

Nigeria and the oil crisis



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1. 1 Background of Study

The petroleum industry in Nigeria is the largest industry and main generator of GDP in Africa's most populous nation. Since the British discovered oil in the Niger Delta in the late 1950s, the oil industry has been marred by political and economic strife due to a long history of corrupt military regimes and the complicity of multinational corporations, notably Royal Dutch Shell. However it was not until the early 1990s, after the Nigerian state execution of playwright and activist Ken Saro-Wiwa, that the situation was given international attention, leading to the immediate suspension of Nigeria from the Commonwealth of Nations. Nigeria is identified as a major concern regarding human rights and environmental degradation by the international community and the firms that operate there. The Nigerian government, oil corporations, and oil-dependent Western countries have been criticised as too slow to implement reforms aimed at aiding a desperately underdeveloped area and remediating the unsustainable environmental degradation that petroleum extraction has caused.

The Niger Delta, as now defined officially by the Nigerian government, extends over about 70, 000 km² and makes up 7. 5% of Nigeria's land mass. Historically and cartographically, it consists of present day Bayelsa, Delta, and Rivers States. In 2000, however, Obasanjo's regime included Abia, Akwa-Ibom, Cross River State, Edo, Imo and Ondo States in the region. Some 31 million people of more than 40 ethnic groups including the Bini, Efik, Ibibio, Annang, Oron, Ijaw, Itsekiri, Isoko, Urhobo, Ukwuani, and Kalabari, are among the inhabitants in the Niger Delta, speaking about 250 different dialects. The Niger Delta, and the " South South Zone", which includes Akwa

Ibom State, Bayelsa State, Cross River State, Delta State, Edo State and Rivers State are two different entities. While the Niger Delta is the oil producing region the South South Zone is a geo-political zone.

The poverty in Nigeria especially in the Niger delta is very high.

Environmental pollution and degradation has destroyed their natural source of living which is predominantly fish farming making the youth look for alternatives. Oil bunkering is one of these alternatives with very high returns. Youth in the Niger delta see oil as their God given blessing and feel bunkering is a natural alternative to obtaining quick wealth. The inhabitants of this delta also view visitors as enemies since over time the actions of previous visitors have negatively affected them.

1. 2 Statement of Problem

The Niger Delta is an oil-rich region, and has been the centre of international controversy over devastating pollution and ecocide, kleptocracy (notably by the Abacha regime), and human rights violations in which Royal Dutch Shell has been implicated. All these controversy has made the inhabitants of the Niger delta very hostile to visitors and they have resulted to militancy and kidnapping to expel foreigners from their land.

1. 3 Research Questions Hypothesis

The question is drawn from a subject matters and reviewed literatures

- How the campaign against community hostility towards foreigners has on the general public?

- The oil companies on their own part, what are they really doing to create a hostile free society?
- Can the hostility of oil communities be totally stopped in Nigeria?
- Are there laws in Nigeria as to prevent environmental degradation as well as the pollution of oil bearing communities?

1. 4 Research Objectives The objectives of this research work can be seen in the following ways:

1. To give the researcher a wider knowledge of the topic under study.
2. To assess the impact of TV programs on changing the hostile perception of inhabitants of the Niger Delta.
3. To discourage hostility by oil communities.
4. To advocate for a wider campaign against environmental pollution in Nigeria through television programs and other media outlet.
5. To warn the communities of the dangers of being unreceptive and to obtain active public support in combating communal hostility.

1. 5. Significance

Our country gains the majority of its foreign income from the sale of crude oil. If the hostility of Nigerians in the Niger Delta is not managed properly, all the foreign companies drilling crude oil will be forced to leave. This will in turn have a very disastrous effect on the economy of Nigeria.

1. 6 Scope of the Research:

This research work is limited to Ogoni land in rivers state. It is an oil community operated by shell petroleum. Ogoni people are one of the indigenous people in the niger delta and share oil related environmental problems with the ijaw people. The number about 1 million people and live in a 404-square-mile homeland which is called Ogoniland.

This study will also cover the period of three months, with an assessment of media involvement especially television in the campaign against community hostility in rivers state. The assessment is basically on television programs because of the heterogeneous outlook of population within Ogoni land. But not all Ogoni inhabitants are always hooked up to programmes on television or any other media, so not all get the campaign through this medium. That is why the study will focus on interviews as well as questionnaires.

1. 7 Limitations of Study:

The limitation of this study comes through the research materials especially books and journals as not all literature are found to be directly related to the subject matter. Also, there is time factor considering the time allocated to this research work, because the research is being carried out alongside studies. There are other difficulties resulted from financial constraint, the attitude and actions of our youths toward the society. More finance is needed to sourced, because of how the researcher will be moving from one location to another within the metropolis to get credible data. Anyways, the above constraint cannot in anyway affect the accuracy and the quality of this research.

1. 8 Definition of Terms:

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The following terms will be considered based on how it is related to the subject matter.

