

**OIL EXPLOITATION AND CONFLICT IN THE NIGERIA'S NIGER DELTA - A STUDY OF
ILAJE, ONDO STATE, NIGERIA**

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ABSTRACT

Communal disturbances have become a persistent feature of the oil producing area of Niger Delta, Nigeria. The outbreak and escalation of conflict within and among the oil producing communities and the oil companies operating in the area informs the investigative premise of this paper. Conceptualised through several factors of 'oil impact', 'externalities', 'conflict prevention', and others, this paper examines the intractable crisis in the oil-producing areas of the Niger Delta. Keys to this study are the statistical and empirical data collected over a two-year period to evaluate the oil-induced dysfunctional psychosocial and political changes that ramify in the area of study. This paper argues for a positivist perspective; an integrated bottom-up participatory process that secures the quality of life of the people and simultaneously protects the environment is undoubtedly the pathway to sustainable peace and development in the oil producing areas.

Keywords: Oil exploitation, conflict management, Sustainable peace, Development, Niger Delta

INTRODUCTION

Half of the world's mineral dependent states are concentrated in Sub-Sahara Africa. Most of these African countries derive their main revenue from the exploration and production of mineral resources such as oil and gas, diamond, gold, copper-ore, uranium, platinum, iron-ore, chromate, phosphate, bauxite and many others. However, these countries lie at the bottom ladder in comparative statistics on human development (Furley, 1995; Olukoshi et al, 1996; Wolf-Christian, 2004). Some African countries, for example Botswana and South Africa, have shown ample evidence that mineral wealth can

be turned into concrete development benefit if properly managed (Wolf-Christian, 2004). Thus, these natural resources are not necessarily a developmental trap.

Economists and political scientists have proposed different explanations for the developmental trap associated with natural resources. The economic approach blames bad macro-economic policies, which crowd out local producers. This is termed the “Dutch Disease”. On the political side, poor-governance in rent-based economies is blamed. Under this, the state is “freed” from society’s control when revenue from mineral resources replaces personal income taxes and the rights of citizens are rolled back and autocratic rule and rent-seeking behaviour by public officials and politicians become the norm (Wolf-Christian, 2004).

Nigeria, Sub-Sahara Africa’s largest oil producer is a classic illustration of natural “resources as a developmental trap”. Rich in proven resources (approximately 30 billion barrels of oil) and having earned an estimated \$340 billion over the past 40 years, Nigeria’s oil exports rank only behind Saudi-Arabia, Venezuela, Iran and United Arab Emirates. Oil dependence accounts for over 83 percent of Federal Government revenue, more than 95 per cent of export earning and approximately 40 per cent of GDP (Phillips, 1991; Soremekun and Obi, 1993; Ikporukpo, 1996; Olomola, 1999; HRW, 1999; Onimode, 2001; Onosode, 2003; Imobighe, 2004; Iwayemi, 2006).

However, Nigerian oil economy has remained largely underdeveloped and its citizens, particularly those in the oil and gas bearing communities are impoverished. Equally disturbing is the incidence of unrest fuelled by oil exploitation in Nigeria and other mineral dependent countries in Africa such as Sudan, Algeria, Angola and Republic of Congo. While oil exploitation is the main cause of the restiveness in Nigeria, in the other countries oil revenues have provided the resources for the parties to prosecute the wars and condition the intensity of the fighting (Imobighe, 2004)

The vast revenues from oil have not made any appreciable impact on the oil- producing areas of the Niger Delta states. Rather the people experience micro-level paradox of penury amid immense oil wealth. Abject poverty, environmental degradation, marginalization, endemic conflict and social deprivation have taken a toll. The cumulative effects of these are anger in the land and easy pre-disposition of the population especially the youth to violence. The situation in the Niger Delta states has

been at the core of extensive debate at the local, national, regional and international level. The debate centres on the overall impact of oil on Nigeria's political economy, social, economic and environmental issues attributed to oil in Nigeria (Ikein, 1990; Soremekun, 1995; Isumonah, 1998; Obi, 1997; Suberu, 1998; Gbadegesin, 1998; Tamuno, 1999; CRP, 1999; HRW, 1999; Ikporukpo, 2001; Okonta & Douglas, 2001; Obi, 2002; Ojo, 2002; Ukeje et al., 2002; Iwayemi, 2006). It reflects long-held feelings of exclusion, power inequalities and asymmetries that range from economic, social, cultural and political injustice. These indicators affect living standards of the present generation and the prospects of generations to come as they have direct bearing on the challenges of securing sustained human progress.

The establishment of interventionist agencies like the Oil Mineral Producing Areas Development Commission (OMPADEC) and the recently established Niger Delta Development Commission (NDDC) by the Nigerian governments have yielded marginal impact. This is partly because their rationale is project-centred initiative (income-based) rather than integrated rural and human capacity development initiative (human based).

Consequently, the youth of the Niger Delta see violence as a strategy to escape deprivation since the chaotic and desperate situation of the region condemns the youth to a future without hope (Albert, 2001a, Albert 2001b). Alluding to this, the recent United Nation Development Programme (UNDP, 2006) human development report on the Niger Delta pointed out that Niger Delta is today the most volatile region in Nigeria. It has been associated with violence and related crises accentuated by the oil factor in criminal actions of youth against oil and gas companies, violent confrontations between the security forces and emerging militias, hostage taking and destruction of oil platform. An increment in derivation revenue to 13% to the state, the abrogation of the onshore/offshore dichotomy and the establishment of NDDC has not substantially influenced the rising level of violence and poverty in the Niger Delta.

