

Socio-Economic Problems of Oil Exploration and Exploitation in Nigeria's Niger Delta

SAJINI FAITH IWEJINGI (MRS)

LECTURER

DEPARTMENT OF GEOGRAPHY AND REGIONAL PLANNING

DELTA STATE UNIVERSITY, ABRAKA-NIGERIA

Abstract

Since the 1970s, Nigeria's socio-economic and political fortune have been intricately linked with oil explorations, with petroleum oil providing about 95 percent of exports earnings and accounting for over 80 percent of government revenue as well as generating over 40 percent of the GDP. It is revealing to note that the oil that generate these numerous benefit to Nigeria come solely from the Niger Delta region. However, the paradox is that while oil from Niger Delta has generated massive economic and social transformations of many parts of the country on the one hand, it has resulted into unparalleled damage to the Niger Delta environment thus inducing a multifaceted problems in the region. This paper examines the social and economic problem of oil exploration and exploitations in the Niger Delta region. The paper identified abject poverty, deprivation, social conflict, occupational dislocation, ill health, etc. as some of the social and economic problems resulting from environmental pollution associated with oil extractions activities in the Niger Delta. The paper also made recommendations.

Key words: Social; Economic; Problem; Oil; Exploration, Exploitation

INTRODUCTION

In the last fifty-five years, the Niger Delta region has experienced increased activities in the area of oil exploration and exploitation; refining and products marketing operations. While the same activities have generated immense financial benefit for the country, as a whole, it has created health and environmental hazards to the host communities domiciled in the Niger-Delta region. The operations of the oil industries have introduced pollutants as liquid discharges and oil spills into the air, land, and water components of the environment (Omajemite, 2008). This huge contribution to the Nigerian economy notwithstanding, the area has been subjected to serious degradation and the member of the host communities suffering untold hardship.

The whole process of obtaining fuel mineral; from exploration, extraction, processing and transportation as well as storage and consumption generate one form of pollution or the other. For example, during exploration, drill cutting, drilling mud and fluids are used for stimulating production. During the transportation and marketing of crude oil, damage to oil pipeline and accident involving road trucks and tankers generate oil spill and hydrocarbon emission. This have a far more reaching effect on the environment (FEPA, 2001).The entire process of oil extraction negatively affects the environment basically through pollution which invariably leads to other kinds of problems. Ellis (1994) stated the crude oil is so dangerous that when the oil touches the leaf of food crops or whatever economic tree in the area, the plants dries off

immediately. This destructive effect of petroleum on plants invariably leads to poor agricultural yield in the regions.

CONCEPTUAL FRAMEWORK

This paper is based on the concept of Environmental pollution. Enger and Smith (2004) defined the environment as the sum total of all the conditions that surrounds man. The concept of environmental pollution has been presented in different way by various authors. Botkin and Keller (1998) simply defined environmental pollution as involving the discharge of materials or substances into the environment which renders it useless for specific purposes.

Asthana and Asthana (2006) on the other hand defined environmental pollution as the undesirable change in physical, chemical or biological characteristics of air, water or land that will be or may be harmful to human and other life, industrial process, living conditions, and cultural assets or cause wastages of our raw materials resources. Pollutants can be from human sources or natural sources, it could be valuable, or waste, it could be toxic or non-toxic.

The entry of pollutants causes disturbances in an ecosystem which manifest themselves into a chain of undesirable events. The resultant pollutants can be grouped into three based on the nature and type of environment affected by the pollution. They are; air pollution, water pollution, and soil pollution.

Both air and water are components of the environment which are dynamic entities. They are an effective means of transport of waste gases and other materials. Soils on the other hand are stationary entities which are indirectly affected by the pollutions of water and air. Toxic wastes dumped on a soil may not cause any harm to the plants growing newly if there is no means (such as water or air) of transfer of toxicant to the plants' body or roots (Asthana and Asthana, 2006). The effects of pollution on soils becomes conspicuous only when the water or the air within the environments becomes polluted.

This article focuses on the social and economic problems of oil exploration and exploitation in the Niger-Delta Area. Human interference with the environment is basically through exploration and exploitation of the resources found in it. The effects of oil spills on the rivers during operations is a major reason for the contamination of water resources in the Niger Delta region.

Researchers in different environments have discovered that the exploration and exploitation of oil in communities has led to the destruction of land, vegetation and pollution of streams (Kharaka and Dorsey 2005; Ugbomeh 2007) This concept is relevant to the topic under consideration because the economy of the rural communities from where crude oil is extracted is tied to land and water. The pollution of land and water through oil production activities has depressed the income of the majority of people leading to poverty and various forms of health hazard. The same situation also lead to series of social unrest in the region as young militants had to pick up arm against the government and the multinational companies to seek redress (Worlu 2008; Olujimi, Adewumi and Odunwole, 2011).

