

## Transnational Corporations and the Politics of Environmental Degradation in Nigeria: Analysis of 2011 Unep's Report on Ogoni Land

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**Abstract:** Environmental degradation resulting from oil exploration by Transnational Corporations in Nigeria and Ogoni land in particular has been a hydra headed problem that seems to have defied all efforts by various stakeholders towards its resolution. This paper is an attempt to critically analyze the 2011 United Nations Environmental Programme's report on Ogoni land as it concerns the politics of environmental degradation in Nigeria and to ascertain how it can successfully resolve the imbroglio. It adopted a case study method of political inquiry as well as theory of Corporate Social Responsibility in the analysis of the subject matter. The paper found out that among others, UNEP got involve in Environmental Impact Assessment on Ogoni land in order to protect the economic interest of its member nations. The successful implementation of the report depends on the integrated efforts of all major actors. Consequently the paper recommends that radical approach should be put in place to discourage artisanal refinery and economic scheme should be initiated to cushion the effect of oil pollution on the people of Ogoni.

**Key words:** Transnational Corporations • Politics • Environmental degradation • Ogoniland • Corporate social responsibility • Nigeria

### INTRODUCTION

Oil exploration activities which commenced in the 1950s by Shell Petroleum Development Company (Nig) Ltd (SPDC) a joint venture between the Nigerian National Petroleum Company (NNPC) Shell International, Elf and Agip in Ogoni land has been a long history of complexity and a painful one that till date seems intractable in terms of resolving and providing a way forward. SPDC has twelve oil fields, one hundred and sixteen oil wells and five flow stations in Ogoni with no positive impact on the people's lives, [1].

Approximately 75% of gas produced is flared annually causing considerable ecological and physical damage on the environment. Between 1986 and 2000, the Nigerian petroleum industry experienced 3, 854 oil spill incidents. These oil spills resulted in the loss of 437, 810 barrels of oil into the Nigerian environment, with the attendant consequences of environmental pollution [2], [3].

As a result of this Ogoni people forced Shell Oil Company out of their region in 1993 and resolved never to allow SPDC to operate on their land again, as the worrisome tale of environmental devastation and corporate neglect of fundamental social responsibilities culminating in the people being reduced to abject penury in the midst of plenty remain unaddressed.

In addition to sacking Shell from their land, the Ogonis have demonstrated both in national and international fora, the fact of their being the victims of environmental mishap and flagrant human rights violations and abuse. Incessant cases of killings, raping and destruction of properties and mass population displacement of the inhabitants, as result of oil exploration by oil Transnational Corporations (TNCs) have become a norm. They have sought for more political autonomy and compensation for environmental damages done to their land by oil companies which have extracted oil resources valued at US \$30 billion in their land since 1958, but their demands have been met with force and extreme violence

by Nigerian state. A clear example was the hanging of Ken Saro Wiwa the spokesperson for the Movement for the Survival of Ogoni People (MOSOP) together with eight other Ogoni activists involved in protests against the unwholesome practices by the oil companies. This attracted international outcry, even from governments previously not known for activist stance on human rights.

The relationship between Shell and the people of Ogoni since then remained tensed. Ogoni people were successful in stopping oil production on their land but the oil pollution remained. Effective clean-up of older spills however never took place. It is quite clear to the local people where the pollutions occurred and they do not see why research is necessary to detect those sites. Therefore there is a lot of skepticism regarding the willingness of government and oil companies to spend money on the cleanup of the region. Corruption and lack of independent institutions appeared to be albatross towards embarking on a successful clean-up project including monitoring studies.

In an attempt to navigate from the stalemate to action; President Obasanjo in 2005 constituted Presidential Reconciliatory Committee, headed by Most Rev. Bishop Mathew Hassan Kukah to facilitate the reconciliation process [3]. He was aided by two International Conflict Resolution Organizations; International Centre for Reconciliation; and Kreddha (International Peace Council for States, Peoples and Minorities) a Dutch based NGO invited by Shell and MOSOP respectively. Their common proposal was an Environmental Impact Assessments Studies (EIAS) of Ogoni land, followed by clean up of all oil spills, whether due to Shell's negligence or community sabotage.

The United Nations Environmental Programme (UNEP) which has International reputation of assembling expert teams and bringing scientific and empirical evidences to policy makers was invited to undertake the study on Ogoni land after many years of negotiations.

The agency commenced the study in 2010 and submitted their report in 2011. For the first time, there is systematic and scientific evidence available in the public arena, on the nature, extent and impacts of oil contamination in Ogoni land. It was expected that the report would provide options for resolving the decades of deadlock while providing the government and stakeholders with potential foundation upon which trust might be built and action undertaken to address the environmental and sustainable development challenges facing millions of people in Ogoni land and beyond. But it generated a lot of mixed reactions from the Ogoni people and members of the public. Consequently, lots of doubts

and questions were raised over the motive of United Nations intervention at this moment in the history of environmental degradation in Ogoni land, despite the existence of several previous reports by other investigative bodies.