This situation portrays a deep crisis in governance and consequently the Nigeria state has been clearly embroiled in social struggle in which it has been ineffective in mediating. Protestation by the Niger Delta people led to brutal repression by the central government and oil companies' security forces (HRW, 1999; Okonta & Douglas, 2001; Albert, 2003). From Umuechem, Ogoni, Ilaje, Odi, Edagberi, Iko, Yenagoa, Egbema and so on, the story is of security forces brutality.

Crude oil in Nigeria is found in the Niger Delta states comprising the nine states of Bayelsa, Delta, Rivers, Akwa-Ibom, Abia, Edo, Imo, Cross-River and Ondo. Ondo state is the main focus of this study. Crude oil is concentrated offshore in the Ilaje-Ugbo communities of Ilaje local government area of the state. Chevron Nigeria Limited is the leading oil firm in the area. Chevron, formerly Gulf Oil Company started oil exploration in Ugbo area in 1962, but actual oil exploitation started in 1968 with Okan oil field. From 1968 to date, other oil wells such as Meren, (land11) Parabe, Isan, Opollo, Opuekaba and many others came into operation (*The Guardian*, Lagos, June 6, 1998). Chevron accounts for 18.6% of Nigeria's total crude oil output and 40 percent of Chevron's total oil production per day are from Ilaje land (ERA, 2000; Okonta & Douglas, 2001)

However, in the oil producing areas of Ondo state, like other Niger Delta states, the negative impact of oil has severely affected the traditional means of livelihood of the people and created a propensity for conflict and violence. This area has witnessed both violent intra and inter-communal or ethnic conflicts and clashes with oil companies in which the core issues involved have not been resolved. Among the oil-related conflicts in the Niger Delta is that between the Ijaw in Nembe/Kalabari, Basambiri/Ogbolomari, and Okpoma/Brass in Bayelsa state. In Ondo state, there is the Ilaje/Ijaw conflict. Also, inter-ethnic conflict was witnessed between Ogoni/Adoni, Ogoni/Okrika in Rivers State (HRW; 1999; 2002; 2005; ERA, 2000; Imobighe, 2004). The likelihood of conflict re-occurrence is thus very high.

The case of Ilaje, Ondo state, the focus of this paper deserves attention. The modicum of peace achieved in its oil-producing area in recent times is precarious. The evidence that oil-related negative externalities abound are hardly contentious. It is quite instructive that the UNDP's recent report on Niger Delta (UNDP, 2006) rated these communities very low in recognizable indices of development such as human development index (HDI) and human poverty Index (HPI). This is an indication that the local economy of these communities is stagnant and underdeveloped.

Consequently, poverty in the midst of vast oil wealth has spawned discontent and disillusion, frustrated expectations, fostered widespread indignation, entrenched deep-rooted and destructive mistrust and incited unprecedented restiveness in most of the oil producing areas of the Niger Delta region. Ongoing

tension has changed the lives of individuals and communities, constricted the operations of the oil companies and revealed a deep crisis in governance. In recent time, the Niger Delta is on the boil and the increased restiveness in the oil producing areas is traceable to the neglect of the areas in terms of human development, provision of infrastructural amenities and the desecration of traditional and cultural values of the people. The crux of the age long agitation has been the issue of poverty and degrading standard of living of the people.

From the early 1990s, many of the Niger Delta States have assumed the character of a conflict-ridden region. There has been a cycle of protests and conflicts in the Niger Delta, notably in Bayelsa, Delta, and Rivers States. These conflicts have not only given rise to human displacement and loss of lives and property on a massive scale, but they also pose a serious challenge to national security and economic prosperity in Nigeria. Youth restiveness was for the most part the major factor in these protests. The presence of oil companies in the Niger Delta exacerbates communal tension in the oil producing areas. The Delta peculiarities as the cradle of Nigeria's oil industry and its associated externalities, the realities of a constricted land area, a fragile environment compounding difficult geographical terrain, the heterogeneity of cultures, extreme economic deprivations and competition by individuals and communities for a greater share of the natural wealth of the region have combined to create a theatre of almost permanent violence.

The study investigates how oil activities have ignited social tension culminating in violent intra and inter-communal or ethnic conflict and oil communities and oil companies' conflict. The implicit assumption of the study is that oil exploitation has ignited and exacerbated conflicts within and among the oil producing communities and between oil producing communities and oil companies operating in the study area. This assumption is analysed based on data generated from the survey questionnaire, key informant interviews, FGD sessions and direct observation method.

