

## Oil Exploration in the Niger Delta: Its' Gains and Loss

**Eluozo Collins**

Department of curriculum and Instructional Technology (Science Education Option)

Faculty of Education

Ignatius Ajuru University of Education,

Port Harcourt, Nigeria

[eluozo13@gmail.com](mailto:eluozo13@gmail.com), [princecollins58@gmail.com](mailto:princecollins58@gmail.com)

---

### **Abstract**

*This paper Titled Oil Exploration in the Niger Delta: Its' Gains and Loss, adopted observational, historical, review and opinion designs to actually ascertain the true nature, experiences and activities of the oil firms operating in the Niger Delta region of Nigeria. The paper, considered the past experiences, literatures on the issues of the Niger Delta, the World's view on the Niger Delta states, the present situation, and historical perspectives. The paper equally accounted for the begging of exploration in Nigeria since 1903 to date, the ordinances that guided the practice, the role of colonial masters was considered. The major oil firms in Nigeria was enumerated, the benefits of oil economy to the Nigerian nation, the states and the host communities was discussed, the pains traumas, afflicts, negligence, under-development meted on the Niger Delta was equally x-rayed. The paper concluded by justifying that oil exploration in Nigeria is a curse rather than blessings to the Nigeria nation.*

---

**Keywords:** Niger Delta, Oil, Exploration, Exploitation, Nigeria, Gains, Loss, Pollution, Gas, Companies, Ordinance, GDP, Environment, Degradation, Land, Water, Air, Health, Multinational, MoU, Operation.

---

### **Introduction**

The Niger Delta region of Nigeria, located down the Southern divide of the country, comprises mainly of states trans-divided by the river Niger and its tributaries. The states are; Akwa-Ibom, Cross-River, Rivers, Delta, Bayelsa and Edo states. However, due to recent discoveries in oil and gas explorations, there have been other states that have been agitating to be part of the Niger Delta. But due to geographical locations, tribal differences, cultures and others features, states like Ondo and Lagos in the West, Abia, Anambra and Imo states in the east which equally produces oil, although in lesser quantity have joined the league and all states that produces oil are now classified and called oil producing states. The impact of oil exploration does not only negate the Niger delta but all the states that produce oil and the Nigerian nation at large. Based on this assertion, the term Niger Delta shall be used randomly to refer to all the oil producing states in this paper.

In contrast, there have been some arguments that oil was firstly discovered in Ondo State rather than Rivers State before independence, but the truth remains that commercial quantity and proper exploration activities was firstly established in the old Rivers State in the year 1956 in Olobiri now Bayelsa State. Since the discovery and exploitation began, oil revenue has replaced earnings from agriculture which was the main stay of the Nation's economy.

The Niger Delta Region of Nigeria known for its beautiful vegetations, table landed soils, fertile for agricultural produce, gaming, and fishery activities, surface and underground natural resources, oil and gas deposit and abundance of human and material resources is now subjected

to environmental degradations of various magnitudes, due to crude technological mining methods, ecological unfriendly exploration of oil, deforestation and state policies that subverts the indigenous peoples of the Niger Delta from their natural rights of ecological habitation.

According to Alogoe, (2004), the region with diverse ecosystems of mangrove swamps, fresh water swamps, and rain forest is now characterized by complete contamination of surface and underground waters, deforestation, and destruction of biodiversity and oil pollution among others. Adati (2012), opined that the livelihood of the indigenous people whose dependence on the ecosystem services for survival is been chattered by this extreme activities.

Chijioke, Basil, Ebong, Itoro, & Henry, (2018), estimated the quantity of oil spills in Niger Delta, within 50 years of exploration to about 9- 13 million barrels, which is equivalent to 50 Exxon Valdez spills.

Between these 50 years of crude oil exploration and exploitation in Niger Delta region, the process has caused unquantifiable damages to the environment and ruthless devastation to the people. Among the damages is the pollution of fishing water ways, habitat degradations, forest clearing, toxic discharges, and destruction of farm lands, and breathing air which accounts for life and mainstay of their economy. (Nwabuenyi, 2014).

The careless oil spillages and gas flaring emitted by oil firms has destroyed the very source of the economies upon which the Niger Deltas depends upon.

