

ARTISANAL REFINING AND CONFLICT IN RIVERS STATE

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<https://doi.org/10.37602/IJSSMR.2023.6401>

ABSTRACT

This paper sought to critically interrogate the challenge of artisanal refining and conflict in Rivers State. Communities in Rivers State have recorded conflicts traceable to artisanal refining. Artisanal refining of petroleum products has become a source of revenue for young people in the oil-bearing communities of Rivers State. The activities of these artisanal refiners pose a lot of conflict within the communities, and with it comes attendant economic, environmental, and social consequences for the country. While adopting the relative deprivation theory, the paper discovered that the contributing factors to artisanal refining of crude oil have been discovered to include ethnic marginalization/neglect, political exclusion, unemployment, poverty, political manipulation, youth exuberance, state repression, youth solidarity, and attitude toward multinational oil companies (MNOCs). Based on the above findings, the paper recommends the establishment of modular refineries that will increase employment for youths and further reduce the trend of the phenomenon.

Keywords: artisanal refining, conflict, ethnic groups, militia groups.

1.0 INTRODUCTION

Artisanal refining, otherwise known as ‘kpor fire’ appears to have become a popular topic of discourse not just in Rivers State, but the entire oil-producing Niger Delta. It refers to the refining of crude gotten through illegal means. Attah (2012) reports that oil theft and illegal artisanal refining in the Niger Delta generally and in Rivers State started gradually since the end of the militant crises in 2009 but became emboldened from 2016. These artisanal illegally refined products are processed with locally sourced fabricated materials and the refining process is most times very risky.

Ofehe (2009), an eye witness, reported that:

The operators buy crude oil from oil bunkering agents and store in reservoirs. The refinery has drums fitted to water container storages that act as coolants with pipes protruding from behind the makeshift furnaces. They make fire from locally collected woods which subject the drums (furnace) to extreme heat. The crude oil is heated to varying temperatures to get fuel, kerosene, diesel and associated gas.

Artisanal refining can be attributed to poverty, underdevelopment and employment. Consequently, the neglect and relative deprivation of petrodollar benefits propelled the inhabitants to establish illegal refineries for the artisanal refining of crude oil in many communities in Rivers State. These group of persons engage in siphoning crude oil from the oil pipes, refine it into petroleum products such as diesel and kerosene for local markets to earn their living which is contrary to the Hydrocarbon Oil Refineries Act of 1965 which states that “no refinery shall be operated or constructed in Nigeria without a license by the minister” (Dominic, 2016). Artisanal refining is criminal hence the reason for the incessant clampdown by security forces leading to the exchange of gun fire and escalation of conflicts beyond artisanal refining sites into the communities.

Of interest to this paper, however, are the major consequences of artisanal refining – one of which is conflict. Thus, Obenade and Gordon (2014) affirmed that oil theft and artisanal refining in the Niger Delta is a massive and growing problem which was evident in the conflict generated from the bombardment of artisanal refining sites by the Nigeria Joint Task Force (JTF) in Bodo West community Gokana near Bonny and Okirika. These hostilities have been carried out by new groups such as the Niger Delta Avengers (NDA) and the Niger Delta Greenland Justice Movement (NDGJM).

Rivers State has been a hotbed of violence and instability for quite some time – orchestrated by non-state armed groups. Most of these are traceable to oil and the proceeds therefrom. For instance, Rustad (2018) opines that even though the 1999 Constitution provides that mineral rights in Nigeria are held by the Federal Government, this structure has been unresponsive to oil producing communities’ grievances. Consequently, oil-producing communities of Niger Delta have gone through various declarations like the Ogoni Bills of Right, Kaiama Declaration of the Ijaws, Akalaka Declaration of the Egis in old Ahoada Local Government Area, known politically as Orashi region (Uwagbale, 2018).

In June 2009, the Federal Government of Nigeria proclaimed an amnesty and implemented a Disarmament, Demobilisation and Reintegration (DDR) programme for armed militant groups in the Niger Delta. The DDR programme in the Niger Delta was implemented under a framework that is locally known as the Presidential Amnesty Programme (PAP). The Presidential Amnesty Programme (PAP) was modelled after the United Nation's Disarmament, Demobilisation and Reintegration (DDR) interventionist programme.

Following the failure and not-too-impressive management and implementation of the PAP over the years, especially as it concerns achieving its main objectives, hostilities returned to the Niger Delta and this time around, with a more dangerous trend in illegal artisanal refining which have bred series of communal conflicts in the region and has targeted oil industry infrastructure since January 2016. It is on the basis of the above premise that this paper x-rays artisanal oil refining and conflict in Rivers State.

