

Awareness and Environmental Management in Oil Companies in Nigeria

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INTRODUCTION

The term management has diverse meaning. Management is needed to run a business. Management is responsible for the success or failure of a business outfit. Some of the primary functions of management include: planning, organising, supervising, controlling etc. In recent time, the scope of management has been broadened. It now goes beyond its traditional scope of managing human, material and financial resources. We now talk of office management, home management, time management, hospital management and environmental management. Environment needs to be effectively managed in order to be conducive for human habitation and business productivity. There is need to plan, organise, supervise, monitor and control the environment to suit desired purpose – residential or/and business outfit. This paper focuses on the management of environment and awareness in oil companies in Nigeria.

Awareness here refers to the need to create consciousness on the part of the oil companies on problems of environment with a view to provide solutions which can help them to 'conquer' their environment in order to mitigate the high level of hostility often encountered in the areas of their operations.

ENVIRONMENTAL MANAGEMENT

Environmental management is one of the neglected areas of management in many parts of the world, Nigeria inclusive. Most of the crises in the oil producing areas in Nigeria are traceable to what host communities consider as either outright negligence of environmental management or poor approach to its management. Rivers and Delta States produce 75 percent of Nigeria's petroleum, which represents over 50 percent of national government revenues, yet the region remains poor. (World Bank, 2002). The crises have manifested in several ways and have re-occurred over and over; some of which are very tragic. The Jesse pipeline fire disaster in October 1998 in Delta State was a very good example

where several hundreds were roasted to death. Ever since, several fuel-ignited and oil related mishaps have occurred in many parts of oil producing communities. The crises reached the peak during the military administration of late General Sani Abacha when Ken Saro-Wiwa and his eight fellow Ogonis were sentenced to death by hanging. This culminated into sanctions on Nigeria by the international community and several international organisations. In August 2001, the death of Mr. Friday Nwido of Baen ignited a fresh crisis between MOSOP and SPDC (*Tell Magazine* 2001). The crises surrounding environmental problems are so immense that they cannot be ignored. In the words of *Africa Today* (Volume 6, no. 12) "Dealing with the communal grievances of the oil-producing areas is crucial to Nigeria's continued oil progress."

The World Bank (1991: 2) defines environment as "the natural and social conditions surrounding all mankind, and including future generations'. A water development programme in Bangladesh programme (ISPAN, 1992: 23) gave a broad definition as the basis for environmental considerations in formulating the plan:

...the totality of natural and human surroundings and activities including; biophysical components and processes of the natural environment of land, water, and air, including all layers of the atmosphere, all inorganic and organic matters, both living and dead: socio-economic components and processes of the human environment including social, economic, technological, administrative, cultural, historical, archaeological, land and associated resources, structures, sites human health, nutrition and safety. (Franks, 1986).

From the above broad definition of environment, a number of crucial issues have been touched. These include social, economic, technological, administrative/managerial, cultural, historical, archaeological etc. Each of these issues is very crucial to the understanding and management of ecological and environmental problems.

Social Problems

A number of social problems such as squalor, pollution, filths, and deprivation have arisen in the oil producing areas of Nigeria, resulting from environmental degradation. A clear grasp and understanding of the magnitude of these problems must be understood in order to be able to provide practicable solutions to them. This may require oil-refining companies to establish a research unit to provide useful statistics to address the problems and their cumulative effects.

Economic Problems

Economic related problems are quite enormous in oil producing areas in Nigeria. Several of them are localised, while others have assumed national dimension. Examples of localised ones are related to farmlands, rivers and waters that have been destroyed as result of the activities of the oil companies. Consequently, farming and fishing activities have been seriously restricted, resulting in both social and economic hardship for host communities. In an attempt to bring some relief to their impecunious and impoverished situation, some have resulted to illegal bunkering. In some cases, pipelines and other equipment are vandalised.

The economic problems that have attracted the attention of federal, state and local governments have to do with resource control and allocation. Up till now the federal government has not succeeded in finding solution to this problem despite political, administrative, constitutional and legal approaches employed.

The other aspect has to do with the issue of compensation from the oil companies. For example, The Movement for the survival of Ogoni People (MOSOP) was formed in 1990 under the leadership of Leton to campaign "for a greater share of oil revenues from the government, political self-determination as well as ownership of the oil beneath their land." (*Africa Today* 2001). According to SPDC, in November 1992, MOSOP issued a notice to SPDC and the Government demanding:

- Payment of \$6 billion representing alleged royalties due and payable to them on petroleum produced in Ogoni since 1958.
- An end to the alleged environmental devastation of Ogoni land, and the flaring of gas at Yorla, Korokoro and Bomu.
- Immediate and effective burial of high-pressure oil pipelines in Ogoni land.