Collins (2018), enumerated several malicious damages caused by oil exploration to the environment of the Niger Delta to include but not limited to; destruction of arable soils, deforestation, destabilizations of the physicochemical properties of the soil, pollution of drinking waters, alienation of the people from cultural inheritance and practices, air pollution, social and communal conflicts, global warming, heavy down pour, cancerous sun, noise pollution and social vices.

In the views of Aaron (2006), the rate of poverty incidence and unemployment have been on an incremental path in the Niger Delta region over 50 years of oil exploration and exploitation. In the sane vane, Ekpo, (2004), attributed the increase in health challenges in the Niger Delta to the impacts of oil activities in the area, and exponentially lamented on the route of negligence by the operators and the government despite the region being the economical hub of the nation contributing over 78% of the national GDP.

Many Niger Deltians have cried aloud, noting that oil exploration has become a tremendous source of agony, pain and disillusionment for the people of the region. The peaceful people of Niger Delta have equally complained of marginalization, inadequate development, unemployment, and lack of social amenities etc. despite the environmental devastation resulting from oil, which has resulted in loss of lives, personnel and abject poverty, the Government of Nigeria and the oil companies have continued to pay little or no attention to the request of the region. (Ekongson, 2006).

Irrespective of these colossal damages meted on the people, some few group of individuals goes ahead to form cleavages, chieftaincies, youth forums, advocate bodies, militias, and many more bodies for personal aggrandizements, whereby sabotaging the efforts and confidence of the poverty subjected region.

Afinotan & Ojakorotu (2009), rightly assert that simple-minded people in leadership and governance neglects the massive degradation in the region, occasioned by oil production and

export activities against the pain of the Niger Deltians for peanuts in the name of contracts, homage, royalty, casual employment and political pocket filling.

This class of individuals has formed a bloc across the region with a different thought, referred to as neo-progressivism. Their claim is that oil exploration in the region has brought progress and development to the area than its adverse impacts. Against this backdrop, the researcher intends to account for the Oil exploration in the Niger Delta: its gains and loss.

### **Conceptual Perception of Crude Oil formation**

Crude Oil is perceived as the most important commodity saleable and demandable in the entire world today and also the largest resource for man's energy demand for modern day survival. Crude oil also known as petroleum product is the oil believed to have originated from plants and animals remains over a long period of time. According to Collins (2018), Crude oil is a matter derived from organic molecules formed by dead or formally living organisms millions of years ago, and these substances, according to Duru (2008), were organic compounds that formed over millions of small plants and animals, which later transformed to what is known as hydrocarbon.

Moller (2005), in his analysis of the hydrocarbons, found ions deposits in oil, and suggested that with such features oil formation may have come primarily from marine bacterial and other micro-organisms rather than higher plants and animals. He argued that, if this hydrocarbon is left uninterrupted, it can stay put unbroken for quite a lot of million years to come.

In contrary view, Collins argued that even though when exploited, it is a non-renewable resource, if not tapped too, could constitute another form of hazard, inform of flooding hence is part of underground constituents, it may barge out alongside underground water during floods therefore posing the challenge of pollution and fuel threats.

Moffot & Olof, (2000), is of the believes that crude oil originates from dead aquatic and organic matters and other materials which were removed and later settled gradually to the bottom of the sea or land in form of mud, silt and other sediments. In their theory of crude formation, they attributed increase in pressure with resultant transformation of sediment organic materials and aquatic organisms as that which transforms into hard sediment rock, they also indicated an external force known as process of bacterial activity and heat, they concluded that the pressure change in plants and animals remains transformed into crude oil.

### **Ancestral Account of Oil Exploration in Nigeria**

Crude oil exploration in Nigerian is predominantly in Delta/Marine environment of the coastal areas characterized by fragility, vulnerability and complexity, containing of critical habitats as well as valuable resources of great socio-economic worth. The nautical environment is not only endowed with the supply of sea-foods and other aquatic resources, it equally provides for mangrove habitats for proper ecosystem interaction and feeding grounds for fish and other aqua biotic, these resources provides employment opportunities to a large number of populations that explores on them as means of livelihood especially the people of Niger Delta.