2.0 STATEMENT OF THE PROBLEM

The socioeconomic effects of artisanal refining are enormous. For instance, artisanal refining emits carbon dioxide, methane, hydrocarbon into the atmosphere resulting in greenhouse gas emission that destroy the ozone layer that shield the earth from direct sunray. Their activities negatively impact on the environment., there is a decline in the agricultural food production, increase in the high weather temperature, decline in sea food, increase in heavy rainfall leading to erosion and Flooding, haze weather in afternoon, decline in forest resources, the soot pandemic, health challenges, corrosion of building roofs, deforestation. These have resulted to several conflicts the most notable amongst them is domestic violence. An FFP/PIND report of 2018, Domestic Violence in Rivers State, indicated that when head of homes are no longer able to bring home sufficient harvests for food, for sale and for the next planting season, it often leads to frustration that escalates to the level of domestic violence if left unchecked.

There is presently a high proliferation of artisanal refineries spread across every nook and cranny of the Niger Delta and with artisanal refining came the emergence of youth warlords, rival cult groups, arms proliferation, increase in school dropouts, loss of moral values etc. each site is said to be owned and manned by a particular cult group. SDN (2017) identified illegal artisanal refining sites in Goi community in Gokana LGA controlled by the Ice landers, Bomu and Bolo controlled by 'Dey gbam' group, there are also some identified in the Elele Alimi and Ahoada axis controlled by the 'Aiye confraternity' popularly known as 'black axe'. The resultant effect is the proliferation of small arms and light weapons which is deployed to ward off trespassing groups and government security agencies and results in high degrees of conflicts and violence. Sea piracy has been linked to artisanal refining activities, according to Social Action (2019) security operative's clampdown on artisanal refiners destabilizes their activities for a while and leads them into other forms of criminality. They hijack boats, rob waterway users and even engage in kidnapping and other forms of banditry to raise money to bribe corrupt security operatives to enable them to go back to their business.

The present economic situation does not help, as many unemployed graduates and unskilled youths have found artisanal refining as a way of meeting their financial needs. Artisanal refining business is fast becoming everyone's business as key actors range from government officials, politicians, members of Joint Task Force (JTF), and community leaders. The youths who are in most cases caught in the crossfire with security agents are mere foot soldiers, taking instructions from the key actors. The fund or capital and technical know-how required to set up such ventures are not accessible to poor, illiterate youths whose main occupations were fishing and timbering. According to Social Action (2016), the Nigeria Security and Civil Defence Corps (NSCDC) have reported several raids on artisanal refining sites which seem to have relatively reduced the activities and thus boosted the Nigerian government income from the oil sector. But recent studies reveal that most of the Nigeria Security and Civil Defence Corps (NSCDC) and Nigerian military officials are so corrupt with some being directly involved in the activities of artisanal refining and therefore sell directly at the international waters as was opined by Asuru and Amadi (2016) in a USIP special report. This has, thus, hindered their ability to effectively stop most of the artisanal refining activities going on in the area.

Key Objectives:

- investigate artisanal Refining and Conflicts in the Niger Delta;
- examine emergent Factors for Artisanal Refining in the Niger Delta;
- evaluate the impact of Artisanal refining on socio-economic developments in Rivers State; and,
- analyse the role of corrupt law enforcement agents on artisanal refining.

3.0 THEORETICAL FRAMEWORK

This paper is anchored on the relative deprivation theory as its theoretical construct. Relative deprivation is multidisciplinary theory used in investigating a social relation in a given environment. Historically, Stouffer (1900-1960) is attributed with developing relative deprivation theory based on his observation during the World War II. Thereafter, the relative deprivation theory was propounded in his study entitled 'The American Soldier' (1949). Relative deprivation is defined as a belief that someone feels deprived of something which she/he is entitled and others are the core beneficiaries. Pettigrew (2015, p.12) argued that "relative deprivation is a social psychological concept par excellence". Pettigrew further postulates that it is "a subjective state that shapes emotions, cognition, and behaviour. It links the individual with the interpersonal and inter-group levels of analysis" (Pettigrew, 2015, p.12).

The theory of relative deprivation has been proven useful in various areas, especially in situations of frustration and discontent in an environment where injustice, abuse of state powers, lawlessness, and impunity are inherent in a system. Linking the relative deprivation theory to this paper, the denial of Niger Delta inhabitants the benefits from the petrodollar revenue by the federal government and the multinational oil and gas companies operating in the State. It is significant to note that Rivers State is one of the highest crude oil-bearing States in the Federation.