- Payment of \$4 billion representing alleged damages and/or compensation for environmental pollution, devastation and ecological degradation of the Ogoni area.
- Commencement of immediate and high level talks with representatives of the Ogoni People with a view to reaching meaningful and acceptable terms for the further and continued exploration of oil from Ogoni land.
- It was also reported that MOSOP warned "that if SPDC ignored any or all of the above, within 30 days, it would be understood that the company had decided to cease all operations and quit Ogoni."

The crisis, which could not be resolved led to the death of prominent Ogoni leaders in 1994. The subsequent trial of Ken Saro-Wiwa and eight others by Civil Disturbance Tribunal by late General Sani Abacha military administration, their conviction and eventual execution. There is no end to the traumatic stories tied to economic dimension of the environmental problems in the oil producing areas in the country.

Political Dimension

In October 1990, MOSOP issued an Ogoni Bill of Rights, which demanded:

- Political control of Ogoni affairs by Ogoni people
- The right to control and use of fair proportion of Ogoni economic resources for Ogoni development
- Adequate and direct representation as of right in all Nigerian national institutions
- The use and development of Ogoni languages in Ogoni territory
- The full development of Ogoni culture
- The right to religious freedom
- The right to protect the Ogoni environment and ecology from further degradation.

To SPDC, these "demands are mostly political and outside the influence of a private company like SPDC."

Oil companies on their part have tried to convince the public that they are making frantic efforts to alleviate the sufferings of the host communities through the execution of community development projects, provision of social amenities and facilities such as health, education and training and also making reconciliation moves. On the other hand some of the claims of the oil companies are regarded as "distortion of facts." Whatever it is, one thing is clear, there is

yet to be solution to the crisis. It is therefore expedient to deliberate on environmental awareness strategies as a way of mitigating the problems.

ENVIRONMENTAL AWARENESS STRATEGIES IN OIL COMPANY IN NIGERIA

Environmentally conscious business organisations can go a long way to reduce the frequent tensions and crises that often characterise the relationship between the oil companies and their host communities in Nigeria. In this section an attempt is made to identify some environmental awareness strategies.

Research

One of the ways to create environmental consciousness is to encourage research activities on the subject of environment. Case studies on specific areas of environment should be commissioned. Both internal and external researchers should be involved in such assignments. This should be done at irregular intervals – i.e. quarterly or every six months to update existing knowledge on the subject.

Community Participation

The history of Nigeria and several governmental agencies is reflective of the non-participatory nature of programmes and policies imposed on the various communities. It is therefore reasonable to suggest that environmental problems facing the host communities in oil producing areas can be best appreciated with their involvement in identifying the nature, the gravity and enormity. This strategy will constantly create a kind of awareness on the part of the oil companies. However, this must be carefully handled to avoid a situation where only powerful individual and influential interest groups dominate the scene without representing the interest of the whole community. To address this a constant review of the participation method should be carried out.

History and Culture

It has been observed, “historical places and objects of cultural and scientific, symbolic, spiritual and religious values are important manifestations of the culture of societies.” It was further noted, “... spaces, places and landscapes charged with spiritual values represent an

important element of stable and humane social life and community pride.” (*The Habitat Agenda* Part I, page 30). An understanding of historical and cultural affinity of host communities through ethnographic survey could be very useful. Some environmental problems are actually aggravated because of lack of understanding of the cultural and historical values of some certain objects, places and actions. Understanding this is indeed a kind of environmental awareness. It is therefore important to stimulate awareness in order to avoid ‘trespass’.

Dialogue

This emphasises the place of communication and information. Communication and information are crucial to creating awareness. Regular communication between host communities and oil companies will go a long way to ensure this. Some management experts have referred to communication oral and written as “the life blood of an enterprise (and) the means by which human beings work together” (Stahl, 1976). An environment that has no communication will most probably be infested with crises.

Technological Problems

This is another area that calls for attention. With the increase in technological development, the use of sophisticated equipment and rise in industrial activities, pollution and land degradation are on high increase. Some experts have actually argued for the “discontinuation of ‘technologies’ that do not ensure a sustainable environment.” The argument insisted that “any technology desired by man must at inception predict the effect it may have on the environment as well as provide adequate abatement measures to contain such.” (Tell, No. 29, 2001: 78).