According to World Bank report (2000), Oil exploration and exploitation in Nigeria can be traced back to 1903, when the British mineral survey company launched its mineralogical studies in the country. In the year 1914, the British government passed the first mineral oil ordinance. This ordinance was selfish and full of greed; the law clearly excluded non British subjects from having right of oil exploration in Nigeria. By year 1937, the Shell 'D' Archy, owners of the present day Shell Petroleum Development Company (SPDC) sited a base in Owerri after few months, they were able to secure a concession document for Oil Exploration

License (OEL), from the colonial government. This can be said to be the first successful oil investment in Nigeria's industry. Between the year 1903-1914, oil mineral activities in Nigeria witnessed widespread in exploration of oil and gas. From 1908 to 1914, the German Nigeria Bitumen Corporation and the British Colonial Petroleum Company, two separate companies were deeply involved in "Seapology". The companies were able to develop fifteen holes down dip otherwise called oil-wells from the heavy oil seeps, this led to creating of acetous in Abeokuta near Okitipupa. However, the holes were stunted and later picked-up again when scouting jobs was performed by Shell D Archy, Petroleum Development Company, in the early 1950's.

In the year 1946, Mobil an American base company, came in and secured a concession over more than half of Nigeria (Northern) basin, while Shell BP held tight the Anambra basin, and the Niger Delta rim of the Niger Delta.

Worgu, (2000), stated that the major oil exploration exploded with the discovery of commercial quantity of oil on land at Olobiri in the old Rivers state, now Bayelsa state in the year 1956. With this upshot, Nigerian government policy on oil mineral exploration and exploitation started, before then the government's interest was initially limited to the collection of royalties, and other dues accruing to it from the oil companies and making rudimentary laws to regulate the activities of the oil industry, but the discovery of oil on land attracted so many clients and bidders that led to localizing the laws and increase in the agitation for independence. However, statues reviewed showed that Nigeria has no indigenous constituents of the law which clearly specified the exploration and production of petroleum activities, rather reforms of the old mineral oils act of 1914 which was promulgated to regulate the right to search for come first, first ownership right, this may be highly linked to the basis of anarchy in oil business today.

Watts (2008), opined that between the years 1960 to date, several multinational oil companies have benefited from the concessions, having broken the jinx of monopoly, by Shell and the British colony. Among the beneficiaries are: Nigerian Agip Oil Company who started its operations in Ibocha-Obiafu axis of Ogba-Egbema-Ndoni Local Government Area of Rivers State and Built its largest gas plant in the entire West Africa in Omoku, in the year 1984 and have spread almost to the entire Niger Delta region of the South-South. Total elf, Chevron, Addas are not left behind on the early explorers.

#### **List of Major Oil firms in Nigeria**

Shell SPDC-Foreign  
Nigerian Agip Oil Company- Foreign  
Mobile- Foreign  
Chevron- Foreign  
Total-Elf- Foreign  
Addas- Foreign  
Sterling global- Foreign  
NLNG-Local/ Foreign  
Neconde- Foreign  
Philips- Foreign  
NPDC-Local  
NNPC- Local  
Oroton- Local  
OANDO- Local  
MedWestern- Local/ Foreign  
Energie- Local  
Pillars- Local etc.

### **Benefits and Loss of Oil Exploration in Nigeria**

No doubt, as many claims that Nigeria is the most rapidly developing country in the history of sub-Saharan Africa due to the influence of oil exploration activities, and the development of oil industry in Nigeria which has equally contributed very notably to the socio-economic comfort of Nigerians. The ironic situation is that Nigeria's economy is heavily dependent on oil like the economies of other Oil Producing and Exporting Countries (OPEC), the danger of this remains that other countries have alternative means while Nigeria is docile, and this has made Nigeria to remain a mono-economic nation. According to the national bureau of statistics, about 85% of the national income, 90-98% of the export earnings and more than 98% of the foreign exchange revenues is been generated from the oil sector.( United Nations Report 2006, 2011).

### **Beneficial Accounts of Oil Economy in Nigeria**

In Nigeria and others nations around the globe oil affects the lifestyle of humans directly and indirectly in so many ways. So many have accounted that oil remains the lifeline of human's existence since oil and its related products are used practically in every sector of mans daily activities, in domestic appliances, industrial, and commercial processes etc. it is quite important to note that without petroleum products industrial sector cannot function, machines and other automotive equipments cannot operate without oil and if this assertions is real, therefore the need of explosion in industrial production and expansion in oil exploration is unavoidably dependent in the growth of the economic sector, which will guarantee technological advancement.

