

The Challenges and Prospects of oil Companies Activities on Communities in Akwa Ibom State, Nigeria

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Abstract

The rising issues is what has happened to the impoverished communities in Eket Local Government Area whose livelihoods have been affected due to the activities of oil companies which is the backdrop of this work. However, Two communities were used namely Mkpanak, and Upenekang of which ninety three copies of questionnaire were randomly distributed to each of the community in order to captured the impact of the oil companies activities such as type of infrastructural development ,impact on the environment, nature of activities and companies by-products. The data collected were analyzed using the Pearson's product moment correlation. However, Findings show that even though the oil companies in the area have contributed significantly to the socio-economic wellbeing of the people through income generation, employment creation, provision of social amenities, their activities were not devoid of environment crises. These crises arises due to oil spills which in turn affect the soil nutrients, lost of aquatic life and mangroves. Beside, the data analyzed show a high positive relationship between the companies by-product and the impact on the environment which indicate that the oil companies have really destroyed the natural ecosystem which is the major source of sustenance to the impoverished communities. Therefore the various stakeholders in environmental management must provide a mechanism that would guarantee the sustainability of the people in the ecosystem.

Index terms— Aquatic life, Devastated, Ecosystem, Environment, oil companies.

1 Introduction

In recent times Nigeria is the leading producer of oil producing nation in Africa, it ranks 11 th in the world. Today, it is a major supplier of oil to Western Europe and the United States of America. According to World Bank, Nigeria is the giant in Africa with enviable resources. With over 100 million people, it is the most populous country in sub-Saharan Africa, and earns annual oil revenue of over \$6 billion a year. Nigeria also has a huge reserve of natural gas, yet to be fully exploited. Yet instead of turning Nigeria into one of the prosperous states on the African continent, these natural resources have enriched a small minority while the vast majority has become increasingly impoverished: with a per capita gross national product of only U.S \$260 a year, Nigeria is one of the poorest countries in the world. The poverty, instability and erosion of human dignity, which we see in Nigeria, besides other factors, are hugely as a result of corruption, greed and mismanagement. Oil is the bedrock of the Nigerian economy and the presence of this essential commodity in a technological age has attracted the presence of some multi-national oil companies into Nigeria. These multi-national companies like Royal Dutch/Shell, Exxon, Mobil, Chevron, Texaco, Total, Elf and Agip etc, go into every country with promises of a better life for the populace. They usually have only one thing in mind; making profit at whatever cost, even at the cost of the environment and human lives. Nigeria is an example of this situation. These multi-national companies have been aptly described as "modern day Gulliver on the rampage, waging an ecological war wherever they set down their oil rig. These multi-national, borderless corporations are oftentimes not accountable to any government

and so are at liberty to violate human rights with impunity. The case of Exxon, Mobil activities in Eket Local Government Area of Akwa Ibom State since it started oil exploration in the area has proven this to be true. Ever since Exxon, Mobil drilling oil in communities such as Mkpanak and Upenekang life has been a living hell for the people as their activities have damaged the natural ecosystem which is the only source of their livelihood sustenance in the area. Beside, the activities of the oil companies have devastated the environment through oil and gas deposits which have extensively depleted the forests, abundant wildlife, mangroves and fertile agricultural land where rice, sugar cane, plantain, beans, palm oil, yams, cassava and timber hence living the people with no alternative source of livelihood. Apart from these, their activities have not only caused degradation to the environment and destroyed the traditional livelihood of the region but have caused environmental pollution that has affected weather conditions, soil fertility, waterways aquatic habitats and wildlife. More so, majority of the inhabitants still live a rural, subsistent existence

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Activities on Communities in Akwa Ibom State, Nigeria characterized by a total absence of basic facilities such as electricity, pip-borne water, hospital proper housing and motor able roads. To this end one would ask if the oil companies in the area are really contributing to the livelihood of the inhabitants with specific reference to the challenges and prospects of oil company activities as regards communities benefits from oil company, infrastructural development by the oil companies, Problems associated with their activities on the environment, activities of the companies and companies by-products II.