The inhabitants of the State feel deprived from the petrodollar benefits from the crude oil extracted from their land, hence, the resultant consequence is the arbitrary setting up of local refining of the crude oil by the Niger Delta inhabitants, which has adversely impacted on the socioeconomic development in region. The impacts are the emergence of youth overlords, cultism, arms proliferation, increase in school dropouts, loss of moral values, among others, while the economic implication includes oil sabotage, facilitating oil theft, which sometimes might lead to an oil spill, loss of revenue from the federal government, among others.

4.0 CONCEPTUAL CLARIFICATION

4.1 Artisanal Refining

The Social Development Integrated Centre (2014) defined artisanal refining as a small-scale or a subsistent distillation of crude petroleum over a specific range of boiling point to produce usable products such as fuel, kerosene and diesel. Artisanal refining requires the use of indigenous skills with a little blend of modern technology. All artisanal refineries rely on oil theft to thrive. This implies that there is a constant chain relationship between oil theft and artisanal refining as it is believed that part of the stolen crude is channelled to the artisanal refineries. Oil theft and artisanal refining has now become a lucrative business in several locations in the Niger Delta with major actors including the unemployed and employed rural dwellers, staff of oil companies and corrupt government officials and security agents.

A study by Douglas and Cornelius (2019) on the impact of artisanal refining on soil microorganisms in Rivers State showed that the continuous contamination of soils by the activity of artisanal refining leads to decrease in microbial population and diversity, which may result in devastating ecological damage that may affect food chain and in turn animals and humans. Commenting on the impact of artisanal refining of crude, Nigerian NRC (2014) stated that the environment is severely damaged at all illegal refining sites. The most obvious signs are dirty water in the rivers with sheen of oil visibly floating on the surface and frequently littering the riverbanks with lumps of oil. As a result, the vegetation along the riverbank is dying, as are the vegetation in the vicinity of the camp. In fact, stakeholders in the oil and gas industry have described illegal artisanal refining in Nigeria as a major source of pollution (DPR, 2018).

The degradation of the ecosystem which provides source of livelihood for the population of the rural areas where the illegal refining activities are located impacts on the artisanal petroleum refining and local people in the form of dynamics in occupations. Occupational dynamics refer to changes in the occupational structure or characteristics of the population. According to Igben (2014), it is determined by both internal and external factors. The former comprises an individual's acquired skill, age, sex and marital status while the latter comprise the prevailing economic activity and dynamics in an individual's geographical area. In this study, it is influence by the presence of artisanal refining activities. In spite of the plethora of studies and comments on the impact of artisanal refining on the physical environment of the Niger Delta, there are no known study of the impact of this activity on the social environment particularly on the changes in occupational structure of the people; hence, this study examines the occupational changes of the population in areas where the activity is carried out. Specifically, the study attempts a comparison of the occupational structure of the population in areas of artisanal refining activity and areas where there no such activity.

According to Fyनेface (2019), the federal government should integrate artisanal refiners into mainstream refining to address oil theft, illegal refining and environmental pollution in the Niger Delta region. This is to further manage the conflicts between security agencies and artisanal refiners which impacts more on the host communities rather than the artisanal refineries and refiners. In Goi local government area of Ogoni for instance, a military bombardment targeted at reducing illegal artisanal refining activities in the area splurged the communities around the sites into darkness, loss of farm produce and destruction of properties. The effect of these security clampdowns cascades to sea piracy and other forms of criminality due to the existence of arms.

Accordingly, a publication by the Social Development Integrated Centre, (2014) indicated that:

On the average, a typical artisanal refinery produces about forty to sixty drums of diesel and seven hundred and forty litres of PMS per day. The bush refinery varies in sizes. Small scale sites littered in communities like Goi and Ohaji and Auchu tend to attract women and people with low levels of capital to invest, while large scale sites like in Igbomotoru, Bidere, Bolo in Ogubolo etc. are usually owned by entrepreneurs because they are usually capital intensive.

There have been several government responses to illegal artisanal refining, the most prominent was the visit by Vice President Yemi Osibanjo, who got representatives of refiners in the presence of civil society representatives to sign a memorandum of understanding to build modular refineries, strengthen the capacity of the refiners, create access to the raw materials including the crude oil and incorporate the services of the refiners. According to Fyनेface (2019), this was intended to reduce oil theft and oil spillage which had been the bane overtime due to amateur processes of production. However, five years after that intervention, more artisanal refining sites have sprung up in different communities of Rivers State and have developed even more than it was, as a result, Rivers State and its environs are experiencing soot from massive air pollution, constant conflicts arising from security clampdown and health challenges amongst others.

