***The ‘Curse’ of Black Gold: Hope and Betrayal on the Niger Delta***

**Historical Background**

* When the oil curse began with that first great gusher in the creekside village of Oloibiri, 50 miles (80 kilometers) west of Port Harcourt, Nigeria was still a British colony. At independence in 1960, few observers expected that Nigeria would mature into an oil giant.
* Five multinationals—Royal Dutch Shell, Total, Agip, ExxonMobil, and Chevron— transformed a remote, nearly inaccessible wetland into industrial dystopia.
* 4,500 miles (7,200 kilometers) of pipelines, 159 oil fields, and 275 flow stations, gas flares visible day and night from miles away.
* 25+ ethnic groups inhabit the Delta, among them the Ijaw, the largest group, and the Igbo, Itsekiri, and Ogoni. These groups have a history of fighting over the spoils of the delta, from slaves to palm oil—and now, crude oil. The companies disturbed a fragile landscape that supported fishing and farming.
* Nigeria joined **OPEC in 1971**. The Nigeria National Oil Company (NNOC) merged with the Ministry of Petroleum to form the **Nigeria National Petroleum Corporation** (NNPC).
* In 1985, Nigeria won a loan from the **World Bank**. The parameters of the loan required a **Structural Adjustment Program** (SAP) which led to the **privatization of the NNPC**.
* The world currently goes through 90 million barrels a day (= 160 liters )
  + 19 million is U.S. alone
  + 120 million barrels/day by 2030
  + Shell aloneextracts an estimated 200,000 barrels per day from Nigeria
* Nigeria is currently the 13th largest producer of oil
  + 1 Russia, 3 USA, 4 China, 6 Iran, 10 Mexico, 19 UK
  + Nigerian oil output accounts for **80% of state revenues**
* Africa's most populous country, with 175 million people, has gone from being self-sufficient in food to importing more than it produces.
* Everything looked possible—but everything went wrong.

**Environmental Impact**

* 2.5 million barrels of crude spilled or leaked between 1986-96, resulting in devastation of the fish stocks that most villagers rely on.
  + The government documented 6,817 spills between 1976 and 2001—practically one a day for 25 years—but analysts suspect that the real number is 10x higher.
  + Old, poorly maintained equipment causes many leaks, but oil operators blame sabotage and theft, speculating that disaffected community members deliberately cause oil spills to collect compensation money.
* Freshwater is so polluted with hydrocarbons that it cannot be drunk safely--but people still do.
* Flaring of excess natural gas has produced a blighting acid rain.
  + Communities complain of corroded roofs, crop failures, and respiratory diseases.
  + After first ordering companies to eliminate flaring by 1984, the government keeps pushing back the deadline. Shell, the main offender, announced that despite making considerable progress, it could not meet the last target date.
* Recent reports by the UNDP and the International Crisis Group identify some of the questionable strategies employed by oil companies: paying off village chiefs for drilling rights; building a road or dredging a canal without an adequate environmental impact study; tying up compensation cases—for resource damages or land purchases—for years in court; dispatching security forces to violently break up protests; patching up oil leaks without cleaning up sites.
* In 1989, the government set up the **Federal Environmental Protection Agency** (FEPA). But with the population of Nigeria expected to triple by 2050, FEPA faces an array of challenges.

**Economic Impact**

* The **"resource curse"** theory holds that underdeveloped countries with great natural wealth fail to diversify their economies or to invest in education, which leads to long-term economic decline.
* Ijaw Chief Osobere Inengite has a message for Shell. "Tell them to help us. Tell them to train 50 boys and girls from here for jobs…If we had never seen oil, we would have been better off."
* In 1996, fisherman Isaac Osuoka joined **Environmental Rights Action**. "Today, there is not a single person in my community you could describe as a fisherman. We depend almost totally on frozen fish."
* According to the World Bank, most of Nigeria's oil wealth gets **siphoned off by 1 percent** of the population, condemning half of the country to subsist on less than $1.25/day. Since independence in 1960, it is estimated that $300-400 billion of oil revenue has been stolen or misspent by corrupt government officials—an amount approaching all the Western aid received by Africa in those years.