3 Study Area

This research was conducted in Akwa Ibom State taking into consideration Eket local Government Area. Two communities were used in Eket Local Government Area which include, Mkpanak and Upenekang. These are communities that the activities of the oil companies have devastated their natural ecosystem. However, 186 copies of questionnaires were distributed to the communities of which 93 were distributed in each of the communities using random sampling technique which allow every member of the community equal chance of being selected for this study. Information such as the benefits, oil companies' activities, by-product and infrastructural development from the companies were captured in the questionnaires. Nevertheless, the data collected was analyzed using the Pearson's Moment Correlationss which try to assessed whether or not a relationship exist between the companies by-product and impact on the area the result obtained was further validated by the use of student T test.

Impact of oil spillage on the natural ecosystem in Mkpanak. Literature Review a) Definition of development Mabogunje (1981) views development as that which includes economic growth, modernization, distributive justice and socio-economic transformation. By the end of the early 1960s, development began to be seen not as only increasing the per capita income but more importantly, reducing the poverty level among the masses or, as it was better put, satisfying their basic needs. Development and economic development have been used interchangeable mainly because much of development has to do with economic issues and then social/welfare matters. The assumption has always been that other aspects of development will not be very functional without and cannot be isolated from economic matters and vice versa. This establishes a give and take scenario; just as it is the case of increased real income per capita in relation to improvements in health and nutritional status, educational achievement, access to resources, a 'fairer' distribution of income and increase in basic freedoms. As stressed by Sada (1988), development goes beyond issues of per capita income and Gross National Product to include a socioeconomic context which includes issues of human welfare. The socio-economic context of development implies modernization, "a process whereby a society is reoriented in its structure, institutions, values, and patterns of behaviour. Modernization is said to be a complex human relations as well as the generation and utilization of technological resources to change the quality of human life. Mabogunje (1988) also conceived development as distributive justice which comprises the nature of goods and services that government must provide; the need for goods to be accessible to all members of the society; and attempts at controlling, eliminating or sharing the burden of development usually referred to as "externalities". All these take place within the human environment.

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5 b) Environment -The home of man

The word "environment" is traditionally defined as the total surrounding which includes natural and biological resources. However, with the current trend of sustainable development, the definition of the environment has been widened to include natural and human resources and their interactions with each other. The World Bank (1991), therefore defines the environment as the natural and social conditions surrounding all mankind and including future generations. Environment could be treated within the framework of natural human surrounding and activities, which include biophysical components and processes of natural environment of land, water and air. It also includes all layers in the atmosphere, inorganic and organic matters (both living and non-living), socio-economic components and processes of the human environment. These components and processes include social, economic, technological, administrative, cultural, historical, archaeological components and processes. Land and associated resources, structures, sites, human health, nutrition and safety are also inclusive (Emmanuel and

Alakinde, 2006). In the above context, the environment is seen as the natural habitat of man with several components and within which series and various levels of activities and processes take place. These components and activities or processes, in most cases, reflect the level of development in the environment that needs to be protected in all ramifications. What is going on in the Niger Delta area of Nigeria is a clear demonstration of the fact that after 38 years of oil exploration in the Niger Delta, the natives have become poorer and less empowered, contrary to what one would have expected, judging from some cases of oil rich countries like Venezuela and Saudi Arabia, who have learnt how to manage the excess wealth generated by this lucrative commodity. The violence, poverty and environmental degradation which oil exploration has fostered in the Niger Delta is a clear violation of human dignity. Pope John XXIII makes it clear in the encyclical, *Pacem in Terris* that "human dignity is violated when there exist conditions that prevent access to adequate food, shelter and other goods, necessary for human well being and flourishing. The poverty which structures of exploitation perpetuate is a threat to the dignity of the human person created in the image and likeness of God. Whatever will not allow human beings to live life to the full is a hindrance to human beings realizing their full potential as humans. We believe that oil as an essential commodity in this technological age, even though it has empowered many countries that possess it, has ended up impoverishing some countries like Nigeria, who cannot manage the enormous profit it generates as a result of corruption, selfishness and greed. In Nigeria in particular, some of the adverse effects of this lack of ability, or unwillingness to employ the profit from oil to the betterment of the living condition of the people is poverty, environmental degradation, and violence. These adverse consequences can be adequately challenged using the core principles of Catholic Social Teaching, namely, the dignity of the human person, and stewardship of creation. Made in God's image, all human life has inherent dignity which is the basis of fundamental human rights. We agree with Bill Ryan, that Catholic Social Teaching can and did have significant, if rarely determining, influence in shaping history in particular situations. It can also do same in the case of Nigeria. In fact, the principles of Catholic social teaching are in a better position to challenge the phenomenon of poverty, and environmental degradation because, "the

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core values of Catholic social teaching are common and accepted, at least in principle, in all local churches-even if the living out of them leaves much to be desired?its core social values are found to some degree in all world religions."