More so, illegal artisanal refining activities have led to factions springing up to challenge the artisanal structures thus leading to arms proliferation. According to Nyiayaana (2015), arming community vigilantes to keep peace and because there has been the existence of armed groups in communities created chaos occasioned by massive exchanges of gunfire which led to several displacements and fatalities as was evident in Gokana and Khana LGAs. Again, owing to the financial gains accrued from the activities of artisanal refining, several cult gangs/groups have risen, thereby leading to several conflicts and anarchy in the society. According to SDN (2019), all levels of the artisanal oil value chain are more organised and more profitable than they were five years ago, and based on an increased absorption capacity per camp, it is estimated that there is five times the number of refineries than there were five years ago, and total supply chain earnings increased about twenty-four times.

4.2 Artisanal Refining and Conflict in the Niger Delta

It has been argued that the African society is largely collectivistic and not individualistic (Ahiauzu, 2009), but even though the operators of illegal artisanal refineries share in the communal living structure of the communities, they rely on their individuality for economic survival. Allen, (2012) justifies this argument by positing that “in Afrocentric cultures and tribes, individual entrepreneurship is encouraged, nurtured, harnessed, celebrated collectively and highly respected, almost to the point of canonisation.

The paradox in Nigeria, being an oil-producing nation yet not being able to refine enough petroleum products to satisfy local consumption, is a major cause for concern to stakeholders who believe that the government has to encourage innovativeness to resolve the paradox. While the rest of the oil-producing countries have modular refineries, Nigeria has none and the failure of the state has propelled the locals to establish illegal artisanal refineries, and by so doing, demonstrating innovativeness.

Aiswarya and William (2017, p.8) argue that:

Africa’s achievements and genius do not lie in technology, but in social and spiritual spheres. If Africa is going to enter and win in the global economic arena, it will have to draw on its spiritual and social heritage. The beautiful things in Africa still have to be created.

The infusion of these traditional modes into the scientific thought process is likely to lead the Nigerian society to greater innovativeness.

A local resident asked, “What could be riskier than vandalising highly combustible pipelines and transporting crude in locally fabricated wooden boats, or building local refineries and living in the wild creeks in defiance of the State?” The operators of illegal artisanal oil refineries are daily under the surveillance of the state that deploys the security forces to fish out and prosecute offenders for economic crimes. The process of crude theft and refining, which is done without best safety standards, are all very risky ventures and, on several occasions, respondents say lives are lost. Yet these refineries thrive. The fear of the unknown has the potential to cripple lofty visions that could advance any society.

4.3 Emergent Factors for Artisanal Refining in the Niger Delta

Several schools of thought have been put forward to explain the emergence of artisanal refineries. In a study by Social Development Integrated Centre (2014), four analytical perspectives can be distilled from the narrative which was put forward to explain the emergence of artisanal refineries in the Niger Delta.

- i. The first school of thought traced its emergence to the Biafran army of the Nigerian Civil War that lasted from 1967 to 1970. It asserts that “the Biafran army innovated a small-scale refining when its refined petroleum needs could not be met because of the blockade placed on the rebellious region by the Federal Forces”. This technology did not die with the unsuccessful Biafra secession bid. Instead, it has been re-introduced and imbibed by the present generation of artisanal refiners across the oil producing areas in the Niger Delta region.
- ii. A second school of thought claims a link between the illicit relationship between oil workers and idle young men in the Niger Delta, who are out to make a quick living or illicit profit. Proponents of this perspective argued that unknown petroleum engineers offered the technology to locals out of sympathy in order to provide them with a means of livelihood following the collapse of farming and fishing in the wake of oil-induced environmental devastation. Others insist, however, that rather than an act of benevolence, it is really a mutually beneficial collaboration between greedy oil workers and self-seeking local youth.
- iii. The third school of thought claims that the practice was started by makers of local alcoholic beverage (local gin), which is made from distilling palm wine. This local distillation technology was successfully used to refine petroleum products at a time of dire scarcity of petrol, diesel and kerosene in Nigeria. The ingenuity of the palm-wine tapper was apparently sparked by the imperative of demand and supply where needed refined petroleum products were in high demand but with limited supply from legitimate sources.
- iv. The fourth account suggests that Niger Delta militants started artisanal refining during the period of their militancy because, they were in dire need of constant refined petroleum products for their speed boats after their supplies were cut off by the government in the heat of the Niger Delta militancy. Subsequently, it was embraced by well-heeled and poor folks alike, even as petroleum products routinely became scarce in the official market place. This situation is then compounded by

poverty and lack of access to petroleum products in the challenging and difficult terrain of the Niger Delta. The taskforce was baffled how militants in the mangrove forest were getting fuel to run their speedboats and generators. The illegal refineries were mostly responsible for supplying militants their fuel needs, even though the petrol and diesel wreak havoc on the engines.

