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OIL COMPENSATION AND INTRA-COMMUNAL CONFLICT IN THE NIGER DELTA

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ABSTRACT

Conflict is a recurrent phenomenon in the Niger Delta area. Many of the conflicts are due to poverty, unemployment, chieftaincy tussle and mistrust of the traditional institution. The aftermath of many of these conflicts are always immeasurable in financial terms, but usually include loss of lives and properties. The current crisis in Ogoni particularly in Kpor and Bomu communities of Gokana is one of such conflicts, arising from dispute over sharing of oil compensation money. This study, however, was conducted in Kpor community relied on key informant interview of community leaders and focus group discussion, and found that the crisis in Kpor was as a result of distrust of community leaders, especially the chiefs over oil compensation money supposedly paid through the chiefs. We, therefore, recommended the provision of employment for youths and channeling of oil compensation money towards community development projects rather than sharing among community members.

KEYWORDS

Oil compensation, conflict, oil pollution, traditional leaders, Niger Delta.



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1.0 Introduction

Oil compensation is not something new in Nigeria. Since oil was discovered in commercial quantity in Oloibiri in 1956 oil compensation has been part of oil exploration, especially in communities where oil spillage occurred. The federal government under the Compulsory Acquisition of Property Act and in Section 44 (a) (b) of the 1979 Constitution of the Federal Republic of Nigeria has provisions for compensation of individuals that the government has compulsorily acquired their lands. Although the parameters for this compensation are not clearly defined to meet with international best practice, but oil bearing communities are usually compensated whenever oil spills occurred under this law. Recently, communal violence especially relating to oil compensation is becoming rampant in many communities in the Niger Delta, particularly in Ogoni because of lack of trust of elders and traditional leaders by theyouth.

For several decades, traditional leaders have been acting as the bridge between their communities and oil companies anytime issue of compensation arises. However, due to the high rate of unemployment in Nigeria especially among the youths (25%) as at 2016, many unemployed youths have been forced into illegal activities such as oil bunkering and illegal oil refining in order to survive. Specifically, many jobless Ogoni youths, driven by economic hardship, are now beginning to focus their attention on money accruing from oil compensation. This situation is made worst by youths' suspicion that traditional leaders divert many of the funds and compensation paid by oil multinationals operating on their land. This distrust of traditional leaders have caused many youths to insist that oil compensation money be shared rather than used for developmental projects. This sharing formula, which does not seem to go down well with the elders and traditional leaders, has further deepened the crisis in Ogoni.

1.2 Background to the Study

Prior to the discovery of oil in the Niger Delta, most communities were living peacefully, intra-communal conflict was very rare. However as crude oil were discoursed in commercial quantity in the 1950s most communities started experiencing intra- communal conflict. Apart from environmental degradation and devastation, oil spill is another critical problem associated with oil exploration and production. When spills occur due to ruptured pipelines host communities are usually compensated by the companies responsible for the spill. Violent conflicts as are being presently experienced rarely occur because there was less distrust of traditional institution and low level of unemployment.

The present crisis is due to youth restiveness and unemployment as many idol youths have joined gangs that operate under various names such as the "young shall grow" in Kpor community. Many of these cult and gangs have succeeded to erode the powers and influence of traditional leaders in many communities in Ogoni. Many of these youth gangs armed with sophisticated firearms have succeeded in chasing royal fathers, elders and other community leaders out of their various communities. The security agencies have not been able to stop the terror and mayhem unleashed by these youth gangs. Although other community leaders have been victims of this gang violence, but the royal fathers and chiefs are the ones that have been the most victims of youth attack and brutality. Many of these gangs and cult groups carry out their attacks in the night and threaten to kill any community member who invites the police.

The origin of the recent violence against traditional leaders in Ogoni started with the sharing of oil compensation money. Due to economic hardship and high rates of unemployment in the area, many

unemployed youths who had hitherto been very peaceful in the past have joined gangs and cult groups and using that group to demand a fair share of the oil compensation money from their chiefs. Many of the youth groups who are suspicious of their royal fathers have opted for sharing of compensation money rather than using it for community development projects. Previous studies relating to oil compensation have focus more on oil pollution and environmental degradation (Abosede, 2010) and inter-communal conflict, but very few studies have examined the relationship between oil compensation and intra- communal conflict in the Niger Delta especially in Ogoni, and this is the gap in literature that this study attempts to fill.