Other benefits from oil economy are; infrastructural development, some of the oil firms go into agreements with the host communities to draft memorandum of Understandings (MoU), some of the developmental features of such MoU's includes, construction of some kilometer of roads in the area, electrification projects, primary to university level scholarships in both local and abroad, building of schools, employment opportunities, award of petty contracts, intervention during natural disasters, remediation projects, impact assessments, relocation projects, shore protections, stay at home payments for chiefs and elders, free medication projects, environmental clean-up assistance, sponsorship of festivals and provision of security personnel among others but the question is; does the benefits equate the losses? We shall contrast it here in this mimeograph.

### **Disadvantages of Oil Exploration in Nigeria**

Excruciatingly, in Nigeria, the boon from oil exploration initiated what should be suitably described as a curse rather than benefit, oil boom set in anarchy that instantly stratified once a unified people and catapulted the expenditure pattern of the upper class and created a delusion among the lower class.

Other momentous circumstances includes increase in the cost price of goods and services; negligent of the non-oil sector.

### **Environmental degradation:**

The account of the environmental degradations caused by these practices cannot be completely accounted for in just one paper, but few of this shall be highlighted below:

- A. Air Pollution:** the activities of Oil companies have actually disrupted the natural atmosphere, breathing air is been polluted with foreign particles, which are dangerous to human life, through gas flaring and CO and CO<sup>2</sup> and other emissions.
- B. Water Pollution:** the effluents from dangerous chemicals, fertilizers, oil sludge etc are been flushed into our water ways and this practice irrespective of several laws at both

local and international is not been upheld, the adverse effect of this pollutions is residue on the aquatic lives and human health respectively.

- C. Noise Pollution: the activities of the oil operators generate unbearable noise that affects the hearing of neighboring communities, displaces animals within the area thereby causing ecological imbalance.
- D. Health Pollution: the stable health of the people within the areas of these operation is been seriously compromised, due to the adverse effects of polluted waters, airs, noise and other factors; some of the health issues are hypertension caused by noise pollution, typhoid caused by contaminated waters, cancers caused by various kinds of radiations and hunger caused by unproductive farm soils.
- E. Land Pollution: the pollution of land could be the mostly affected among all, this ranges from clearing of site otherwise known as deforestation, and the resultant effect of this is erosion, introduction of heavy metals, flooding and abuse of land use.
- F. Social Pollution: the effects of this class of pollution can be said be the worst amongst all; this ranges from alteration of indigenious cultures, introduction of immoral behaviors, social vices, corruption, disunity among kinsmen, kidnapping, destruction of public properties (pipelines), militancy, communal conflicts, agitation of resource control, hate speech, militarization, forceful cohesion, unprofessionalism, lack of technological advancement and neo-imperialism.

### **Conclusion**

Conclusively, despite the shortcomings attributed to oil exploration in Nigeria, the advent of oil in Nigeria cannot in totality be relegated as an encumbrance to its growth. Some of the gray areas that needed to be addressed are the effort of bringing the host communities into the show of policy making to enshrine their immediate needs, concerns and developments into the projects.

In sincerity, it is obvious that the key source of Nigeria's economy depends solely on Oil production and exportation for its growth. Statistical reports indicated that Nigeria's average production of crude oil per day between the years 1956 to 1984 was only 7,000 barrels, but Nigerian National Petroleum Co-operation's (NNPC) report today shows that Nigeria produces over 2.8 million barrels of crude oil per day for export undermining the ones lost in theft. The earnings from oil production in Nigeria have no improbability of contributing to the social-economic and political development of the nation irrespective of its negative impact to both the environment and those living in the environment. (Ukpatu, 2001).

The rate of slow developmental indices, accountability of revenues accrued from oil sales, human capital development, infrastructures, roads, social amenities, independent in exploration, advancement in science and technology, indigenious material production, negligence to environmental degradation, political instability and corruption among other setbacks in Nigeria calls for concern despite the amount of dollars been received in return from oil sales Nigeria is still noted the most poor country in the world and among the most indebted nation, therefore it wise to concluded that oil is a curse to Nigeria rather than a blessing.