Oil exploration in Nigeria is fostering inequality, injustice, and violence. This inequality exists among people living in the same country simply because the majority of the masses who have no access to the wealth generated by oil exploration and exportation, cannot compete with employees of oil companies who are paid better salaries. Hence the cost of living in oil producing states in Nigeria is higher because of the presence of oil companies and their employees. In the same country "while most Nigerians have been sliding into destitution, the political and economic elites of the country have grown ever richer-in most cases obscenely so."

Having lived in the Niger Delta area of Nigeria, I have witnessed firsthand the effect of poverty and its attendant erosion of dignity. I was very often caught in the demonstrations and riots against oil companies like Shell and the Nigerian government, and still have friends and family, who still live in this part of Nigeria. In the face of all these I have come to the conclusion that there are alternatives. It offends God to see human beings created in his image wallow in abject squalor as a result of structures of sin, set up by fellow humans. Nigeria could become one of the richest countries in the world if only corruption and greed were eschewed and accountability embraced. Many countries have applied oil wealth to better use. Nigeria can do the same.

The history of the contact between multinational oil companies and the natives of the Niger Delta, has been that of impoverishment and environmental degradation. This impoverishment affects more their eco-system, which is widely acclaimed as one of the best in the world. The struggle by the local communities of this area of Nigeria with the Nigerian government and oil companies for a fair share of the products of their land has transformed this once peaceful part of Nigeria into a violence-prone zone.

I believe that these negative consequences of oil exploration can be more effectively challenged using the principles of Catholic social teaching. Oil exploration in the Niger Delta over the years has perpetuated poverty and environmental degradation, which violate human dignity, and becomes an abuse of the mandate received from God to care for creation. Using the Bible and Magisterial texts we can critique effectively, the poverty and violence which oil exploration has fostered as these constitute a threat to the dignity of the human person created in the image and likeness of God. Ecological disasters, as a result of reckless use of resources of the earth, are an abuse of the mandate give to human beings by God to subdue the earth. Humans are constituted stewards of creation, and so actions of some trans-national companies with the collaborations of some governments should be challenged, not just from the ecological point of view but also from a theological standpoint. The task of preserving the earth is not just for environmentalists, but is also a theological concern.

The church in Nigeria has no doubt been a voice for the voiceless and the conscience of the nation since independence in 1960. Following the example of the universal church, she has always taken the side of the poor in denouncing structures of oppression and injustice. Unfortunately she has done little or nothing in the case of ecological concerns especially as it affects the Niger Delta area of Nigeria. We call for an urgent response from the church in Nigeria with regard to ecological issues. The Gospel message should be liberative, especially in

places like Nigeria where the faith is flourishing. Evangelii Nuntiandi makes the link between proclamation of the Gospel message and social liberation when it says that "the church has the duty of proclaiming the liberation of millions of human beings, many of whom are its spiritual children, the duty of aiding liberation at its start, of giving witness in its favor, and of accompanying its effects that it may be achieved. This is not apart from evangelization. belief that even though the faith is "flourishing" in Nigeria, the needed social transformation which should accompany this has not yet been achieved because here, the Bible is often given a spiritualized interpretation and only read for the nourishment of individual souls towards spiritual salvation and not in view of societal transformation. But Pope Paul VI makes it clear in his address to the Diplomatic Corps on January 17, 1967 that "the church cannot remove herself from temporal affairs, because the temporal is the activity of men, and all that concerns the Church. A disembodied Church separated from the world, would no longer be the Church of Jesus Christ, the Church of the incarnate Word. The Church, on the contrary, interests herself closely in every generous endeavor which helps to set humanity on the road to heaven, but also in the search for well-being, for justice, for peace, for happiness on earth.