1. Television

2. Pollution

3. Oil communities

4. Degradation

5. Hostility

Television: A system for transmitting visual images and sound that are reproduced on screen, chiefly used to broadcast programmes.

Pollution: The release into the environment certain substances in such quantities that they are harmful to man

Oil communities: Communities in Nigeria which possess crude oil

Environmental degradation: This is the deterioration of the environment through depletion of resources such as air, water and soil; the destruction of ecosystems and extinction of wildlife

Hostility: This is seen as a form of emotionally-charged angry behaviour

Chapter Two

2. 0 Literature Review

Nigeria, a country located in sub-Saharan Africa came into existence in the year 1914, following the amalgamation of the predominantly Muslim north consisting of the Hausa Fulani ethnic groups with the predominantly Christian south consisting of the Igbo, Yoruba, Urohobo, Ijaw, Efik, Anang, Ibibio, Itshekiri, Ishang, and some minority riverine ethnic nationalities, by the colonial British administration of Mr. Lugard.

Nigeria is mono-economic based, with the mainstay of the national economy derived from crude oil found in the Niger Delta area of the country. The Niger Delta, made up of nine states and having an estimated population of about 28 million amounting to 16.7% of the Nigerian population (Emmanuel. O. 2004) has suffered the dire effects of oil exploration with its attendant environmental degradation for years. Ironically, oil revenues account for about 95% of Nigeria's foreign exchange earnings and 95% of federal revenue (George. Y. 2006). Billions of US dollars have accrued to the country from the combined operations of various oil companies including the Nigerian National Petroleum Corporation (NNPC), which conduct oil and gas business on behalf the country. The NNPC operates mainly through joint venture contract.

The greatest joint venture partner of NNPC remain: the Anglo Dutch Conglomerates, Shell Petroleum Development Company, Chevron, Mobil, Texaco, Elf and; Nigeria Liquefied Natural Gas(a subsidiary of NNPC). Unfortunately, the influx of oil companies and the heightening of their operations in Niger Delta are not matched with an agenda for the development of Nigeria in general and Niger Delta in particular. The oil

companies claim to have executed several projects in the host communities as part of their Corporate Social Responsibility.

The claims include: construction of hospitals, roads and schools, provision of portable water, electricity, sponsorship, scholarships, and; supporting health campaign programmes among others. However, the host communities in Niger Delta seem not to have acknowledged these acclaimed community development projects by oil companies as they continue in their hostile disposition to the companies. According to Omole (2000), the relationship of cordiality which existed between oil communities and the oil companies in the good old days has given way to hostility and violence. The hostility takes the form of pipeline vandalisation, kidnapping, shutting down of oil companies, seizure of oil installations, militancy, intra and inter-community conflict.

The Nigerian oil industry is about a century old. The very first attempt was made in 1908 by a German company, known as The Nigerian Bitumen Corporation, in Araromi area of Ondo State. However, the initial effort was terminated in 1914 as a result of the outbreak of the First World War, (Nzekwu, 198). In 1937, the second attempt was made by Anglo Dutch Consortium, Shell D'Archy, which later became Shell Petroleum Development Company of Nigeria. The outbreak of the Second World War abruptly ended this effort. However, Nigeria can be said to be fifty one years in the oil exploration business.

This is so because the very prospecting for oil started between 1953 and 1956. According to Agbo (2008), Shell D'Archy arrived Oloibiri in 1953

following their movement from Dorgu Ewoama where they could not find oil, hence, they set a camp in Oloibiri, a town in present Bayelsa State. After a few years of search, and an investment of over 30 million dollars, a commercial quantity of oil was discovered in 1958 at Oloibiri. This implies that, oil was first struck in Nigeria in June 1956, but in a commercial quantity in 1958. Between 1958 and 2011 is fifty three years of oil flow in Nigeria. Lukeman (1998) observes that Shell started oil production and exportation at Oloibiri field at the rate of 5100 barrels per day. According to the report, this quantity doubled the following year and crude oil production in Nigeria attained its peak in January, 1979 at the rate of 2.44 million barrels per day. In 1959, the sole concessionary rights over the whole country granted to Shell was reviewed and exclusive exploration rights extended to companies of other nationalities (Nzekwu, 1982).

The success of Shell Company encouraged other companies to join in the exploration. In 1961 Agip, Mobil, Gulf Satrap (now Elf), Tenneco/Amoseas (now Chevron) joined the explorers for oil in the onshore and offshore areas. Other companies like Phillips, Ashland, and Sunray joined later. All crude oil produced was initially wholly exported unrefined, while the country's needs for petroleum products were satisfied through importation. Government decided that when the daily crude oil production in the country reached 500 thousand barrels per day, the building of a refinery would be considered. When this target was attained in 1959, foreign experts were invited to conduct preliminary surveys for a suitable site around the principal ports of the coast. After due consideration to a number of factors, Ala-Eleme near Port Harcourt was chosen.

