development is holistic, consequently, an immediate intervention perhaps the construction of a block of class room or a health centre can not in any way make up for- road, electricity, town hall, cassava or palm oil processing mill, pipe borne water etc. The point here is that there is a linkage amongst the various infrastructural facilities. It is this linkage among the development variables that enhances the standard of living or quality of life of the people. Thus, the establishment of a health centre in a settlement without access road, electricity, piped water scheme etc does not improve the quality of life of the people. It is therefore suggested that all the necessary basic needs to be established in a community for the development to be propulsive. However, basic needs can be ordered hierarchically and implementation budgeted and executed in accordance with the community's priority.

In the study where the following questions were asked: what has been the impact of the oil exploration company in this host community. How is the level of relationship like, fair or exploitative. In terms of employment, has it benefited members of the community? Reveals that luxurious life style of expatriate workers with the multinational corporations and pittance paid to indigenous workers as well as casualization of most local staff, are major source of conflict in the region. Some of the respondents observe that "this company has

been here for some time now, since they came, the white men and some of the Nigerian workers that came with them, built a special place where they live, they drink (pure) bottled water, enjoy electricity, use all weather truck vehicle, and other good things of life. While we here who own the land which they are exploiting live in mud and thatched houses without electricity, school building, health facilities, safe drinking water, good motorable road and the rest". Others responded thus. "I have personally work with two of such companies in many communities around here. One funny thing I observed in all of the communities we worked, is that there must be at least two or three young ladies, some below the age of 16 years who are impregnated and left abandoned by the Whiteman". These are some of the causes of conflict and youth restiveness in the region.

INFLUENCE OF THE MULTINATIONAL CORPORATION IN THE REGION

The year 1956 will forever remain indelible in the minds of Nigerians just as Oloibiri, the community that made it significant. Crude oil, (the black gold), which oils the economy of the world, was discovered in Otuabagi/Otuogadi in Oloibiri district of the then Brass Division in the Niger Delta region of Nigeria in 1956. The country was in a hurry. The first shipment of the magical substance in commercial quantity was achieved that same year by Shell – BP as it was then called, marking the end of a 30 year search for crude oil by the company that came into the country in 1921. Today, the community – Oloibiri – where crude oil was first discovered in commercial quantity is in socio-economic doldrums – No more oil, no money, and no infrastructure. No drumbeats, no singing, no dancing just echoes of a time past. Today, poverty rules where oil once flowed and the people have as a vestige only echoes of a time past. The only reminder that this place has the singular honour of producing the country's first crude oil is the "Christmas Tree" as it is known, which stands forlorn and weather beaten.

However, the promises to the community turned out to be mere rhetoric, for several decades after, they are yet to be fulfilled. Their dreams of prosperity have turned out to be nightmares, which have haunted them through successive governments. Shaking his head, the old man said

sadly: At that time, we were ignorant, very ignorant. Since then, the community has remained as it has been with no hospital, no school, no maternity, no industries, no water, none of the basic essentials of life have been provided for our use (Enogholase 2000).

The level of aggression and inter ethnic rivalry observe today in the region, is a fallout of the innate desire, to have access to basic essential needs. Experience has shown that exploitation of crude oil from a particular location or well is not permanent. Thus, the persistent demand for attention and amenities such as Primary Health Centre (PHC), educational facilities etc, by the representative of host communities is to ensure relevance in terms of socio-economic well being after the oil wells becomes empty. It is the inability of multinational corporations to meet their basic needs that is the major cause of conflicts (e.g. hostage taking, petroleum pipeline vandalisation etc) in the region. The multinationals also use capital intensive technologies developed in core countries, which generate high wage employment for only a few workers but little employment for most others (Evans and Timberlake 1980). Enclave development, more over, is associated with severe regional and sectoral inequalities.

When the global corporations proclaim themselves engines of development, we can judge their claims only if we know what development track they are on. A mechanical definition of development base on growth rates is obscene in a world in which most people go to sleep hungry. A development model like Brazils in which the stock market booms and two thirds of the population is condemned to an early death by poverty, hungry, and disease, is a caricature of progress. If a development model is to have any real meaning in a world in which most people are struggling just to stay alive, it must, as the development theorist (Dudley Seers 1973) pointed out, provide solutions to the most critical interrelated social problems of the late twentieth century, poverty, unemployment and inequality. The evidence of the 1960's is now in – it is an unhappy fact that the development track pursued by the global corporations in these years contributed more to the exacerbation of world poverty, world unemployment and world inequality than to their solution (Barnet and Muller 1974). The Nigeria experience with the multinational corporations, is nothing to write home about, suffice to say that their activities in

Nigeria has resulted in environmental degradation, continual destruction of flora and fauna, deprivations, unemployment, galloping inflation, widening by the gap between the poor and the rich, insufficiency and abject poverty. These conditions of underdevelopment are in most cases responsible for youth restiveness and social disorder and inter community/ethnic cleavages in the region.