The church in Nigeria has on many occasions lived up to her calling as a force for social transformation. The Niger Delta area can benefit more from the prophetic voice of the Nigerian church.

7 Findings a) Community benefits from oil companies

The benefits of communities from the oil companies presented in table 1 show that 23.63% of the (D D D D) b Year building of hospitals. This result was shown in communities with 22.58% and 21.50% of the sampled population in Mkpanak agreeing that the oil companies in the area have contributed in the construction of hospitals and engagement of youth in training in the area. This result was evidenced in the sampled population of 24.73% and 20.43% in Upenekang agreeing that the major contribution of the oil companies in the area was the building of hospitals and provision of youth training. However, it was observed in Table1 that even though the oil companies provided hospitals and youth training they also provided 16.13% employment and 13.98% micro-credit to farmers and fishermen in Mkpanak community while 18.28% and 12.09% of the sampled population in Upenekang also affirmed that employment and micro-credit was provided by the oil companies in the area Source : field work (2011).

8 b) Contributions of oil companies in Infrastructural development

The level of in infrastructural development from the oil companies presented in table 2 revealed that the provision of class room block was one of the major infrastructure provided by the oil companies in the area with a high values of Mkpanak 16.13% and Upenekang 17.27% followed by the provision of electricity with a values of Mkpanak 15.05% Upenekang 16.13%. It was noticed in table 2 that the oil companies provided seaports and airports in the two communities with Mkpanak having a values of seaports 11.83% airports 9.68%, Upenekang seaports 10.75% and airports 5.37% while the construction of hospitals was on the least side in terms of infrastructural development the two communities with values of Mkpanak 9.6% and Upenekang 9.14%. Nevertheless, table 2 indicate that the percentage total population sampled in the sampled communities show that both communities have benefited from the oil companies activities in the area through the construction of class room blocks with a high value of 17.20% compared to other variables. Although, 26.34% of the sampled population in the two communities agreed that all the aforementioned infrastructures were provided by the oil companies operating in the two communities The oil companies activities shown in table 3 indicate that all the activities mentioned were undertaken by the oil companies in the area .However, it was noticed that 20.96 % and 14.50% of the sampled population agreed that drilling and servicing and maintenance were the major activities of the oil companies in the area. This result was also evidenced in an individual note as drilling in Mkpanak and

Upenakang have a value of 20.43% and 21.50% while services and maintenance both have a value of 3.98.% and 15% respectively. Besides, it was observed in table 3 indicate that the oil companies in the area embarked on activities such as transportation and storage with values of 12.5% and 12.90% while administration and refining were on the least side with values of 0.1% and 6.45%.respectively Source : field work (2011).

9 d) Impact of oil companies activities in the area

The impact of oil companies in the area presented in table 4 revealed that 13.44% of the sampled population are of the opinion that the oil companies activities in the area has caused the migration and death of fishes followed by water pollution with a value of 10.75%. However, it was noticed that the oil companies activities also influenced the destruction of crops in the two communities with values 13.97% and 12.90% while corrosion of zinc and killing of mangroves were another impact generated by oil companies activities on the environment. Table ?? Source : field work (2011).

10 e) By-product of oil companies activities

The by-product from the oil companies presented in figure1 show that the major by-product produce by oil companies in the two communalities was gas flaring with a value of 20.43% followed by oil spills with a value

of 18.27%. Although, it was observed in figure1 that noise pollution was another by-product 16.66% and 6.45% respectively. This result was also observed in each of the community as gas flaring in Mkpanak had a value of 21.50%, Upenekang with a value of 19.35% while oil spills in Mkpanak had a value of 17.20% and Upenekang with a value of 19.35%. Nevertheless, 23.65% of the sampled population in the two communities attest to the fact that all the mentioned variables constitute the by-product of the oil companies in the area. However the data collected were analyzed and a correlation coefficient of 0.97 was obtained which show a high positive correlation coefficient and indicate that a strong positive relationship exist between the byproducts in the area. This means that the by-products of oil companies played significant roles in environmental degradation in the area. Furthermore, a coefficient determination of 0.09409, which is otherwise seen as 94.09%, explains the fact that 94.09% of the bye-products of oil companies are related to the experienced environmental problems in the study area. More so, the student T test was used to test the validity of the data obtained and a calculation value of 4.91 was obtained with a table value of 2.57 at 5 degree of freedom in a two-tailed test at 0.05 level of significance .This result show that since the calculated value was greater than the table value, the null hypothesis was accept and the alternative hypothesis rejected. which show that the higher positive correlation did not occur by chance, thus, the bye-product of oil company activities has a significant effect on the environment. Figure1 : By-product of oil companies activities.