Against this backdrop, the paper analyzes the UNEP report on Ogoni land, to ascertain how it could possibly aid the resolution of the age-long environmental problem pervading the land and people.

### **Politics of Environmental Degradation in Nigeria:**

Nigeria today exhibits a classical case of an economy dominated by oil, which is the largest single contributor to the country's revenue generation which has enabled Nigeria to pursue ambitious development programmes within the last 58 years, Nigeria has also witnessed serious environmental degradation occasioned by oil exploration. The exploration activities have extended from the Niger-Delta basin to the Lake Chad Basin, in the North Eastern part of Nigeria. The oil extracting communities have shown serious grievances which have not been well addressed. Not only have fishing and farming, the major occupations of these mostly riverine minorities been decimated, their territories have continuously lacked basic infrastructure like, electricity, roads, schools, hospital, portable water and so on. Their grievances have been directed against both the state (Nigeria government) and the oil companies (Shell in particular) which have been accused of contributing too little in return for the huge profits they get from oil exploration [5].

Oil exploitation activities have been described as the major source of pollution and despoliation of the world's fragile ecosystem. There is a slow poisoning of the waters and the destruction of vegetation and agricultural land by oil spills which occur during petroleum production. Since the inception of the oil industry in Nigeria more than fifty years ago, there has been no concerted effort, on the part of the government, let alone the oil corporations, to control the environmental problems associated with the industry [6].

Okonta and Oronto [7] observed that slowly, but relentlessly, oil exploitations activities as gas flaring, oil spillage, indiscriminate construction of canals and wastes dumping, have brought the human ecosystem of the Niger-Delta to the point of near collapse. The environment of the area is constantly on the boil. Dofie [8] observed that all stages of oil exploitation have proved to be very destructive of the natural environment and the livelihood of local peoples who depend on their land for survival. This is because forest and mangroves are cleared, community farmlands, ponds destroyed, wetlands, creeks

and community fish ponds are polluted and the air and rainwater are contaminated, dangerous gases flared indiscriminately by Transnational oil companies. The most culpable in this reckless operation of environmental depredation among the oil TNCs according to Doific are Shell, Chevron, Agip Texaco, Total, Fina and Elf.

Nsirim [9] accused Shell among other oil TNCs, of having the highest record of oil spills. According to him, Shell's oil spills in Nigeria represented 40% of Shell's worldwide spills between 1982 and 1993. This provides solid evidence that Shell poorly maintains its oil facilities in Niger-Delta in complete disregard for the environment and the people of the region, not minding that petroleum hydrocarbons are extremely toxic even at a very low concentration. Shell took no measures to prevent pollution and environmental damage and has failed to sufficiently clean up its spills.

[10] opinionates that where oil exploitation activities take place, the area usually becomes unsafe for human habitation because of oil pollution of water and gas pollution of air.

The Nigerian government has similarly been criticized for allowing the oil companies to dump waste and pollute the environment in manner that are considered illegal in the developed countries, including the home countries of the TNCs operating in Nigeria. [11] reported that US environmental regulations completely prohibit the discharge of produced water or drilling mud from onshore facilities into surface-water bodies, produced water has to be re-injected for recovering or injected into disposal wells, while drilled mud are to be land filled. But in Nigeria, oil companies often dispose of wastes from oil drilling directly into fresh-water bodies, or do not follow proper pollution reducing techniques [12].

It can safely be argued that the main objective of TNCs was to wipe out all the inhabitants of oil producing areas, stressing that if a woman's farm land or fisherman's water ways are polluted, if they don't have fish to catch, if their crops no longer grow, their rights to life have been violated. If they don't eat, they will die. Also the forest is where the people have their medicine. And since in that part of the world, they don't have hospitals, if you destroy the forest, they will lose their source of health and they will die. With all these menace, one is inclined to ascertain whether the emergence of oil is a blessing or curse to Nigeria.

In addressing this thought provoking issue, it should be noted that oil exploration has proved to be a curse than blessing. The presence of oil in a developing country, makes life worse, not better for the people who live there.

Essentially, oil is not the major root cause of poverty and environmental mishap in Nigeria but mismanagement and endemic corruption that have become synonymous in the system. The oil revenue has made well-known billionaires, most of whom are the past and present political elites at the peril of the people. Far from fulfilling the positive expectations of the people since the 1950's, [13] said that crude oil has "paradoxically" become a source of poverty, conflict and degenerate into nightmares for people in oil exploitation zones. The dream of oil as a commodity that would improve the lives of the people in oil-producing areas, have turned to a mirage hence the political elites who would have been the defender of the peoples right, work hand in glove with TNCs to plunder the peoples God given natural and environmental resources. He argued thus: that poverty has mainly resulted from forced seizure of family or communal lands by the Government in favor of oil companies and the pollution of adjoining lands, creeks, rivers and sea, upon which the people depend for their livelihood.