Legislation

Legislation is another crucial issue that affects environmental management. This has to do with laws making prescriptions and/or prohibitions on certain actions on the use of the environment. “International treaties such as Helsinki Accord, Montreal Protocol etc on the one hand, and national laws dealing with land use, air and water pollution, toxic chemicals, forest conservation etc on the other hand...” (Solaiman, 1999: 125). Many times, government legislates laws that are either ambiguous or fails to address the issue at stake or fails to satisfy the aspiration and desire

of the host communities. At the 12th edition of the Archbuilt exhibition in Port Harcourt, it was observed, “there is no document referred to as the national policy on the environment.” (The News, 2001). It was therefore suggested that Nigeria “needs a comprehensive environmental policy with in-built mechanisms, to react to changes in the international community.” There is need for government to address this issue, and not until this is done, it will be difficult for business organisations to respond appropriately. Such is the constitutional provision on resource control and allocation in the Constitution, which has been generating a lot of controversies between the federal government and oil producing states in the country. Such laws must be clear and straight to the point. The late Federal Minister of Justice and Attorney General of the federation has to take the matter to the Supreme Court for interpretation.

Ethical Dimension

Experts have argued, “morality is broader than legality.” (Skillington, 1996: 66) Moral consideration may be one of the ways to address the several environmental problems by the oil producing companies in Nigeria. It is possible that existing laws are silent on some environmental problems, moral consideration can provide necessary antidote to deal with such problems. This point seems to have been corroborated by SPDC, which *inter alia* states, “It is not our role to develop the communities. But we feel our responsibilities that we have to work with these communities and we like to assist these communities, to help them in some ways.” (Tell Magazine No. 1, January 7, 2002, p.49).

Social Responsibility

Arising from the above, oil companies in Nigeria like in any part of the world must accept social responsibility as part of their business in their areas of operations, or else they should be blamed for the violence in the region. This point is corroborated by Bennett (2002:1) “The international business community will increasingly need to promote greater economic inclusion and social justice in its operations, or it will be blamed for contributing to the conditions that lead to violent conflict.” According to an observer, “the private sector can contribute to preconflict or conflict prevention strategies in stable and peaceful regions in three ways ‘through its

business activities, social investment programs, and engagement in policy dialogue and civic institution building.” (Bennett, 2002). It adds “business can play a role in conflict prevention through activities that incorporate social and environmental policies and guidelines on human rights.” It is further argued that multinational corporations can contribute to crisis management in conflict zones through commercial or philanthropic support for humanitarian relief and responsible management of security arrangements for the company’s operations, thereby minimising the risks of human rights abuses. (ibid). Finally, Bennett concludes, “businesses can support post conflict reconstruction and reconciliation by participating commercially in rebuilding infrastructure and investing in key productive sectors”. For example, oil companies in Nigeria can address the factors that promote conflict in the oil producing areas namely, land degradation, general pollution, poverty, social injustice/ inequality and unemployment.

Waste Management

This is an aspect that calls for extreme caution and awareness on hazard associated with environmental wastes. The toxic wastes saga in Koko in Warri North Local Government in Delta State in 1987 is reflective of the explosive danger associated with poor management of wastes.

A recent report by Amosu (2002) *inter alia* states,

At least 50,000 tons of obsolete toxic pesticides and associated wastes have accumulated in African countries in the last 40 years. These pesticides, sometimes in concentrated stockpiles, pose serious threats to both rural and urban populations, especially the poorest of the poor. They contribute to serious land and water degradation and undermine future development.

Their presence is part of a global problem involving the worldwide increase in the production and use of chemicals, - over 100,000 are currently in use - coupled with the reality that many of these are what have come to be known as POP’s. This friendly sounding name actually describes some deadly killers, the persistent organic pollutants. Their effects are so toxic, on humans and wildlife, that after years of pressure from concerned activists, scientists and environmentalists, governments, in May 2001, took the first steps to eliminating these toxic substances, by bringing into being the Stockholm Convention,

a global and legally binding convention for the elimination of POP's.

The above is indeed a good step towards solving the problem of waste management. However, a fundamental problem still remains: "how can the terms of Stockholm Convention be implemented in developing countries like Nigeria?" Such important programme should be accommodated in the United Nations activities under the Security Council.

Disaster Prevention

In improving disaster prevention, there is need to conduct a study on areas of oil-refineries that are very prone to dangers and precautionary measures to be handed over to those that work in such areas.

CONCLUSIONS

The argument of the paper is that effective resources management is a *sine-qua-non* not only to political and economic stability but also to environmental stability. It is also reiterated that a major panacea to environmental crises is to promote awareness strategies; oil companies in Nigeria to incorporate social responsibility as part of their businesses; and finally address those key factors such as poverty, unemployment, social injustice, land degradation and pollution. In conclusion, the Federal Environmental Protection Agency (FEPA) should do more to make its impacts in enforcing the oil companies to respond appropriately to environmental problems in the areas of their operations in the country.

KEYWORDS Resources. Political. Economic. Pollution. Environment.

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