The oil producing areas of Ilaje lived in a peaceful coastal belt of Nigeria with a satisfying fishing business and inter-trade with their neighbours. However, the era of oil exploitation in the area has brought with it dysfunctional changes that ramify in the oil producing communities. A decade of oil exploitation has led to conflict and crisis, which are not unrelated to the unresolved deliberating condition arising from oil-induced environmental deprivation and degradation. Some communities in the

study area are still wearing the scars of needless communal violent conflicts of yesteryears. In other word, conflict in the study areas are traceable to a plethora of grievance felt by the people towards oil companies and the government as a result of oil exploitation activities. The major grievances as highlighted by the oil communities include environmental pollution and ecological degradation, erosion of the traditional means of livelihood, unemployment, lack of economic development, inadequate social infrastructures, health hazards linked with oil exploration and gas flaring and neglect by oil companies and the government.

Conflict in the study area can be categorized into three, namely:

- Intra-community/intra-ethnic conflict
- Inter-community/inter-ethnic conflict
- Oil community and oil company conflict

The causes of each of these categories of conflict witnessed in the study areas, as available data revealed are explored.

CONCEPTUAL CLARIFICATIONS

Oil impact

According to Ikein (1990:49) this refers to changes in patterns of interaction and social structures: depersonalization, invasion, unwanted mobility and loss of property. There are also economic changes revealed in the levels of industrial output, employment, unemployment and gross receipts. In addition, there are the biological and environmental consequences of the resultant pollution, posing hazards to health and to the ecology of the area.

Externalities

This can be defined as uncompensated costs or benefits of resource utilization that are borne (or enjoyed as the case may be) by the individual other than the user (Perrings et al, 1992). In the same vein, Adewuyi (2001:122) refer to it as the effect (negative or positive) of the activities of an entity (an individual or a group of individuals) on the physical environment or human life without compensation.

Exploitation

This refers to the use of land, oil and mineral. In the context of this study, it has to do with the exploring, finding, producing, distributing, exporting and sharing the economic surplus from oil and gas in the oil producing areas of Ilaje-Ugbo, Ondo State.

Conflict

Coser (1956:8) describes conflict as a struggle over values, claims to status, power and scarce resources in which the aims of the “opposing” parties are not only to gain the desired values but also to neutralise, injure or eliminate rivals. Conflict usually arises as a result of a clash of interests between parties involved in some form of relationship. Although conflict represents part of the dynamics of human relations and scholars generally accept its inevitability, the monstrous nature of the conflict in the Niger Delta region of Nigeria with its attendant destruction of human lives and property and the disruption of the country’s economy has once more shown what dysfunctional conflict can become if not properly managed.

Conflict prevention

This is a broad concept, which refers to the anticipation and aversion of escalation of violence in social, political and international conflict. As Lund (1997:2) posits, conflict prevention are actions, policies, procedures or institutions undertaken in particularly vulnerable places and times in order to avoid the threat or use of armed forces and related forms of coercion by states or groups, as the way to settle the political disputes that can arise from the destabilizing effects of economics, social, political and international change. It can also include action taken after a violent conflict to avoid its recurrence

Conflict management

This refers to the art of transforming the violent conflict into something less damaging or searching for solutions that can check conflict escalation. In other words, it refers to dealing with conflict using any means that could prevent conflict escalation.

Violence

This is defined as “harm perpetuated on persons or property ranging in the case of persons from restraining their freedom of movement to torture and death, and in the case of property from simple fine or damage to complete expropriation or total destruction (Girvetz, 1974:183).

Peace

The US Department of Justice (1999:2) defined peace as a process of responding to diversity and conflict with tolerance, imagination and flexibility, fully exercising one’s responsibilities to ensure that all fully enjoy human rights.

INTRA-COMMUNAL/INTRA-ETHNIC CONFLICT

From observations, FGDs and interviews, conflict within communities arises from competition over the sharing of compensation payment to communities by oil companies when some segment of the community perceive unfairness in the distribution of compensation, they organize to challenge the existing order and seek its overthrow. Conflict usually erupts between youth and community leaders who are seen as having squandered the largesse provided by oil companies. This is usually in the form of accusation and counter accusation over allegation of massive fraud and diversion of community benefits to private pockets. The views expressed by the respondents found justification in HRW (1999) study on oil producing communities, which observed that in many communities, internal splits have emerged with the common divide being between youths and chiefs, youth and the urban elites of the community, between youth and professional claims agents and between fractions of the youth.

The general view of the rural folks was that oil companies fuel division within communities when they reward traditional rulers and community leaders for supporting their activities, which negatively affected the environment and economy of the people. Oil companies pay compensation to these people that cooperated with them who in turn pocket the money at the detriment of other members of the community. This antic of the oil companies is a major cause of the breakdown of traditional authorities in most oil-producing areas. Traditional rulers may lose their legitimacy partly because of greed and partly because there is not enough money to satisfy every members of the communities. Observation data however indicated that traditional rulers have not lost their legitimacy in the study area. Two reasons can be adduced for this state of traditional institution in the study area. One is the culture and belief system of the people, which serves as a channel by which traditional rulers exert control on the

people. The second is the fact that these traditional rulers have relinquished the right of collecting compensation to various youth organisation charged with this responsibility.

Although, compensation payment was identified as the main cause of intra-communal strife, informants also claimed that oil companies rarely pay compensation and when they pay, the amount given is negligible. However, whenever compensation is paid, the sharing formula always generated conflict within communities. Oil companies' practice of rewarding only a small segment of the community has created rivalries within the community. The weakening of the traditional socio-political order has far-reaching consequences. This scenario has played out in core oil producing states of Rivers, Bayelsa, Akwa-Ibom and Delta. There is no gainsaying the fact that oil industry activities has affected the traditional institutions, even to some extent in the oil producing areas of Ilaje.