### **Recommendations**

Based on the issues and challenges discussed as it affects the Niger Delta region of Nigeria, the following recommendations are made:

1. The Niger Delta host communities should be recognized and their due royalties released to them.

2. Head quarters of the oil firms should be located at the operational areas to enable the top managements to see and ameliorate the pains of the challenged people.
3. There should be extant laws that will capture the true pictures of the Nigerian diversity and control of resources.
4. Oil companies should be compelled to operate within the international best practices, with strict adherence to pollution control.
5. Oil education fund should be created and utilized to train the youths of the Niger Delta on oil related skills that will enable them gain employment to the operating companies.
6. There should be a good employment quota for the Niger Delta indigenes rather than subjecting them to high skilled tests.
7. Clean-up exercises should be regular on oil polluted environs.
8. The oil firms should stop the attitudes of double standards, which is the major cause of social pollution.
9. Our leaders should shun the attitudes of corruption, and develop the nation.
10. Standard state of the art hospitals should be situated in the Niger Delta to help in treating the sicknesses induced by the illicit oil operations.

## References

- Aaron, K. (2006). *Human Right Violation and International Degradation in the Niger Delta*. In: Elizabeth Porter and Baden Oxford (eds), *Activity Human Rights*. New York: Port Harcourt Golden Education Publisher.
- Adati, A. K. (2012). Oil exploration and spillage in the Niger Delta of Nigeria. *Civil and Environmental Research*, 2(3): 28-33.
- Afinotan, L. & Ojakorotu, V. (2009). The Niger Delta Crisis, Issues, Challenges and Prospects. *Africa Journal of Political Science and International Relation*, 1(6): 1-9.
- Alogoe, E. (2004). *The Uses of Hindsight as Foresight: Reflection on Niger Delta and Nigeria History*. Port Harcourt: Onyioma Research Publication.
- Chijioke, Basil, O., Ebong, Itoro, B., & Henry, U. (2018), *Global Journal of HUMAN-SOCIAL SCIENCE*, 18(3).
- Collin, E. (2012). Characteristic Analysis of Physicochemical Properties of Brown and Green Fields of Omoku community in Rivers State. *Reiko journals of applied Sciences*, 4(2): 52-64. Baltimore U.S.A.
- Duru, E. (2010). *Oil Multinationals and the Niger Delta Crisis: Issues and Perspectives*. Abuja: Thumbs-Prints International Company.
- Ekongson, P. (2006). *Oil and Niger Delta Crisis*. Uyo: Afanghide Publication.
- Ekpo, U. (2004). *The Niger Delta and Oil Politics*. Lagos: International Energy Comment Ltd.
- Moffot, Y. and Olof, L. (2000). *Perception and Reality: Assessing Priorities for sustainable development in Niger Delta* Oxford: Oxford University Press.
- Moller, M. C. (2005). *Ecology Concepts and applications 3rd Edition*. New York. McGraw-H.U Companies Inc
- Nwabuenyi, U. (2012). *Impact of Oil Exploration and Exploitation on the Niger Delta Region: Environmental Perspective*. Five Decade Oil Production of Nigeria: Impact on Niger Delta. Ibadan, Centre of for Environment and Niger Delta Studies. Ibadan: Ibadan University Press.
- Udoh, O. and Bassey, C. (2010). *Conflict and Instability in the Niger Delta: A Warn Case*. Lagos: Academic Associate Peace Work.
- Ugbomeh, B. (2008). Oil exploration and Exploitation: some leisons from Delta State. In: Odermerho (eds). *Delta State in Maps*. An occasional publication series of the Department of Geography and Regional Planning Delta State University, Abraka. *Journal of Agriculture and sustainability*, 28(14): 172-181.

- United Nation Environmental Program (2011). Environmental Assessment of Ogoni Land. Available at [www.unep.org/nigeria](http://www.unep.org/nigeria). Retrieved on 14th September, 2018.
- United Nation's Development Programme Report (2006). Niger Delta Development Human Report. Available at [www.unep.org/nigeria](http://www.unep.org/nigeria). Retrieved on 14th September, 2018.
- Watts, M. (2008). Blood oil; the Anatomy of a Petro Insurgence in the Niger Delta. *Niger Delta Economics of violence working Paper*. No. 22. 71.
- Worgu, S. O. (2000). Hydrocarbon exploration, Environmental Degradation and poverty in Niger Delta Region of Nigeria. Lund, Sweeden. Lund University Lumes Programme.
- World Bank (2000). Environmental Economic Study of the Niger Delta: Report on Niger Delta. Uyo: Golden Education Publisher.