SUGGESTED MITIGATIONS

The strategy adopted by the multinational corporations, in creating a conducive working environment for them in the region, is at best diversionary. They believe in influencing both youth and community leaders as well as government officials with gratifications. A situation which has resulted in the economic and political empowerment of a few individuals above that of the community which they originally represent. These highly powerful individuals are those who mediate between the concerned communities and the multinational companies. A more realistic approach would be to meet the basic needs and aspiration of the people. This will involve providing source of regular supply of potable/safe drinking water, health care facilities, accessible and paved roads, educational facilities, (scholarships, vocational and skill acquisition centres), electricity, sporting facilities, micro credit facilities, town hall, agricultural development, community income yielding ventures (palm oil mill, rice mill, cassava mill) and so on. It is the absence of these infrastructural facilities that encourages hostilities, hostage taking, physical combat with the military personnel's and police (in some riverine areas and creeks) mass vandalisation of petroleum pipelines etc. The persistent conflict is a testimony to the fact that there is a misplacement, of real and true development in the region.

The Swiss Agency for Development and Cooperation (2002) has suggested a number of mitigation measures to enhance development in poor communities, these includes:

- Broad based access to resource;

- Priority for basic education and health;

- Labour intensive production, trade-related measures and promotion of Small and Medium Scale Enterprises (SMEs).

- Pro-poor redistribution measures; and

- Improvement of gender equity (Swiss Agency for Development and Cooperation 2002).

Adequate fund should be made available for research, this way, people in the region will be able to fashion out new and adaptable techniques to surmount the problems of their local environment. Needs, evaluation and impact assessment is a veritable tool for mitigating community's quest, in order to ensure a sustainable and acceptable development.

CONCLUSION

Assessing the level of poverty among the six geopolitical zones in Nigeria in 2006, Central Bank of Nigeria, observed that south-south geopolitical zone where the Niger-Delta region is located is the worst hit by poverty among the other zones (South-West and South-East) in southern part of the country.

Before the oil boom era, more than 95 percent of the people in the region were engaged in agriculture. Therefore, efforts should be made to promote agricultural production as well as encourage those in the sector. This will involve providing soft loans, improved seedlings, modern tools and equipment and creation of good market for farm produce. Provision of good roads, for the evacuation of farm produce and food processing plants as well as storage facilities.

The three major problems observed with the educational sector in Nigeria – Access, Quality and Cost – need be addressed properly in the region. As the purpose of education is to impact knowledge, to form the mind and the personality of people, to make them prudent and to develop their latent talents. It is very important to increase knowledge through education, for it is indeed so that knowledge is power and the basis for other forms of favourable development.

The development of the agricultural sector and of the manufacturing sector may not, in fact, be mutually exclusive, especially if the one involves the government in expenditure and capital formation while the other involves types of incentives or a land reform which will not, in fact, cost anything to the government in the form either of lost tax revenues or of subsidies (Sutcliffe 1971). Similarly, Streeten (1967) and Geiger (1962) agreed that since agriculture composes a large proportion of national product than industry in developing countries, then it should be expected to contribute an equivalently large share of savings for capital formation. In

Baran's world, "it would seem that what we are faced with is a vicious cycle. There can be no modernization of the agriculture without industrialization, there can be no industrialization without an increase of agricultural output and surplus".

The issue of health care delivery in the region should be tackled with utmost vigor. As majority of its people, due to poverty and long distance to the nearest health facility cannot remedy their health problems.

Environmental conservation issues that have to be prioritized and tackled in the region include: agricultural land degradation, flooding, fisheries depletion, deforestation, biodiversity loss, water hyacinth proliferation, toxic and hazardous waste, oil spillage and pollution, sewage disposal and municipal solid waste disposal. Thus, aligning development with our environment.

It is the submission of this paper, that every one who has any form of interest, or relationship with the Niger Delta region, is a stakeholder in its affairs. Collectively, every one must work together to evolve ways aimed at effecting the desired change in the region through ideological rationalization. Rather than engaging in confrontations, corrupt/criminal practices and wanton destruction of lives and property.

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