Interviews conducted with some opinion leaders in the study area revealed that the stool of the Olugbo of Ugbo Kingdom is under contestation as a result of a suit instigated against him by some elites in his kingdom. This led to the eventual removal of the Olugbo by the court. Allegations against the Olugbo ranged from unfairness in the disbursement of compensation to oil producing communities to claim over ownership of lands. Traditional institution and cultural values in the study area faces the threat of disintegration and total collapse.

This study also postulated that oil industry activities have weakened intra-ethnic solidarity and relations, creating jealousies and disputes over host community status. The attempts to monopolise the political, social and economic benefits, which emanate from oil industry and development agencies have created divisive tendencies among the subgroups (Ugbo and Mahin Ilaje). The communities designated oil producing areas are situated in the eastern coastline of Ilaje local government and they all lie within Ugbo kingdom (Ololajulo, 2006). Observation from fieldwork also revealed that the oil producing communities' space does not encompass the entire Ugbo kingdom, but at such times when the oil producing communities' identity is required to assess compensation benefits, political power and infrastructures, an Ugbo identity translates into oil producing communities' identity. In other word, all the communities in Ugbo kingdom are categorized as oil producing communities. On the other hand, communities in the Mahin kingdom are classified non-oil producing. In this regard, the researcher opined that oil related activities have generated distrust and lack of cooperation within community and

ethnic group. If oil is not exploited in the areas, such manifestation of bitter distrust and rivalries would not have existed in the area.

One incident, which informants hyped on, was the manner in which the Arogbo-Ijaw and Ugbo-Ilaje crisis of 1999 was prosecuted. Informants explained that although the Arogbo-Ijaw directed their attack at the Ugbo-Ilaje, both the Ugbo and Mahin-Ilaje joined forces as brothers to confront the Arogbo-Ijaw. In this instance, the Ilaje identity bonded the people together. The implication of this is that the Ilaje identify super cede the oil producing communities identify whenever the life of one of the subgroup is threatened. Also, oil related issues are internalized while the Mahin and Ugbo presented an Ilaje identity to the outside world.

Investigation further revealed that oil companies are largely blamed for the emergence of dual identity or classification as oil producing and non oil-producing communities since they, as oil operators determined host communities by virtue of their sighting their oil drilling activities in such communities. Oil companies are accused of failing to recognize some communities as host communities whenever it was not obvious that they are operating in such communities. Oil companies were able to achieve this feat because their operation in the study area is principally offshore. Chevron, the leading oil company in the area is particularly guilty of this offence. This trick enables the oil companies to reduce the numbers of host communities, which is considered advantageous to them.

Implementation of development intervention had fuelled competition and rivalries among local subgroups or ethnic groups. Appointment to the board of the development commission in Ilaje is the exclusive preserve of the oil producing communities. Such membership is reserved for the Ugbo subgroup. Indigenes of non-oil producing communities from the Mahin sub-group were not given appointment into board of these commissions. The only time an indigene of the non-oil producing communities was appointed into board of this commission was during the Babangida and Abacha administration. However, the appointment was quickly terminated as a result of persistent pressures and petitions from oil producing communities (Ololajulo, 2006).

Informants in the coastal non-oil producing communities (Mahin sub-group) interviewed to elicit their perception on this issue, perceived unfairness in their categorization as non-oil producing in spite of the

negative impact which oil activities have on their communities. While all coastal communities faced environmental degradation arising from oil exploitation, the benefit emanating from oil-related activities are solely enjoyed by the Ugbo subgroup. The Mahin subgroup bemoaned the Ugbo subgroup exclusive access to power and appropriation of economic benefits from oil, a scheme they claimed was meant to disempower them politically and economically. The general view expressed by the informants in the non-oil producing communities was that all the coastal communities in Ilaje should be considered or regarded as oil producing communities since oil extraction in these areas was mainly offshore and all the coastal communities suffered from the environmental consequences of oil exploitation.

Findings also indicated that historically, a common ancestry bonded all the Ilaje subgroups. The discovery of oil in the area has, however, dislocated this bond. While key informant admitted that the age-long rivalry between the two major subgroups, the Ugbo and Mahin-Ilaje predates the era of oil, however, oil activities could be said to have exacerbated this rivalry. A key informant explained that the Mahin, who the Ugbo permitted to settle in their area, betrayed them. During the colonial period, the Mahin abrogated political power and made the Ugbo their subjects with the support of the colonial master. As a result, the Ugbo subgroup saw the discovery of oil in their community as an opportunity to extract their own “pound of flesh”.

It could also be inferred from data that the cold war and hostilities between the Ugbo and Mahin subgroup have not degenerated into a full-blown crisis. This was disclosed in the view expressed by a prominent traditional ruler in Ilaje, HRW Oba L.A. Omowole, the Amapetu of Mahin who revealed that the strife between the Mahin and Ugbo are verbal not physical. However, the likelihood of the conflict assuming a physical dimension cannot be ruled out, if the prevailing situation in the area persisted. It is noteworthy that officials of the development commissions in the areas interviewed complained about the constraints the lack of trust and cooperation among these subgroups placed on their development activities. One example cited was the sand-filling and shore projects embarked upon by one of this commission, which had to be abandoned when the non-oil producing communities (Mahin) refused to allow them to take materials (sand) from their communities for the implementation of the projects in Ugbo communities.