**Oil Politics**

* "The companies didn't consult with villagers," says Michael Watts, director of the African Studies Program at UC Berkeley. "They basically handed out cash to chiefs. It wasn't effective at all."
* With top government officials brazenly violating the social contract, everyone downstream inevitably follows suit. The Nigerian Constitution stipulates that just under 50 percent of national oil revenue must be distributed to state and local governments, and that an additional **13 percent** must go to the **9 oil-producing states** of the Niger delta. Last year that amounted to almost $6 billion for the 9 delta states—plenty to take care of basic social services. The problem, however, is that the money disappears in governors' offices.
* **EFCC** formed to investigate all of the country's 36 governors, and wound up accusing all but 5 of corruption.
* With all the oil money coming in, the **state doesn't need taxes from citizens**. There is little political incentive anymore for the government to invest in Nigeria.
* Forced to give up fishing, the young men of the villages put their hope in landing a job with the oil industry. But offers are scarce. "People from the outside get all the jobs…We have diploma holders, but they have nothing to do."
* Violence reigns: gun violence, sabotage a pipeline, kidnap a foreigner…

**Reactions**

"Across Africa you have a huge number of alienated youths, politically footloose, who thought they could achieve something with their countries' moves to independence and democracy. Those hopes have been almost everywhere violently snuffed out. The youth are pissed off and willing to up the ante." (Michael Watts, UC Berkeley)

* 1. **Movement for the Survival of Ogoni People** (MOSOP)
     + 1990: charismatic writer **Ken Saro-Wiwa**, outraged by oil spills in Ogoniland, founded the **Movement for the Survival of Ogoni People**.
     + Demanded control of the oil on Ogoni lands and an end to environmental damage.
     + Demanded citizens from affected areas have seats on the Boards of Directors of the oil companies.
     + 250,000 Ogonis, nearly half the population, rallied in 1993 to support the cause.
     + Shell did offer 1 million naira ($5600) to families affected during the 1993 Biafra protests. Saro-Wiwa denounced this as a cheap bribe.
     + The military moved into Ogoniland. They razed 30 villages, arrested hundreds of protesters, and killed an estimated 2,000 people. Four Ogoni chiefs were murdered during the chaos—possibly by government sympathizers—and the military used their deaths as a pretext to arrest top MOSOP leaders.
     + Nigeria's military government charged Saro Wiwa and MOSOP elites with murder.
     + In a sham tribunal, to which Shell did not object, Saro-Wiwa and eight others were found guilty and hanged on November 10, 1995.
     + Saro-Wiwa's last words were "Lord take my soul, but the struggle continues."
  2. **Movement for the Emancipation of the Niger Delta** (MEND).
     + 2004-Present
     + 2006, several boatloads of MEND’s heavily armed Ijaw militants overran a Shell oil facility in the Niger delta and seized four western oil workers.
     + MEND released the hostages a few weeks later, then demanded: release of two imprisoned Ijaw leaders, $1.5 billion in restitution for environmental damages, 50% claim on oil revenues, and development aid to the poor delta villages.
     + MEND has run its entire military campaign on weak cell signals and $3 phones.
     + **Henry Okah** – presumed MEND leader. All over Africa 2006-2008. In and out of jail 2008-Present. 2013, S. African court convicted him of terrorism for his alleged participation in 2010 Nigerian Independence Day attacks. .
     + **Jomo Gbomo** - MEND spokesman. Mysterious online entity. Trades articulate e-mails with foreign journalists who arrive in the delta to cover the oil wars. No one seems to know Jomo's real name or even where he lives; according to *The Wall Street Journal,* his e-mails are sent from a computer in South Africa.
     + "Leave our land while you can or die in it…Our aim is to totally destroy the capacity of the Nigerian government to export oil" -Jomo Gbomo
     + “The Nigerian government has been marginalizing the people who have the resources of this country. We are deprived of our rights. This time around we don't even want to wait for them to attack. When the order is given we can go ahead and crumble whoever we can crumble, because we don't die; we live by the grace of God. If one man remains, that man can win the cause—that is my own belief." -Jomo Gbomo
     + MEND has launched dozens of attacks per year for over a decade. They attack and/or kidnap western oil workers, rob banks, attack the Nigerian Navy, blow up oil tankers, pirate ships, kill police and army officers, sabotage pipelines, bomb western hotels and bars…
     + MEND's political power depends on its ability to cause terror at home and economic pain in other countries.
     + With every MEND assault, the Nigerian military answers with devastation. Within hours of the kidnapping of one Italian construction worker, troops swept into this shantytown and burned down every structure except a bank. Days later, stunned residents wandered through the charred ruins like ghosts; some 3,000 had lost their homes. The military displays obscenely disproportionate violence.
     + Recently Jomo and MEND has promised to "save Christianity in Nigeria" from Boko Haram by bombing "mosques, haj camps, Islamic institutions, large congregations in Islamic events and assassinations of clerics that propagate doctrines of hate will form the core mission of this crusade."
  3. Operation PUSH: Pray Until Something Happens.
  4. **Bunkering**
     + Stealing back the oil that has been “stolen” from the Ijaw.
     + Huge business; by some estimates, 10 percent of the oil exported from Nigeria—several billion dollars' worth—is actually bunkered.
     + The safest way to bunker oil is essentially to bribe people into letting you steal it. More dangerous, and common, is tapping crude directly out of the pipelines themselves.
     + "Most of the soldiers are paid 15,000 naira [around $100] a month, so you go to the military man and say, 'I want to make you richer,'"
     + Bunkering would not be possible without guns—militant groups are constantly fighting one another over access—and of course those guns are bought with oil money.
     + Bunkerers are unlikely to be caught because many work for someone connected, often political figures and military officers.
     + Everybody knows who the oil bunkerers are.
     + Much of the oil pollution in the creeks is from sloppy bunkering operations
  5. Royal Dutch Shell
     + “We have never denied that there are some environmental problems concerned with our operations and we are committed to dealing with them…However, we totally reject accusations of devastating Ogoni land or the Niger Delta. This has been dramatized all out of proportion. The total land we have acquired for operations and to build our facilities, flowlines, pipelines and roads comes to just 0.3% of the Niger Delta. In Ogoni land we have acquired 0.7% of the land area.” Brian Anderson, SPDC managing Director in 1995).
     + “Sabotage remains a significant problem, despite the widespread awareness that that no compensation is paid in such cases. The usual motive for sabotage is to press claims for large sums of money and/or to attract temporary employment in the subsequent cleanup exercise.”