OIL EXPLORATION AND EXPLOITATION IN NIGERIA'S NIGER DELTA REGION : AN OVERVIEW

The ecological Niger Delta in Nigeria occupies the southernmost part of the country where the River Niger empties its waters through tributaries into the Atlantic ocean. The geography of the area indicates that it is made up of swampy mangrove forest to the coastal areas and the thick rainforest to the hinterland. The soil is largely of the sedimentary type and richly endowed with crude petroleum oil and natural gas. Various

ethnic nationalities such as; Urhobos, Ijaws (Izon), Ogonis, Efiks, Isokos, Itsekiris, etc. are found in the region (Omajemite 2008)

Prior to advent of oil in Nigeria, the Niger Delta remain a peaceful region. Oil exploration started however, with the discovery of oil by the British in Niger Delta in the 1950s, since then the environment has been marred by the complicity of the multinational corporations. In spite of the unpleasant situation, it was not until early 1990s that the situation was given international attention, particularly following the execution by the Nigerian state of playwright and activist Ken Saro-Wiwa, provoking the immediate suspension of Nigeria from the commonwealth of Nations (Elis 1994): since then there has been intermittent disruption in production by Niger Delta inhabitant who feel they are being exploited. This eventually led to the militarization of nearly the entire region by ethnic militia group as well as Nigeria military and police forces.

According to the final report of the research conducted by FEPA (2001), the petroleum industry is releasing hydrocarbons and other harmful effluents into the environment through the following operations:

- i. The disposal of drill cuttings mixed with drilling muds which contain synthetic additives some of which are toxic even at every low concentrations;
- ii. Gas flaring;
- iii. Evaporation pits, of produced formation water which is in several orders of magnitude more saline than water to be found in near surface exploitable aquifers;
- iv. The disposal of liquid refinery effluent which contain grease, phenols, cyanides, sulphides, chromium and biological oxygen demanding organic matters; and
- v. Oil spills during storage, transportation and marketing of the products from the oil industry.

Therefore, it is not out of place to conclude that the oil production activities has negatively impacted on the Niger Delta Region causing both environmental, social and economic hardship to the inhabitants.

THE SOCIAL AND ECONOMIC PROBLEM OF OIL EXPLOITATION AND EXPLORATION IN THE NIGER DELTA

The activities of the oil industry has often resulted in a different multitude of social, environmental, and economic problems such as environmental pollution, occupational dislocation, rural-urban drift, unemployment and poor human health (Elis 1994;Amadi and Tamuno 1999; Ugbomeh 2007; and Omajemite 2008).

Oil pollution causes damage to human health, agricultural land and fish ponds. It can also result into long-standing ecological malfunctioning and poor environmental well being. For instance, pollutions of rivers through oil spillage could result in massive extermination of fishes and thereby threaten the social and economic life of the communities whose livelihood depends on the contaminated water. This state of affairs has been the regular experience of many riverine oil producing, fishing dependent communities in the Niger Delta (Olujimi, Adewumi and Odunwole 2011). Also arable farmlands have been lost to oil pollution as a sizable farmland in the Niger-Delta Region have been rendered barren due to oil spillage and leakages(Elis 1994).

Furthermore, when oil spillage occurs, it has to be cleaned up using some designated chemical. While the use of this chemical is legal, a reckless use of them destroys the environment, renders the soil infertile for agricultural purpose, and damages crops and marine life (Amadi and Tamuno 1999).

Among the most conspicuous aspects of life in contemporary Ogoni land are poverty, malnutrition and disease. It is said that Ogoni villages have no clean water, little electricity, abysmal health care and no jobs for displaced farmers and fishers persons, and to make matters worse, face the effects of unrestrained environmental molestation by the multinational companies everyday (UNEP 2011).

The socio-economic life of the Niger-Deltan's particularly the oil bearing communities is essentially poor. Ugbomeh (2007) in his paper on oil exploration and exploitation in Delta State pointed out that oil development can degrade the environment, impair human health and precipitate social disruptions.

CONCLUSION

From the write up so far, it is obvious that oil rich Nigeria's Niger Delta region is a socially, economically and environmentally backward region as the people are deprived of the benefit accruing to the resources exploited from their land. Suffice to say that even the amnesty declaration of Late President Musa Yar'adua has not improved the socio-economic situation in the region beyond rehabilitating the repentant militants and sending them on courses abroad. Although multinational oil companies operating in the Niger Delta carry out socio-economic development programmes in the area, they are not commensurate to the level of damage done to the environment which unintentionally plunged the Niger Deltans into poverty. This is underscored by the outcome of empirical research carried out by Amadi and Tomuno (1999) which revealed that there is a significant relationship between the level of oil exploration activities and the level of underdevelopment in the Niger Delta region. Thus inadequate compensation implies that the problems lingers on.

THE WAY FORWARD

The Nigerian state has benefited colossally from petroleum obtained from the Niger-Delta region. The oil and gas have become the centre of contemporary industrial development and economic activities in Nigeria.

However, it has been established that a link exist between oil exploration and production activities and the current environment, health and socio-economic well being of the oil producing communities. The government should therefore liaise with oil companies on how to compensate the rural communities based on what they (the oil bearing communities) identify as their need and on how they want to be compensated.

The oil companies operating in the Niger Delta should strictly adhere to safety measures of operations in-order to prevent oil spill occurrence which endanger aquatic life and renders soils infertile.

Oil companies should improve on their intervention period by way of immediate stoppage of oil pollution when oil spills occurs.

Contingency plans for combating and preventing spills should be made.

An upward review of the rates paid as compensation for damaged crops and economic trees will go a long way to alleviate the suffering of the people.

As oil spill also result during sabotages: Sabotage might either be as a result of desire to make quick money or as a means of drawing the attention of government and the oil companies to the plight of the oppressed which ever way, sabotage should be discouraged by bringing the offender to book to serve as deterrent to others.

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