This issue, these government agencies (NDDC and OSOPADEC) have identified as a major challenge affecting their development activities. The non-oil producing communities accused the oil producing communities of monopolizing all the benefit accruing from oil activities. A similar scenario also played out in the construction of Ayetoro-Igbokoda road that passed through the non-oil producing communities (Mahin). The oil producing communities expressed their displeasure with the development commission for making the road accessible to the Mahin even with the realization that the road cannot be constructed without obtaining a passage through the Mahin communities.

In addition, the impact of oil activities on intra-communal relation was accessed by survey question. Responding to the question on whether oil exploitation has affected intra-communal relation in the area, 60% expressed their agreement, 30% disagreed. A total of 10% of the sample did not respond to the question. The analysis process involved establishing that oil exploitation has strained intra-communal and intra-ethnic relation in the oil producing areas. The result data supported the assumption of the study as it relates to intra-communal relation.

The statistical result indicated the Pearson chi square value (χ^2) of 11.482; the degree of freedom (df) 1 and the significance levels for 2-tails and 1-tail test are 0.001 (Table 1). The chi-square result is significant because the value under the significance column is less than 0.05. The result indicated that there is significant relationship between oil activities and intra-communal relation in the study area.

Table 1: CHI-SQUARE RESULT

Chi-Square Tests					
	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	11.482(b)	1	.001		
Continuity Correction(a)	8.926	1	.003		
Likelihood Ratio	12.304	1	.000		
Fisher's Exact Test				.001	.001
Linear-by-Linear Association	11.112	1	.001		
N of Valid Cases	31				

a Computed only for a 2x2 table
b 1 cells (25.0%) have expected count less than 5. The minimum expected count is 3.77.

The implication of the findings is that oil-induced intra-communal and intra-ethnic disturbances and conflict endangered meaningful development in the oil producing areas.

INTER-COMMUNAL/INTER-ETHNIC CONFLICT From available data, it is clear that inter-communal and inter-ethnic conflicts in the study area are also traceable to competition over the sharing of benefits from oil in terms of compensations, contracts, development project, job opportunities, and oil-rich land. Ojo (2002) opined that incidences of communal conflicts in the oil producing areas of the Niger Delta as evidence of frustrations felt among indigenes of oil communities as regards their deplorable living conditions. He also pointed out that some oil companies compound the people misery by fuelling conflicts. However, instead of confronting the oil companies, these communities turn against themselves.

Although communal conflict in the oil producing areas of the Niger Delta spanned the pre-oil era, however violent rivalry between local oil communities escalated from the early nineties with the evolvment of a new government policy, which insisted that the funds allocated to the government interventionist agency - OMPADEC be specifically used for developing communities from which oil was being produced. This was a deviation from the existing policy before 1993, when oil revenue allocation based on derivation were given to States from which resources that generate the revenues were derived. The new emphasis on oil producing communities for the purpose of distributing the revenues allocation to the oil producing states led to an uncontrollable scramble for lands in which oil wells were located (Imobighe, 2004). This assertion was alluded to by Albert (2001a) who traced the cause of the Arogbo-Ijaw and Ugbo-Ilaje crisis of 1998 to the quest to claim ownership of an oil-rich land – Apata, which was a boundary between the two communities or ethnic groups.

Interviews conducted with traditional leaders and community leaders in the study areas on the cause of the violent crisis between the Arogbo-Ijaw and Ugbo-Ilaje confirmed that the crisis was the result of

conflicting claim to ownership of the oil-rich land. A traditional leader in one of the Ugbo kingdoms, the Olubo of Obe nla commented thus:

The Arogbo-Ijaw people wanted to lay claim not just to our land at Apata, but to our communities. They wanted to drive us away so that they can take possession of our communities because of our petroleum resources.

Apart from oil rich land, conflicting claim to fishing areas as communities jostle for whatever benefits that might be available is another cause of communal disturbances in the oil producing areas. The economic activities of the rural communities have been adversely affected by oil industries activities. Consequently, fishing, the main source of livelihood has been made unprofitable. The dwindling catch of fishermen has intensified competition over areas where fishes can be found in abundance. Focus group discussants in Obe nla and Ikorigho communities revealed that they have to relocate to Ayetoro and Awoye communities to engage in fishing activity, which is no longer viable in their own community. Many fishermen relocated to Ayetoro and Awoye because the sea was easily accessible from these communities. The population of Ayetoro and Awoye swelled up, and these may lead to discord among the fishermen who compete with one another to produce a good catch.

Findings also revealed that animosity may arise between communities or be fuelled by the differential treatment towards one community by oil companies in matters of compensation, reparation, development projects and employment opportunities. Oil companies, instead of investing in genuine community development projects, they apparently put their money into dividing communities and destroying effective organizing for human rights. Since there are no standard or regulated compensation rates for either exploitation or spillages, different rates are paid to different communities. Conflict arises when communities realize they have been short-changed or that they did not bargain hard enough to secure as many benefit as other communities. This discrimination is succinctly expressed by an opinion leader at Ikorigbo:

Once a spillage occurs, it spreads throughout the coastal communities. However, oil companies do not pay compensation to all the affected communities. Only a few communities may get compensation, and the

rates of payment also differ. This has generated conflict between communities.