In other to alienate the people, Government promulgated some legislation to acquiesce the people that hardly garb the primordial interest of the ruling class.

The petroleum (Decree) Act No 51 of 1969 provides that "the entire ownership and control of all petroleum in, under or upon any lands to which this section applies shall be vested in the federal government of Nigeria"

Onyegucha [14] strongly maintained that the Petroleum Act of 1969 and the Land Use Decree of 1978 which gave unlimited power to the federal government were designed to strengthen the instrument of oppression, suppression, marginalization, dispossession, deprivation and disempowerment of the Niger-Delta people by the State in collaboration with the Transnational oil corporations and local bourgeoisie.

Furthermore he noted that though the Land Use Decree has vested ownership of land to the state and not the federal government per se, the gradual erosion of federalism in Nigeria under military rule made the states increasingly subordinates and not coordinates of the federal government. The Petroleum Act of 1969 was perceived as even more arbitrary and it complements the Land Use Decree. The petroleum Act provides for the exploration of petroleum from the territorial waters and continental shelf of Nigeria and vested the ownership of and all on-shore and off-shore revenue from petroleum resources in the federal government of Nigeria. The dictatorial nature of these legislations became clearer

when juxtaposed with the way the Northern and Western part of the country were treated when agriculture was the main stay of Nigerian economy.

These legislations gave oil TNCs particularly Shell the opportunity to tap and institute a tacit but obnoxious zero-sum game policy in Nigeria oil sector. The Anti-sabotage (Decree) Act 1975 prescribed death penalty to any person found cutting oil pipelines or obstructing the activities of oil companies.

Consequently section 44 (3) of the constitution of the Federal Republic Nigeria 1999 seems to have summarized and consolidated the above enactments. On the principle of land collectivization and control of mineral resources in the country, this provides that:

Notwithstanding the foregoing provision of this section, the entire property in and control of all minerals, mineral oils and natural gas in, under, or upon any land in Nigeria or in, under, or upon the territorial waters and the Exclusive Economic zone of Nigeria shall vest in the Government of the Federation and shall be managed in such manner as may be prescribed by the National Assembly.

The fact is that given such foundational backup, oil companies did not see themselves as answerable to the host communities; hence with great impunity they destroyed the people's environment without blinking an eyelid. According to [12] these four pieces of legislations are a reflection of internal colonialism which regards the oil producing states as colonies to be plundered by the federal government of Nigeria.

Analyzing these legislations, [15] noted that, it is with the aid of these blatantly unjust legislations that successive governments in the country, in collaboration with Shell and other western multinational corporations have been plundering the oil wealth of the Niger-Delta communities sometimes at gun point.

It could be argued that corruption on the part of leaders, weak legislations and lack of control on the activities of TNCs is antithetical to environmental well being and sustainable development in Nigeria and Ogoni in particular. Hence it is a general knowledge that without improvement on environmental management, development will be undermined and without accelerated development the environment will continue to degrade.

**The Points of Departure in the Contents of the UNEP's Report on Ogoni Land:** Unequivocally the UNEP report

largely states what has been known and said before, but there are some areas in the report that provoked some questions.

Artisanal refining which is the process by which local people "steal" oil and attempt to refine it themselves. The distilleries are heated on open fires fed by crude oil that is tipped into pits in the ground. As part of the oil burns away, some seeps into the ground; still are always located at the water's edge, primarily to facilitate the transportation of both the crude oil and refined products. The crude is usually stored in open containers or open pits increasing the risk of fire. Importantly, their presence is obvious, even from distance marked by dark plumes of smoke rising from fires. The practice without mincing words presents a serious threat to lives and was responsible for isolated pollution event to Ogoni land and neighboring areas. Shell has long claimed that this artisanal refining is responsible for all the pollution in Ogoni land. But the report strongly denied this and noted that controls and maintenance of oil field infrastructure in Ogoni land has been and remains inadequate; and besides, the bush refineries for example, became prominent from 2007. The report made bold to state that Shell consistently failed to follow its own operational guidelines on environmental protection, creating public health and safety issues. Even the Remediation by enhance natural attenuation (RENA) a way of boosting the ability of naturally occurring microbes to break down oil which Shell engages and so far the only remediation method observed by UNEP in Ogoni land has not proved to be effective. The logical consequence of this is that with livelihoods of the people utterly destroyed, some of the people had to find a means of survival and chose this unfortunate and illegal trade, as the only sources of survival and livelihood.