1.3 Methodology

This is purely a qualitative research design study. Our main sources of data were Key Informant interviews (KII) that include chiefs, women leaders and youth leaders that were affected by the crisis, and Focus Group Discussion (FGD). These primary data were supplemented by secondary data obtained from books, journals and internet sources.

2.0 Literature Review

The Niger Delta Region of Nigeria

The Niger Delta traverses the South South, South West, South East geopolitical zones and comprises of nine states that include Akwa Ibom, Imo, Rivers, Bayelsa, Cross River, Rivers, and Ondo State. The region is also has about 3000 communities with an approximate population of 31 million people (Mustapha and Ayodele, 2016). The region is occupied by various ethnic groups that include Urhobos, Ijaws, Isokos, Itsekiris, Efiks, Etches, Ibibios, Kwales, Ogonis, Ikwerres, Ogbas, Ekpeyes, Ibanis, Abuans, Ndonis, Okrikas and Kalabaris.

Occupationally, these indigenes work primarily as farmers and fishermen. The Niger Delta has the largest wetland in Africa and also has huge deposit of oil and gas that provides the foreign earning that sustains the Nigerian economy. The region has four ecological zones namely coastal barrier islands, freshwater swamps, mangrove swamp forest and lowland rainforest (Mustapha and Ayodele, 2016).

The Ogoni people

The Ogonis are a distinct ethnic group and inhabiting the coastal plains terraces to the North of the Niger Delta in South East Nigeria. Its geographical location covers an area of about 404 square miles, and one of the most densely populated people in the world. By 1991 census Ogoni population was 500,000. Its neighbors are the Adonis, Ibibios, Igbos, and Ikweres, and three ecological zones namely: lowland, rainforest, freshwater swamp forests and mangroves swamp forests that provide the means of livelihood for the people. It also has four local government areas that include khana, Gokana, Tai and Eleme with Bori as its traditional headquarters.

Oil was discovered in Ogoni in 1958, and since then about 900 barrels of crude oil with an estimated value of 30 billion US dollars have been mined from the area. Bodo community experienced two major oil spills in 2008 and 2009 respectively. According to Shell, 1,640 barrels of oil were spilled in total covering an area of 61,350m². A second spill occurred in the same year and 2,500 barrels of oil were spilled covering an area of 10,000m².

There are 96 oil wells that are connected to five oilfields where gas has been flared on a daily basis since oil was discovered in Ogoniland (MOSOP, 2008). Despite the huge amount of money that the government has generated from crude oil from Ogoni, the area has nothing to show for it except abject poverty, high youth unemployment and polluted environment. Oil spills have devastated the environment thereby destroying the ecosystem and the aquatic life of the people. Ogoniland experienced two major oil spills in 2008 and 2009 respectively.

Kpor Community

Kpor is one of the Ogoni communities but located in Gokana local government area of Rivers State. According to our interviewee, Kpor community has been in existence for over 300000 years and was founded by Gbenemene Karamene who dwelled in Kiokoo before spreading out to other communities. It has over 20,000 inhabitants with the bulk of the population being Christians (70 %,) Muslims 5%, traditional religion 25%. Their major source of livelihood is fishing and farming.

Legislations Governing Oil Compensation in Nigeria

The Land Use Act of 1978 provides the first legislation that requires communities suffer oil pollution to be compensated. This is followed by the Petroleum Act of 2004 that requires the payment of fair and adequate compensation for disturbing the surface rights on land notably the protection of trees which have commercial value. Furthermore, the Nigerian Minerals and Mining Act of 2007 also provide for payment of compensation to communities where the surface rights of the land are damaged during the process of oil exploration. Lastly, the Oil Pipelines Act of 2004 requires holders of oil mining and exploration lease to pay compensation to land owners for any damage done to buildings, crops or any profitable tress (National Oil Spills Detection and Response Agency, 2014).

Conflict over oil compensation started becoming a serious problem in the Niger Delta due to high level of joblessness and impoverished conditions especially among most community dwellers. This situation is heightened due to youth's distrust of traditional institutions who act as intermediaries between the communities and oil multinationals. For instance, Alao(2007) argues that the emergence of youth groups as vanguard for protest in the Niger Delta is due to the belief that there is lack of proper accountability of monies received from government and oil multinationals. Also, Obi and Rustad (2011) noted that the oil companies' policy of paying compensation through traditional leaders was causing communal crisis, because the leaders do not share the money with their respective communities. Also Madubuike (2010) in his study identified struggle over sharing of oil compensation money and project allocation as major causes of intra-communal conflict among stakeholders in Ogoni.