In addition, the community leader of Ayetoro reasoned that oil induced violent conflicts between communities such as the Arogbo-Ijaw and Ugbo-Ilaje crisis was a misdirection of aggression. He argued that communities should unite to confront the government who gave license to the oil companies to operate in the area.

Inter-communal conflict is usually between the oil producing communities and the impacted communities. In this regard, the Mahin-Ilaje and the Arogbo-Ijaw coastal communities are the impacted communities, while the Ugbo-Ilaje is the oil producing communities. The impacted communities, who suffer the environmental and other adverse effect of oil industry activities by virtue of their location in close proximity with the oil producing communities, have always claimed that they were politically and economically deprived in the distribution of benefits accruing from oil. The impacted communities felt marginalized and short-changed at will, because they believed they should also be treated as host communities. This dichotomy is a source of bitter rivalry between the host and impacted communities. It has led to disintegration of the cordial relationship between the Ugbo and Mahin Ilaje. There was substantial evidence to believe that the myth of kinship between the two subgroups has collapsed. Also, the Arogbo-Ijaw and Ugbo-Ilaje crisis was partly attributed to this issue of resource-defined spatial categorization.

Traditional rulers and community leaders are the primary stakeholders in communal disturbance or conflict. A key informant explained that these traditional rulers fight one another over oil benefit, and they draw their subject into the conflict. As a result, their subject supports their rulers and tension engulfed the whole community. These leaders tried to outsmart each other so as to have the greater portion of the largesse from oil companies. The land use Act of 1978 vested the power to collect compensation payment by Oil Company in the traditional rulers who are to disburse as they deemed fit in their tradition on behalf of their communities (CRP, 1999). Compensation is a significant source of income to the oil communities whose means of livelihood has been devastated by oil production activities. The crisis that compensation payment has generated in the oil producing areas is significant.

Chevron, even threatened to stop the payments of community relation entitlement to some oil producing communities in Ilaje as a result of petitions it received from some members of the communities alleging diversion of communities benefit by their leaders. Consequently, the collection of compensation payment is no longer the prerogative of traditional rulers. Rather, various youth organization has emerged who collect compensation payment from oil companies on behalf of their communities.

The cumulative effect of this state of affairs is that communities no longer trust one another. Because the interests of the local communities are not sufficiently covered, each community sees the other as an obstacle to its own development. Therefore, the struggle among these communities and ethnic groups to outsmart one another is a struggle, which is increasingly assuming an alarming level of mutual annihilation.

Three questions from the survey questions confirm this view.

Table 2: PERCENTAGE DISTRIBUTION OF RESPONSE TO SURVEY

Questions Eliciting Respondents Views on the State of Communal Relations

	Question/Response Category	Fg	%
1.	Is the relationship between your community and other oil producing communities in this state cordial		
	Yes	102	34
	No	180	60
	No answer	18	6
2.	Do all the oil-producing communities in this area cooperate with oil companies and government commissions in the implementation and execution of projects		
	Yes	90	30
	No	192	64
	No answer	18	6
3.	Are the project evenly distributed in this communities		
	Yes	48	16
	No	240	80
	No answers	12	4

Source: Fieldwork, 2007

An x-ray of the three questions showed high rates of negative responses to all the questions. This supported observation made on inter-communal relation. The implication is that oil related activities has ignited and exacerbated social tension in the study area. The statistical result from the Pearson chi square statistic was also significant. A value of 29.111 was obtained for the Pearson chi square (χ^2), the degree of freedom (df) 1 and the significance levels of 2-tails and 1-tail tests are 0.000. The result indicates that there is a significant relationship between oil exploitation and inter-communal relation in the study area.

OIL COMMUNITIES AND OIL COMPANIES CONFLICT

Conflict between the oil-producing communities and oil companies as many scholars had opined is traceable to the environmental degradation of the land and water on which the local communities depend for their sustenance. Communities discontent with the consequences of oil operations on their economy are expressed in various form ranging from peaceful protest and dialogue to violent demonstration against oil companies, blockages of their operation, sabotage of pipelines or other oil installation and hostage taking (HRW, 1999; Ukeje et al., 2002; Imobighe et al., 2002; Imobighe, 2004).

Similarly, Ogbogbo (2004) argued that the struggle by the local communities is primarily directed towards securing increased local participation in the oil business and adequate access to the oil revenues. Various ethnic militias have emerged in the oil producing areas of the Niger Delta to challenge the activities of the oil companies. The objective of these groups is the economic and political emancipation of the Niger Delta largely through ownership and control of its petroleum resources. Some of these groups or militias have produced charters, declaration, agendas and resolution to express their demands. These began with the Ogoni Bill of rights in 1990, the Kaiama Declaration by the Niger Delta youths, the Oron Bill of rights by the Oron people of Akwa-Ibom States and Warri accord by the Itsekiri people of Delta State. All these charters and declarations contained various demands for resource control.