For [16], the UNEP report devotes several pages (161-166) specifically to artisanal refining at the Bodo West oilfield and correctly reports an unfortunate increase in such practice between 2007 and 2011. However this analysis of oil pollution in this region by UNEP entirely ignores the other much larger sources of oil spilled into that region in that same time period the twin ruptures of the Trans Niger Pipe line (TNP) caused by Shell negligence in 2008 and 2009. Together these spills amount to about 250, 000-350, 000 barrels of oil into this system, order of magnitude are higher than illegal refining. Much of the oil spilled at Bodo West area likely derived from the (TNP) Bodo "Spills" cannot be compared to the volume of spills from artisanal refineries. In his further

argument, he wonders why the UNEP report says that “no single clear continuous source of spilled oil was observed or reported during UNEP’s site visits whereas the massive spills at Bodo occurred at the time of the study and the combined spill volume may well exceed that of the Exxon Valdez that occurred in Alaska in 1989. But Shell responded in contrary that the report vindicates its position about the predominant problem being bunkering. According to Shell managing director, [17], the two spills issues here resulted in around 4, 000 barrels of oil being spilled, is regrettable that oil is spilled anywhere, but it is wildly inaccurate to suggest that those two spills represent anything like the scale which some reports refer to and Shell had always accepted responsibilities for paying compensation when they occur as a result of operational failures. He accused media for closing its eyes to the fact that rampant acts of sabotage and vandalism by people involved in illegal bunkering were responsible for most of the cases of oil spills in Nigeria.

Onukwugha [18] viewed the UNEP report as a high profile media game. He maintained that the news began with a news flash of Shell admitting responsibility for oil spillage in Bodo, Ogoni land. The report appeared, exactly in line with several other failed promises by Shell, stating one billion dollars to be spent for oil damages of 55 years. This is absolutely a regrettable act of disinformation and cover up. The claim in the report that it will take 30 years for Ogoni environment to be completely restored is a ruse to dissuade the people of Ogoni from further action against the oil company. He queried who determined that restoration of Ogoni land would last for 30 years? What is the extent or estimate of the overall damage on the environment? Similarly, [19], stressed that, UNEP cannot claim to have submitted an acceptable report on the oil spills in Ogoni land, when it failed to tell the public the degree of damage on the environment. He emphasized that UNEP gave the impression that they have the technical and professional know-how to execute this project but they goofed and should not be taken serious by local and international bodies. Noting that shell’s relationship with Ogoni people spans for 55 years and if it takes a body like UNEP that claims to have all the technicalities 30 years to clean up Ogoni land is a ploy to create room for oil firms to resume exploitation in the area.

Corroborating the above, [20] observed that the case of oil spill in the Gulf of Mexico, in US the volume of the oil spillage was huge but within a year, it was cleared. So for UNEP to report that it would take up to 30 years for Ogoni land to be cleaned up is an indication of an

inordinate ambition and it is completely unacceptable. Obviously, it was unfortunate that the people of Ogoni will have to wait for another thirty years (30) for the full clean-up of their polluted environment. He cautioned that the people should have a rethink in their development policies in order to avoid causing damages to the environment as it happened in the past. Regretting that people have to die for us to realize the extent of the damage we had done to the environment through recklessness and complete disregard to the sacrosanctity of human life.

The factional leader and spokesman of Movement for the Survival of Ogoni People (MOSOP) Diigbo [17], says MOSOP is challenging the integrity of the report, recalling an earlier confession by UNEP team leader Mike Cowing that, the report has been informed by data and information solely supplied by Shell and Government without actual study on the ground. He stressed further that, the purported meeting with 23, 000 Ogoni people is only on paper and there is no evidence to prove who attended, what review was done, agreements reached if any and Ogoni people who signed such agreements as proof of public participation as part of the Environmental Impact Assessment Study (EIAS) due process. Emphatically, the UNEP report is unilateral and that even though it may sound wonderfully pleasant because of the rich scientific literatures, but MOSOP has records of conflicting statements by UNEP team leader Cowing that contradicted the genuineness of the report. He called to mind the previous publicized report of attempts by UNEP team under Cowing to bribe Ogoni people to sign on to an already written report even without a single visit to Ogoni land. Therefore, the outright rejection of this report can be thoroughly justified on the basis of lack of integrity owing to UNEP violation of due process. MOSOP however calls for second experts, not including UNEP team members. This should include Ogoni representatives and independent experts appointed by MOSOP for purpose of equity and fairness.

Since the threats posed to human lives and land in Ogoni throughout 55 years of oil operation are hardly new, MOSOP wants EIAS carried out properly and in a comprehensive manner for practical application, instead of asking Ogoni people to accept and swallow an arm-chair report. For instance the notion that UNEP team tested 780 bore holes have no evidence other than rich scientific postulations, (Point Black new.com 8/05/2011). It is argued that there is no how one can carry out a project in an environment and one succeeds without

carrying the people along. Therefore, the report should not be pushed down Ogoni throats since UNEP failed to keep to its own due process requirements that rest the integrity of EIAS report on public participation, reviewing and monitoring collaboration, which would have made the UNEP report transparent and undisputable with valid agreements reached at various stages of the process as proof of transparency and acceptability. The controversial UNEP report on Ogoni land demands for immediate way forward and MOSOP calls for urgent independent:

- Due process test
- Neutrality and impartiality test
- Integrity test and
- Reconcile with World Bank EIA policy, UNEP procedures and Nigerian government regulations.