Source : field work (2011).

11 Conclusion and Recommendations

Today, what is going on in the communities understudy show that the oil companies in these oil producing environment have impacted significantly on the community livelihood. However, the significant impact recorded by the oil companies in area were not devoid of environmental problems as a result of the company's activities. The data collected show that the oil companies in the area have contributed in socioeconomic development of the area through infrastructural development and on the livelihood of the local communities through employment provision income generation and provision of micro-credit. However, the companies in the areas have also impacted negatively on the natural ecosystem through destruction of farmland, aquatic live and depletion of soil nutrients which affect crop yield in the area .It is on this note that one would wonder if the oil companies in the area are really protecting the natural ecosystem and also putting the communities livelihood into consideration. Therefore, the following recommendations are hereby put forward if the natural ecosystem and the communities livelihood must be maintained.

1. The government should provide adequate mechanism that would monitored the activities of the oil companies in the area.
2. The affected communities should be provided with an alternative livelihood since their environment has been devastated due to oil companies activities.
- mediate between the community, government and the companies
4. The communities should be provided with microcredit facilities so as to enable the affected individual diversify their economy
5. The indigenes should be allowed to participate in the decision making and policy formulation and implementation, this process would help the communities and the companies to look at essential issues affecting the communities



Figure 1: Volume

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Figure 2:



Figure 3:



Figure 4:

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Variables	mkpanak	percentage	Upenekang	Percentage	Perctage total
provision of scholarship	3	3.23	2	2.15	2.68
Provision of employment	15	16.13	17	18.28	17.20
Building of hospital	21	22.58	23	24.73	23.63
Training of the youths	20	21.50	19	20.43	20.97
Give micro credit	13	13.98	12	12.90	13.44
All of the above	17	18.28	18	19.35	18.82
None of the above	4	4.30	2	2.15	3.22
Total	93	100	93	100	100

Figure 5: Table 1 :

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Infrastructures	Mkpanak Percentage		Upenekang Percentage		Percentage total
Building of air port	9	9.68	5	5.37	7.52
Provision of electricity	14	15.05	15	16.13	15.55
Building of class room block	15	16.13	17	18.27	17.20
Road construction	11	7.52	13	13.07	12.90
Building of seaport	11	11.83	10	10.75	12.90
Building of hospital	9	9.67	8	8.6	9.14
All of the above	24	25.81	25	26.85	26.34
Total	93	100	93	100	100

[Note: Source : field work (2011).]

Figure 6: Table 2 :

3

Activities	Mkpanak Percentage		Upenekang Percentage		Percentage total
Drilling	19	20.43	20	21.58	20.90
Refining	7	7.53	5	5.37	6.45
Administration	10	10.75	11	11.82	0.1
Servicing/maintenance	13	13.98	14	15	14.51
Transportation	12	12.90	11	11.82	12.56
Storage	11	11.82	13	13.92	12.90
All of the above	21	22.58	19	20.40	21.50
Total	93	100	93	100	100

Figure 7: Table 3 :

3

revealed that

Figure 8: Table 3 :

2 48								
0 10 20 30 40 50 60 70 80 90 100	A- Smoking	B -Gas flaring	C- Solid waste	D -Noise	E-Oil spills	Sewage F-	above the G -All	of
Percentage 6.45		19.35	6.45	16.27	19.35	5.37	24.73	
Upenekang	6	17	6	17	18	5	23	
Percentage 7.53		21.5	8.6	15.05	17.2	7.53	22.58	
Mkpanak	7	20	8	14	16	7	21	

Figure 9:

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