Findings showed that the relationship between the oil companies and oil producing communities in the study area is more often characterized by suspicion, lack of trust, hostility and violence. Informants were unanimous in their opinion that oil companies are to blame for the lack of development in the areas.

They accused the oil companies of creating division and disunity in the communities by manipulating local interest groups through divide and rule tactics. Oil companies do not provide employment opportunities, nor do they award scholarship to the youth of the communities. Further, the informants claimed that oil companies also fail to adequately respond to communities demand for entitlement in the form of compensation for oil spillages or other oil induced environmental degradation or employ members of the communities as contractors or labourers in their operations in these communities; oil companies are also accused of brutal repression of peaceful protest by communities against all the grievances highlighted above. A vivid example, which informants hyped on, was the Parabe incident of 1998 in which Chevron used security personnel to kill and maim youth of the communities protesting at its Parabe platform, off the Awoye coast.

In addition, oil communities also complained that oil companies rarely pay compensation for oil spillage. From traditional leaders, community leaders, opinion leaders, youth and women leaders interviewed, to participants in the FGD sessions, and even the RDC chairman of Chevron revealed that oil companies have not been paying compensation to communities. Rather, oil companies blamed oil spillage on sabotage even before carrying out investigation on the site. A lot of damages would have been done to the environment before they make an appearance. When they eventually respond, they usually blame the spillage on sabotage. In Ilaje, oil is mostly produced off shore with a few onshore sites where land-based pipelines are present. Oil companies' allegation of sabotage or oil bunkering, which involve the theft of oil from wells and pipelines are spurious.

Staggering under economic impacts, poor health and broken promises, communities have little recourse under the Nigerian legal system. They are afraid to sue for clean up and compensation because history have shown that oil companies will use their huge financial resources to win the case. Oil multinationals take advantage of weak law and lax enforcement in Nigeria to avoid responsibility for the environmental damage caused by their operation. The general view of the people was that oil companies have not provided any tangible benefit to the communities. Instead, the communities have been left with degraded land, decimated wildlife, polluted rivers and creeks where fishing activities can no longer thrive and a polluted atmosphere. Since Chevron started operation in Ilaje in 1968, the oil company has only provided a wooden six classrooms block, two jetties and non-functioning borehole for over 30 years of operation.

Moreover, both the government and oil companies are culpable of the neglect of the oil producing communities but the oil companies are in more direct and physical contact with the communities and their expropriated inhabitants. Since the government is far away from the people, the oil communities vent their grievances on the oil companies. The neglect is made more obvious when oil companies' staff live in estates that meet international standards and are adjacent to the deprived host communities.

Ojo (2002) reckoned that the deprivation suffered by host communities is further compounded by the enactment of obnoxious laws governing oil activities in Nigeria, such as the Mineral Acts, the Petroleum Acts, the Pipelines Act, the land use Act and the 1979, 1989 and 1995 constitutions, which vested total control of mineral resources in the federal government. Consequently, the oil communities' perception of injustice has grown increasingly acute resulting in the current disturbance. Imobighe (2004) on his part opined that destruction of the means of survival of the oil communities made them more vulnerable to the whims and caprices of the oil companies. Further, while most of the local people lack the skills required to be employed by the oil companies, if they are employed at all, it is in the most menial and poorly paid jobs, where they suffer the indignity of seeing outsiders arrive to take pre-eminence over them in the oil industry. Those menial jobs are usually on contract basis since oil companies do not employ the host communities for permanent jobs. Rather, permanent jobs are reserved for people from the non-oil producing states. Therefore, the oil communities perceived the oil companies' action as a deliberate policy of exclusion.

Another contentious issue is the oil company global memorandum of understanding between them and the host communities. Oil companies have not always honoured the negotiated terms of entry. They have formed the habit of signing memorandum of understanding with oil producing communities of which the companies will never implement. This is one of the deceitful techniques being employed by the oil companies in order to have uninterrupted operations, they proposed attractive agreement stating project they intend to execute in the community during the period of their operation in the area. As soon as the community gives access to the company to site, the oil company will surround itself with mobile police and military personnel and such agreement abandoned. The chairman of Chevron Regional Development Council (RDC) confirmed these deceitful practices of Chevron.

The general view of the people is that oil companies usually give financial gains to a few segments of the communities who they exploited to frustrate the GMOU agreement Chevron signed with the communities. Informants also claimed that attempts by the people to protest oil companies' refusal to honour the GMOU or renegotiate it were met with force. Chevron can hire armed police to maim and kill aggrieved people at the most mere hint of protest. Such peaceful protests have met police brutality instigated by the oil companies. Such was the case during the May 25, 1998 Parabe crisis.

The implication is that the right of oil producing communities has been infringed upon. Whenever communities have any difference with the oil companies, community right suffers. Whenever oil communities organize to protest against the destruction of their land, home and livelihood as a result of oil companies' activities, they risk becoming the victims of outright repression and violent acts. Evidences showed that oil multinationals in Nigeria, in complicity with the government have disregarded their responsibility towards the environment and repressed organized protests by the affected oil producing communities.