The way forward should further take into account. Principle 17 of 1992 UN Rio Declaration on the Environment and Development as well as political right and other demands of the Ogoni people contained in the Ogoni Bill of Rights [18].

Commenting further on the integrity of the UNEP report on Ogoni land Diiogbo queried why Shell would be the sole financial of the project. He maintained that it is in allowing Shell to be the only source of resources for the project that made Shell to dictate for the agency on what to do; hence who “pays the piper dictates the tune”. But UNEP defended the rationale of accepting funding for the study solely from Shell as the polluters pay principle..

**Theoretical Framework:** Theory of Corporate Social Responsibility (CSR) was adopted in the analysis of this work. The theoretical foundation of Corporate Social Responsibility paradigm also called corporate conscience or Corporate Citizenship has its fundamental root in the liberal perspective of political thoughts. It draws more inspirations from the intellectual work of the eighteenth century great economist and philosopher Adam Smith when he expressed the traditional or classical model of business [21]. It has equally grown mainly from the intellectual contributions of liberal scholars who advocated for free trade in the global community. The major proponents of the theory are scholars like; Stanley Deetz, Timothy Kuhn, Lucia Lima Rodrigues, Linda O’Riordan, Jenny Fairbrass, Manuel Castelo Branco etc [22] and [23].

The encyclopedia of business and finance [24] states that Corporate Social Responsibility is relatively a new theoretical construct that only came to wide use since 1960’s after many TNCs formed the term “stakeholder”

meaning those on whom the organization’s activities have an impact. Whereas [25] asserts that the idea of the theory first arose in 1953 when it first became an academic topic in the Social Responsibilities of the Business. The proponents contend that Corporate Social Responsibility is an economic, legal, ethical and discretionary expectation that society has of organizations at a given point in time. This means that organizations have moral, ethical and philanthropic responsibilities to earn a fair return for investors and still comply with the laws.

Corporate social responsibility is the commitment of business to contribute to sustainable economic development by working with the employees, their families, the local community and society at large to improve their lives and environment in ways that are good for business and for development. While [25] maintained that it’s a form of corporate self regulation integrated into business model, which usually involves active compliance with the law, ethical standard and international norms. This theory aims to achieve positive impacts on the environment, consumers, employees and the communities.

The economic responsibilities as asserted by the theorists in their definitions refer to society’s expectation that organizations will produce goods and services that are needed and desired by customers and sell those goods and services at a reasonable price without their business activities being detrimental to the people’s socio-political existence. Organizations are expected to be efficient, profitable and to keep shareholder’s interest in mind.

The legal responsibilities relate to the expectation that organizations will comply with the laws set down by the society to govern competition in the market place. Organizations have thousands of legal responsibilities governing almost every aspect of their operations, including consumer and product laws, environmental laws and employment laws.

The ethical responsibilities concern societal expectations that go beyond the law, such as the expectation that organizations will conduct their affairs in a fair and just way. This means that organizations are expected to do more than just comply with law, but also make proactive efforts to anticipate and meet the norms of society even if those norms are not formally enacted in law.

The discretionary responsibilities of corporations on its part, refers to society’s expectation that organizations be good citizens. This may involve such things as philanthropic support of programs benefiting a community or the nation [26].

In relation to the context of our study, it is a general knowledge that Shell B.P has been criticized for neglecting their corporate social responsibility to their host community as their activities negatively affect the natural environment in terms of wasting natural resources and contributing to environmental problems such as pollution and global warming. There have been societal pressures on the corporation to adhere to stricter environmental standards and to voluntarily change production processes in order to do less harm to the environment as well as improve the living conditions of the host communities but all to no avail.

In pursuing corporate interest, Shell often acts very irresponsibly and is causing big damages to the environment and people of Ogoni. Though Shell is one of the most active proponents of CSR, it created huge damage in Niger-Delta and in the Gulf of Mexico. Hypocritically the company advocates perfect ideas of CSR, but they do not practice what they preach, [27].

Apparently, CSR programmes are undertaken by companies such as British America Tobacco (BAT), Shell B.P for its high profile advertising companies on environmental aspect of its operations and McDonalds to distract the public from ethical questions posed by their core-operations. He further pointed out that Shell has a much-publicized CSR policy and was a pioneer in triple bottom line reporting, but this did not prevent the 2004 scandal, concerning its misreporting of oil reserve, which seriously damaged its reputation and led to charges of hypocrisy.

On this note, one will be accurate to say that any corporation that claim to promote CSR and be committed to sustainable development but simultaneously engages in harmful business practice is only marketing corporate social responsibility to enhance better business for selfish interests because, any corporation that exists solely to maximize profit, can never positively advance the interest of the society.