The problem of oil compensation and intra-communal conflict in Ogoni is premised on two theoretical frameworks namely the Frustration-Aggression theory and Resource Curse Theory.

2.1 Theoretical Review

Frustration-Aggression Theory

The first known conception of the frustration aggression theory was by Dollard, Doob, Miller, Mower, and Sears in 1939. Accordingly, they argued that frustration is the cause of aggression in people, but when the source of the frustration cannot be changed, the aggression is displaced onto an innocent target. Specifically, Dollard et al (1939) believed that aggression is caused by blocking or frustrating a person's effort to achieving their goals. Later on Ted Gurr in 1970 developed a phrase called „ relative deprivation“ and used the frustration-aggression theory to explain why deprived segment of society engage in political violence such as riots, rebellions and coups. Gurr posits that the primary source of human capacity for violent crime is the frustration aggression mechanism. He contends that frustration does not necessarily lead to crime but when it is sufficiently prolonged and sharply felt, it often does result in anger and eventually violent crime. According to Gurr, just as frustration produces aggressive behavior on the part of an individual, so does relative deprivation predicts the likelihood for collective violence by social group. Gurr believed that people are likely to rebel when there is a discrepancy between what they think they deserve and what they think they

will get. Gurr noted that the potential for collective violence varies strongly with the intensity and scope of relative deprivation among members of a collective group.

The Resource Curse Theory

Another theory that is relevant and suitable in explaining the crisis of oil compensation in Ogoni is the resource curse theory. The theory is based on the notion that less developed countries (LDC) including Nigeria with abundance of oil and other natural resources tend to face economic stagnation including poor developmental growth, high level of unemployment and corruption, ineffective governance, and greater political violence.

Nigeria is the largest oil producer in Africa, and has the eight largest oil reserves as at 2013 among the member states of Organization of Petroleum Exporting Countries (OPEC). However, it remains the world's poorest nations. Nigeria produces an estimated 2.5 million barrels of crude oil per day (bdp). It depends on oil and gas resources for 95% of its foreign exchange earnings and about 65% of budgetary revenues. Unfortunately, the discovery of oil has not translated positively in the lives of the people (Social Action, 2014).. Economic hardship coupled with corruption and poor governance has increased the level of poverty and desperation among many people especially the youths. Many of the youths have taken to criminal gangs and cult groups as a way of survival and also getting back at society for which they feel have neglected them.

3.0. Discussion of Findings

We found that lack of trust of community leaders especially the royal fathers over the payment of 4billion naira oil compensation money by Shell was a major cause of the conflict in Kpor community. We also found that other communities in Gokana impacted by the 2008 and 2009 oil spills (Bodo, Bomu, Lewue, Gbe and Kpor) did not get the 4billion naira. However, the 4billion naira called *community claim* was only paid to Bodo community because it suffered the highest amount of the damage due to the oil spill and was at the forefront of the lawsuit instituted by the London based law firm of Leeday and Company against Shell. We also found that while dispute over oil compensation money appeared on the surface to be the cause of the crisis, however chieftaincy tussle between two claimants to the throne (i.e Chief Court and Chief Bemene) seems to be the remote cause of the crisis, and may have ignited already volatile situation in the community.

One limitation of the present study is our inability to interview the youth gang, „the young shall grow“ due to the clandestine nature in which the group operates. We believe that speaking to them would have greatly enhanced the research findings.

4.0 Conclusion

Oil mineral resources have created more conflict in Ogoni than ever imagined. Since oil exploration started in 1958 never had Ogoni experienced the level of crisis associated with sharing of oil compensation as it is currently taking place. Intra-communal conflict particularly relating to sharing of oil compensation money is becoming a regular occurrence; situation that has never been experienced before. The cause of this crisis is due to the fact that many youths, who are already frustrated with their poor and deprived situation, have resorted to violence by using criminal gang stounleash their anger on community leader“sparticularly paramount rulers. This crisis has further deepened the already existing fragile situation in the area. We believe that if the government get the young people gainfully employed it will go a long way in reducing the tension in the area, and more of such compensation money should be channelled towards constructing community development projects rather than sharing among community members. This will also reduce the distrust and hatred that exist in most of the communities in Ogoni where oil compensation money was shared.

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