However, generally, oil companies always refute these allegations by oil communities, claiming that their activities are carried out according to the highest environmental standards. Oil companies in the study area, particularly Chevron, have been operating in utter neglect of the oil producing communities and they have not fulfilled their corporate social responsibility to their host communities. The relationship between the oil producing communities and the oil companies is far from cordial, although it has not been violent since the Parabe crisis. Life in the oil producing areas hangs on a thread. Pent up anger is being contained by the accommodating disposition of the people who remains hopeful that their deplorable condition will change for the better. A key informant described the relative peace witnessed between the oil producing communities and the oil companies as "Peace of the grave yard". Three reasons were adduced for the relative peace. The first has to do with the cultural belief of the people, which has imbibed the culture of peace in them. The second reason relates to the environmental factors. In Ilaje, oil is mainly produced offshore and these oil companies have their operational sites deep into the sea. According to Ademuyiwa, a key informant, the people were prevented from attacking the oil companies because the location of their platform deep into the sea made them inaccessible. Oil companies use sophisticated speedboat to transport them to their sites, which communities cannot afford. When the Parabe crisis happened, the people were not able to come to the rescue of the youths

been attacked by Chevron armed police at the Parabe platform because there was no means of getting to them. The last reason is the traditional institution. Yoruba culture dictates respect for elders. As a result, the youth have to obey the command of their elders.

However, available data further revealed that youth militant have emerged in the study areas. The statistical result from the Pearson chi square statistic was also significant. A value of 6.155 was obtained for the Pearson chi square (χ^2), the degree of freedom (df) 1 and the significance levels of 2-tails and 1-tail tests are 0.022 and 0.014. The result indicates that there is a significant relationship between oil exploitation and relations between the oil producing communities and the oil companies operating in the study area. The implication is that long held feelings of marginalisation and alienation felt by the people, particularly the youth will definitely erupt if the unquantifiable negative impact of oil exploitation on the oil producing areas continues to be treated with kid gloves.

CONCLUSION AND RECOMMENDATION

Most conflicts directly related to oil exploitation stem from the protests of local communities against the ecological degradation and destruction of traditional means of livelihood of the people by activities of the multinational oil companies. This is often combined with a feeling of neglect triggered by the fact that usually only a very small portion of the oil revenue is re-invested in the oil producing areas while the lion's share of profits remain with the central government. While most protest in the oil producing areas are initially peaceful, they have the potential to turn into violent confrontation within and between communities and between oil companies and oil producing communities if the issues at stake are not adequately addressed.

The need to initiate realistic and pragmatic policies that will reduce or ameliorate the negative environmental impact of oil exploitation on the oil producing areas cannot be overemphasized. The solution lies in the adoption of "bottom-up" planning, which involves preparation of master plan and environmental impact assessment (EIA) at the local level. The federal government and the oil industry should do a thorough clean-up and remediation of the environment of the oil producing areas of the Niger Delta which has been extensively degraded by oil exploitation activities by multinational oil companies. Policy consideration should identify a level of environmental use that is in some sense "sustainable" and consistent with preserving environmental capital. This can be achieved through the

prevention of environment degradation, pollution remediation and biodiversity conservation and the vexed issue of compensation. The government must put an end to all environmental and human rights abuses in the Niger Delta.

An integrated bottom-up participatory process that secures the quality of life of the people and their psychological health and simultaneously protects the environment is undoubtedly the pathway to peace and productive enterprise in the oil producing areas. Obviously, this will guarantee the economic empowerment of the people so that the people can better sustain themselves. The creation of a conducive social, economic and political environment is germane to the attainment of development in the oil producing areas of the Niger Delta. Youth empowerment schemes should be provided for the many agitated and qualified youth and adult alike. The youth should be motivated and mobilized for popular participation and for political, social and economic empowerments. Government must create an avenue for dialogue with the people of the Niger Delta in order to know their dreams, wishes and aspirations and what they believe should be their status in the Nigerian Nation.

The oil and gas companies should establish an individual development fund which should be deployed to partner with oil producing communities to establish small and medium scale enterprises (SMES) using locally sourced materials. They should also build skills acquisition centres in strategic locations in the communities for capacity building. The people of the oil producing areas must be first beneficiaries of whatever resources are harnessed for their environment. The people deserve some form of compensation for the loss that accompanied the degradation of their environment.

Oil companies should stop fuelling conflict in the oil producing communities through divide and rule tactics. Instead, they should adopt a more sympathetic understanding of the plight of oil communities. Perhaps the best way to achieve this is to present themselves as genuine partners-in-progress with their oil producing communities. This can be realised through regular dialogue with credible representative groups in each of the oil communities to determine the most efficient and feasible ways of meeting their needs. Where there is conflict between them and their host communities, oil companies should explore all peaceful avenues of conflict resolution and management

Oil companies should commit to corporate social responsibility that add tangible value to the operating environment and help fulfil critical development gaps. Promote good neighbourliness and help mutual co-existence with their host communities. Shun unscrupulous business practices and the abuse of the environment. Embrace consultative processes and popular participation in supporting community development. Assist in building institutions that support human development in oil producing communities, offer mentoring for the acquisition of productive skills and grant appropriate scholarships to aid the development of critical industrial competence. Employment opportunities must be created for the youth. Studies have revealed that unemployment among the youth is underlying factors in their restiveness that inflames communal conflicts resulting in violence. All these would in the short and long term help to avert the bitter acrimonies of the recent past.

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