In this vein, [28] maintained that, beneath the serious corporate social responsibility advocacy lies an urge to exploit the material resources of the people.

This results to mutual distrust between locals and the oil TNCs, with the state supporting the oil TNCs and often using its instruments of coercion to force the people into acquiescence.

Instead of embarking on socio-economic development and social welfare packages which social responsibility behooves on them, Shell engages in activities that negate environmental wellbeing, of the people. Corporate Social Responsibility theory was

considered of essence in this work because it affords the paper the opportunity to appraise, the politics of environmental degradation arising from the oil production in Nigeria and to know how Shell has neglected their corporate social responsibility in Nigeria and why the Nigerian government could acquiesce to such dangerous practices. The choice of this theory also underscores how emergent political and economic realities of Nigeria could be shaped and determined by the dictates and requirements of foreign oil transnational companies that camouflaged as purveyor of development but whose operations pose great peril to the co-operate existence of our country.

## **MATERIALS AND METHODS**

The study adopted the case study method of political inquiry and made use of documentary sources of data. Case study method involves a detailed account or experience relevant to the issue which makes the individual or groups of particular research interest. However, it involves an in-depth focus on a particular phenomenon in order to maximize details. The case study method used in carrying out the research is to ensure that we have a manageable scope to make detailed examination of the subject matter such that the findings can be generalized. The case study method of political inquiry serves five main purposes: creation of theories, testing of theories, identification of antecedent conditions, testing the importance of the antecedent conditions and explaining of vital issues [29]. This work is designed to examine Transnational Corporations and politics of environmental degradation in Nigeria in the light of the Corporate Social Responsibility theory taking cognizance of the antecedent conditions and their relevance in co-operate existence of any organization in the society. Given that the case study method exposes causal relations among variables, it is easier to infer and test explanations for the purpose of generalization. Qualitatively it provides rich and unique data, hard to compare with other findings, but valid in terms of their reflection of reality and less distorted by the requirement of operationalization and hard scientific measurement. It also provides the research opportunity to sift, organize and select data for important and more realistic results in the analysis of all subject matter in the study [30].

The choice of the United Nations report on environmental assessment in Ogoni land as our unite of analysis, was informed by the fact that environmental degradation in Nigeria is a hydra-headed problem which

seems to have defied all strategies or attempt put together to tackle this menace. Hence many reports have been advanced but none seemed to have addressed the issue to its logical conclusion.

## **RESULTS AND DISCUSSION**

**Human Factor:** There was nothing in the UNEP report that even looked at the human elements and how to compensate the people of Ogoni who have suffered untold hardship from the pollution of their environment for decades. Conventionally, it is usually a practice to put a palliative measure in place that will ameliorate the plight of the affected communities by giving them some benefits that will cushion the effects of the danger they have been exposed to all these years. According to the report, some communities were drinking water that are contaminated with benzene, a known carcinogen, at level over (900) nine hundred times above World Health Organization guideline; and the people are exposed to cancer and respiratory diseases.

The fishermen among them have equally lost their means of livelihood because the streams have been heavily polluted and fish have died off or migrated to untotoxic water because no fish can survive under such toxicity of oil spillage in Ogoni land.

**Federal Government of Nigeria Invited UNEP for Economic Reason:** It could be inferred that the Federal government of Nigeria in collaboration with Shell BP invited UNEP to conduct an EIAS in Ogoni based on the coincidence of their economic interests as government and the oil company were more interested on what to get from Ogoni land and not what they will do or provide for the people. This was done in order to prevent further uprising from the area without having a genuine interest in resolving environmental impasse in Ogoni land. This account for the non implementation of the report since it was submitted. Moreover, it is shocking that in the face of all these tragic environmental mayhem, UNEP report still suggest a possible restart of oil exploration in Ogoni land. This could be likened to obtaining blood from a dying man. On this regard it is obvious that UN motive was to protect the economic interest of its member nations.

**Effect of Artisanal Refining:** Artisanal refining which is the process by which local people “steal” oil and attempt to refine it themselves for local use. This actually present

serious threat to lives and was responsible for some pollution event in Ogoni land. The UNEP report strongly refuted the age long claims of Shell that artisanal refining is the major cause of pollution in Ogoni land and also noted that Shell consistently failed to follow its own guidelines on environmental protection and international best practice of oil exploration.

However, the work observed that the major cause of the proliferation of artisanal refining in Ogoni land since 2009 could be adjudged to unemployment and absence of new jobs in the area. The work found that while bunkering and artisanal refining are criminal activities, the majority of young people who engaged in it do so primarily as a means of employment as international oil marketers are in constant demand of the cheap product.

**Negligence to Environmental Rules:** It is a known fact that many oil spills have not been cleaned up since 1970 and the effects on the economy, health and development have been severe. The 2010 Gulf of Mexico oil spill shows that when oil spills occur irrespective of cause, available funds and level of technology, it can defy solution for a period, thereby causing some irreparable damages. Shell abandons some oil facilities that are no longer in operation without formally decommissioning such facilities.