**The United States’ Role**

* One tank of gas from a typical S.U.V. has the energy equivalent of more than 60,000 man-hours of work—roughly 100 men working around the clock for nearly a month. That is the power that the American consumer can access for about $80 at the pump. If gasoline were a person, we would be paying 10 cents an hour for his labor.
* Could a bunch of Nigerian militants in speedboats bring about a U.S. recession?
* Not only does the American economy rely on cheap oil, but the American military literally runs on oil.
* According to the U.S. Government’s Oil ShockWave panel, near-simultaneous terrorist attacks on oil infrastructure around the world could easily send prices to $140 a barrel, and those prices, if sustained for more than a few weeks, would cascade disastrously through the American, thus the global, economy.
* Halliburton has admitted that its then subsidiary KBR paid $2.4 million in bribes to the Nigerian government and is under investigation for its role in earlier bribes totaling $180 million.
* The U.S. government has donated warships to Obasanjo.
* 2009: U.S. House representative William Jefferson (D-LA) was convicted accepting bribes from Nigerian VP, Atiku Abubakar for help steering lucrative business contracts to Nigeria
  + F.B.I. found $90,000 in cash in his freezer. He plead not guilty.
  + 2012: he began a 13 year sentence. Longest sentence for a Congressman.
* In 2004 an Ijaw leader named Mujahid Dokubu-Asari retreated into the creeks to wage "all-out war" against the government and the oil companies. Asari was a convert to Islam and worried U.S. authorities by expressing his admiration for Osama bin Laden.

**Looking Forward…**

* "For Shell to conduct business as usual would be a public relations disaster…Folks say, 'Look, these oil companies are making billions by taking out this black stuff from our territory—they should have some ethical and social responsibilities.'" -Watts
* The Nigerian military—as poorly equipped as it is—can protect any piece of oil infrastructure it wants by simply putting enough men on it. But Shell has more than 3,720 miles of oil and gas pipelines in the creeks, as well as 90 oil fields and 73 flow stations, and there is no way to guard them all.
* "It's going to be tough. Nobody who has privilege surrenders it easily. The struggle is to get people to give up power who got it illegally." -Oronto Douglas, Deputy Director of Environmental Rights Action in Nigeria
* A former hostage said, "Their grievances are legitimate...There's no water in these communities, no education, no medical facilities whatsoever. To be out in the swamp without any electricity or drinking water—of course they're upset."
* An uneasy truce holds between the politicians and the warring factions. Each watches the other carefully. All are armed and patrol the streets with machine guns. The vigilantes say that the police are partisan. The police say that the vigilantes are criminals and terrorists.
* Chief Saro-Wiwa, father of Ken, said in an interview with Karl Maier, “it is a surprise that so many people come here and ask me things, they do not say what they see with their eyes.”

Sources:

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