In 1962, construction started and in 1965, the work was completed at the cost of 20 million naira. Subsequently, two more refineries were constructed in Warri and Kaduna respectively as the production increased. Although these refineries are not functioning any longer as Nigeria refines its crude oil products outside the country. Nigeria is a big player in the international oil and gas business. As at January 2007, Nigeria's oil reserves were estimated at 36. 2 billion barrels. Nigeria is the largest oil producer in Africa and the seventh largest oil producer in the world.

Its total oil production in 2006 including condensates, natural gas liquids, and crude oil averaged 2. 45 million barrels per day (bpd), with oil amounting to 2. 28 million bpd. It is difficult to put a definite figure to how much has accrued to the country in the last 53 years of oil production, (Emmanuel 2004). Today, Nigeria is the fifth largest oil exporting country to the United States, the fifth largest petroleum exporting country in the Organization of Petroleum Exporting Countries (OPEC). Nigeria produces 30 percent of the total oil production in Africa.

2. 1 Oil Communities in the Niger Delta

The Niger Delta region of Nigeria is situated in the Southern part of the country and is bordered to the south by the Atlantic Ocean and to the east by Cameroun. The region occupies a surface area of about 112, 110 square kilometers. It represents approximately 12% of, Nigeria's total surface area and going by the 2006 population census, its population is put at over 28 million inhabitants. The pattern of settlement in the region is largely determined by the availability of dry land and the nature of the terrain. Low

relief and very poor drainage are the primary factors responsible for the low number of large settlements in the region (Opara, 2008). The Niger Delta is one of the largest wet lands in the world.

It covers an area of about 70 thousand square kilometers and is noted for its sandy coastal ridge barriers, saline mangroves, fresh water, permanent and seasonal swamp spills forests as the whole area is traversed and criss-crossed by a large number of rivers, rivulets, streams, canals, and creeks. The coastal line is buffeted throughout the year by tides of the Atlantic ocean while the mainland is subjected to regimes of flood by the various rivers, particularly, River Niger. The Niger Delta consists of nine states which, make up the southern geopolitical zone in Nigeria. The region is predominantly inhabited by minority ethnic groups such as Ijaws, Itsekiris, Urhobos, Ibibios, and Edos. (NDDC, 2004).

The oil communities in the Niger Delta are those communities which play host to the multinational oil companies. They are different from other parts of Nigeria. The criss-cross of creeks means that people depend on water for their survival. Any oil company that seeks a better life for the people of this region must consider its host communities live on a wetland where farming and fishing are the major sources of livelihood. These oil communities include some communities in Delta state, Rivers state, Edo state, Ondo state and some parts of Akwa Ibom State and its environs. Some of these oil communities include Okirika, Ogoni, Bonny, Kegbara-Dere, Erema, Perukele, Elele Alumini, Rumuekpe Port Harcourt, Akabuka, Amah, Ubeta, Ibeno, Opobo, Igbokoda among others.

The poverty level in these communities of the Niger Delta is higher than national average. (NDDC 2004). George (2004: 5) adds that a typical host community in the Niger Delta is one characterized by the following feature:

- Situated close to an oil terminal which is under the watchful eyes of armed security operatives.
- Presents a vivid image of poverty and misery by at least 95 percent of its inhabitants.
- Depends on water transport as a result of poor or no access road whose jetty is decrepit and unsafe for water transport.
- Drinking water is supplied by an oil company for a few hours a day.
- The community school lacks basic amenities as its most visible equipments are blackboard and benches.
- There are many young and energetic school leavers and dropouts who are considered inexperienced and unqualified for employment in the oil company who in turn, are recruited into the growing militancy in the region that regularly confronts the security agents.

- The natural water and the air are polluted by emission of toxic water caused by gaseous flare and neighboring oil installations.
- Farming which is the traditional source of employment and also the major source of livelihood for members of the community is made impossible because of oil spills.

Decades of political and economic marginalization that resulted from the neglect of the Niger Delta region by successive governments, and the initial hesitation of multinational companies to address their social responsibility and contribute to social development enshrined poverty in the regions. The policies of multinational oil companies have been a major source of prevailing violence in the oil communities of Niger Delta.(World Business

Council for Sustainable Development, 2001). To buttress this point, George (2004: 4-5) states that this region is characterized by

- Mass killings arising from frequent clashes between communities (inter-community clashes) and clashes between communities and security forces.
- Hostage taking the personnel and property of oil producing companies are often targets of hostage taking.
- Large scale theft of oil and loss of huge amounts of revenue.
- Sabotage and disruption of operations of oil corporations.

According to Enyia (2000), “ the local imperatives of acute poverty in the niger delta region of nigeria have put a number of demands on oil companies operating in the area. The difficult terrain of these communities and the low or total lack of government presence in terms of viable projects, make the area volatile and the people confrontational, with its attendant community relations implications”.