In any oil field operation some assets are routinely decommissioned when they no longer serve a productive purpose, or are no longer economically viable. There are numbers of pipelines and assets referred as “abandoned” or decommissioned” by Shell but the way in which some facilities were left does not adhered to Nigerian rules on environmental regulation, SPDC’s own standards and International best practice. Some pipelines were left open and lying in trenches and some oil facilities left without maintenance. The bottom line is that SPDC did not follow their documented operational guidelines in Ogoni and also do not meet with international best practices and as a result, local communities are vulnerable to the dangers posed by unsafe oil field installations. But in Ogoni, oil operations were conducted with total disregard to environmental concern and healthy living of the inhabitants. Oil fields in are interwoven with the Ogoni community, with many families living close to oil field facilities. The unfortunate thing here is that as the people go about their daily lives, the possibility that some of their activities may inadvertently cause, an accident cannot be overlooked.



**Corruption on the Part of Government Regulatory Agencies and Oil Companies:**

A significant problem that may scuttle efforts at acceptable clean-up of Ogoniland is corruption and lack of capacity or willingness of Nigerian regulatory authorities to enforce laws and act independently. This independence is of course affected by the fact that Shell has infiltrated the Petroleum Ministry and security agencies in a deep and total way. Given the circumstances under which, Ogoni environment is being polluted in the full glare of the public, it is hard to understand why no action is taken by the authorities, police, army or navy to stop this act of sabotage. For instance, the oil field in Ogoniland is interwoven with the Ogoni community and that communities have set up houses and farms along rights of way is one indicator of the loss of control on the part of the pipeline operators and the government regulators as a result corruption.

However, the fact that these operations are ongoing and proliferating in full view of the law enforcement agencies is indicative, at best of a lack of effective preventive measures necessitated by corruption and, at worst, of collusion by the regulatory agencies.

**Institutional Deficiency and Overlap of Responsibilities:**

In Nigeria many governmental parastatals or institutions are in charge of environmental regulations. There are the ministries of environment in both federal and state governments also the Department of Petroleum Resources (DPR) the “technical arm” of the ministry of Petroleum which has a serious role in environmental regulations. The overlap of authorities and responsibilities between state and federal ministries has an impact on environmental management on the ground. These overlapping functions are not co-ordinated and often result to abysmal environmental management, because there are no clear delineating operational boundaries and at extreme cases they take differing approaches to interpreting the rules.

**Shortage of Resources in the Regulatory Institutions:**

Nigeria is in lack of both human and physical resources to ensure a proper environmental regulation and protection. Both DPR and NOSDRA suffer from a shortage of senior and experienced staff that understand the oil industry and can exercise effective technical oversight. This is because individuals with the technical knowledge in the field of petroleum science finds better opportunities in oil industries and the Nigerian governments are unwilling train their young graduates to get the technical knowledge needed for proper regulation. Also inadequacy

of equipment is a serious challenge for agencies in responding to oil spills, which are often in the area inaccessible by road. For instance in the 8 years NOSDRA was established the agency lacked proactive capacity for oil-spill detection but has to rely on reports from oil companies concerning the incidence of a spill. Judging by the terrace of Niger-Delta area, helicopters or boats are needed to reach many oil spill locations and the agency has no access to such forms of transport other than through oil companies themselves which they are regulating. Therefore, in planning their inspection visits, the regulatory authority is wholly reliant on the oil companies and such arrangement is inherently inappropriate for any nation.

**Poor Policy Formation and Execution:** The laws regulating environment and oil operation in Nigeria when subjected to closer examination and scrutiny most a times turn out to be ridiculous and bizarre even when there is recusant, it is not being enforced.

In Nigeria, the Federal Environmental Protection Agency have not been able to apply legal sanctions to compel oil companies to adhere to strict environmental standard and also pay compensation for damages done to the environment to an acceptable level because FEPA’s hands were tied in the implementation of section 36 of decree 58 of 1988. He emphasized that FEPA claimed that the thrust of the agency’s policy was to dialogue with companies not to force them into compliance. Amidst all these, the Nigerian government made a mocked attempt to protect the environment in which oil exploration takes place (via the Gas Re-injection Decree of 1979 that gave a specific time table for the oil TNCs to stop gas flaring in their area of operation and re-inject such natural gas into the soil). The state also provided an escape route for the firms by imposing a ridiculous fine of fifty kobo (50k) for every cubic meter of gas flared, [30]. UNEP Report argued that, the Nigerian legislation is internally inconsistent with regard to one of the most important criteria for oil spill and contaminated site management; specifically the criteria permitting remediation closure. This enabled the oil industry to legally close down the remediation process well before contamination has been fully eliminated and soil quality has been restored to achieve full functionality for human, animal and plant life. This needs to be in line with international best practice on contaminated site remediation which depends on development of site-specific clean up targets based on a robust sources, pathway and receptor model.

## CONCLUSION

The over fourteen months scientific study by UNEP on Ogoni land proved that the over 50 years of oil pollutions in Ogoni is enormously worse than previously anticipated, as areas which appeared unaffected at the surface are in reality severely contaminated underground and the effects on the local economy, health and development have been severe. Though, SPDC is no longer active in Ogoni land, oil spills continue to occur with alarming regularity, with its attendant terminal consequences.

However, it should be expected that the people of the area should be living in at least comfortable life style because they are the treasure base of the nation. But the reality is that the reverse is the case as the region can rightly be said to be the poorest in the country looking at all the indices created by the debilitating dislocation by the oil company operation in the area.

Consequently, the report contained damning findings that highlighted collective failings by major actors in the oil industries in relation to the reality of their operations.

Consequently, the report on its own cannot permanently resolve the environmental problem posed by over 50 years of oil pollution in the area. It nevertheless provides a useful window of opportunity for fashioning a way forward where sustainable, consolidated and constructive agreement could be reached genuine improvements in the life opportunities of Ogoni people and their neighbouring communities made possible.

**Recommendations:** From the preceding findings, the paper makes the following recommendations:

### **Immediate Response to all Sources of Contamination:**

The ongoing contamination should be brought to an immediate end as any extended delay in the cleanup will result in oil pollution spreading to surrounding areas. For a successful implementation of the UNEP report to be recorded, the worrisome issues of artisanal refining and oil theft should be decisively brought to a halt. Such illicit economic sabotage has a devastating impact on the environment and economic lives of the people. The international oil companies that patronize them should be made to stop their patronage as it encourages the spate of the illicit act of sabotage.

**Involving Economic Schemes:** Government and oil TNCs should evolve some economic schemes to improve the

lives of people in the area whose means of livelihood have been destroyed in order to discourage them from the act of sabotage. They should use the money recovered from the corrupt politicians to provide alternative source of livelihood for the people and also build a functional refinery in Ogoni land, as this will discourage the criminal tendency of sabotage and illegal refinery.

### **Radical Approach to Discourage Artisanal Refining:**

Serious public awareness campaign warning the individuals undertaking artisanal refining the health danger in such practices should be radically promoted. The campaign should be jointly conducted by all the stakeholders, pointing out the disproportionate environmental foot print of artisanal refining. Training the unemployed youths in some certain skills, employment and other livelihood incentives will discourage the activities immensely. Security agencies should also sit up to their constitutional responsibilities

**Need for Healthy Cooperation:** This is not the time to play politics because the report made it clear that peoples life are at serious risk with level of oil pollution in the area and any delay will be grievous to the people's lives. All the stakeholders should cooperate, harmonize and co-ordinate actions towards the successful implementation of the UNEP's recommendations.

**Need for Comprehensive Legislation:** The need for comprehensive legislation is absolutely necessary. Preventing the anti-social activities of TNCs is a task that must be vigorously pursued judging from enormous environmental hazard arising from their activities. There is a need to draw up a comprehensive legislation and penalty for the protection of the oil producing environment and the need to device a people centered environmental management policy for the oil producing communities. This legislation should be democratize to ensure full participation of all interested parties in arriving at sustainable development in the area and recognition of the rights of the people to a healthy life and the rights of the future generations to the resources of their land.

**Passage of the Petroleum Industry Bill:** Oil and gas matters which are currently on the exclusive list should be removed and add on the concurrent list to enhance partnership and collaborative decision making involving oil companies, government and host communities. The urgent passage of the Petroleum Industry Bill (PIB) that will address the fundamental environmental issues is

necessary in order to ensure host communities' participation in the oil and gas exploration to create a successful Nigerian local content regime.

**Need for Strong Political Will:** The government of Nigeria should muster the political will to exact stricter respect for environmental laws and regulations. A stiff penalty plan that would require oil companies whose activities cause excessive pollution or are ill-equipped to forfeit the licenses be established. Oil companies operating in Nigeria should make immediate provision of their liability in the clean-up cost and set aside funds for the environment trust fund accordingly.

Government should use the ecological fund to ensure that some action is been started and the people whose environment has been devastated should be cared for through emergency arrangement that would make their lives meaningful.

**Removal of the Observable Institutional Overlapping Responsibilities:** Government should remove all the observable overlapping responsibilities between various sectors of Government and departments which lead to increased conflict of roles and "Red-Tapeism" and discourages progressive integration of multi faceted dimensions to economic development, environmental protection and management. The responsibilities of Federal Environmental Protection Agency (FEPA), Ministry of Petroleum Resources via Department of Petroleum Resources (DPR), Ministry of Environment, Environmental Guidelines and Standard for Petroleum Industry in Nigeria (EGASPIN), National Oil Spill Detection and Response Agency (NOSDRA), should be streamlined for effective and efficient service delivery.

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