These schools of thought for the origins of artisanal refining notwithstanding, more salience is often placed on the notion of existential exigency and the pressure that this puts on artisanal refiners to make a living. History has it that years back, before the era of oil boom in the region, yields from farming, and catches from fishing expedition, were so bountiful and markedly high making exportation imperative, but today reverse is the case, very poor harvest, and scanty or no catch characterised agricultural activities in the creeks and hard patches of the region (Howard, 2004). This trend, most researchers in environmental studies strongly attribute to high level of contamination of the aquatic and terrestrial ecosystems owing to oil exploration/exploitation in the region (Wokocho, 2002). As a response to the depletion of livelihood-dependable resources, some youths in the Niger Delta have been involved in oil theft and refining of crude oil, using local technology – artisanal refining.

Uwagbale (2018) opines that when marginalised communities are faced with problems, they adapt to find solutions of their own. Niger Delta communities in Nigeria have been economically marginalised for decades, leading to poverty and massive unemployment; as a result, many young people in these communities are solving their employment problem with materials and knowledge available to them. Artisanal refining involves stealing crude oil through artificial holes bored on pipelines, and refining the oil by heating in locally crafted drums, having been added with some chemical additives. In most cases, those involved in this illicit business, use diesel as primary product.

In the same vein, Naanen and Tolani (2012) argued that oil theft and artisanal refining are rooted in socio-economic factors that have been at play in the Niger Delta and the nation since the discovery and exploitation of oil from the 1950s. This, they pointed out, has made the people to develop an anti-establishment, anti-state and anti-corporate psychology. Available literature on the subject seems to differ in regards to the economic benefits of artisanal refining activities in the Niger Delta.

Also, the United Nations Environmental Program (UNEP) environment assessment of Ogoniland highlighted that in addition to poor pipeline maintenance by international oil companies, illegal oil refining in the Niger Delta is a major cause of environmental degradation. Presenting a contrary perspective, Obenade (2014) argued that illegal artisanal refining fills an economic vacuum for young men (and women) in the creeks and remote rural communities who suffer the adverse ecological impacts of oil extraction, but derive little or no tangible economic benefits.

4.4 Emergence of Overlords and Cult-Related Activities

Artisanal refining in Rivers State and the Niger Delta at large is a criminal enterprise which is contrary to the laws of the land. Oil theft and illegal refining have become a source of power and wealth, especially to the youth who engage in the criminal enterprise of oil theft and local refinery. To secure the business and maintain their suzerainty, the overlords involve in crude

oil refining acquire arms to protect their business against the security agents on one hand and other rival cult groups which are contending for space or tapping points with them. Stolen and locally refined crude oil was used in funding various militant groups before the offer of the amnesty programme by President Yar Adua. The overlords of various groups recruit young boys and increase their numerical strength and scope value. They acquire modern arms with the monies realised from the sale of stolen crude oil and refined products in order to maintain their dominion in the illicit business.

Despite the amount of fund expended by the federal government on amnesty programme, some of the groups continued with oil theft and artisanal refining in the creek. At present, young men have constituted themselves as overlords. These overlords fight to gain prominence and control a particular zone or defend their own zone. Most times, there contestation over who controls a tapping point result in killing and attack among the cult groups and sometimes, many innocent victims that are relatives to the lords are killed or maimed. Naanen and Tolani (2014, p.48) noted that: In the Bodo axis of Rivers State, the influence of the dreaded cult groups “Deebam” and “Deewell” is prominent in the day to day running of illegal oil theft in the area. Our investigations showed that the leadership of these groups shares bunkering “points” on the pipelines. It is from these points that crude oil is delivered to buyers. Nobody can install or own a point without the permission of these leaders. The permit is not easily given so that they can remain in firm control of the business. We also understand that this control is one of the major causes of communal clashes in the area which has resulted in the loss of many lives.

4.5 Environment

The artisanal refining pollutes the atmosphere like the gas flare by the oil companies. The impact of the artisanal refining of crude oil is devastating to the atmosphere. It emits carbon dioxide, methane, among others, that deplete the ozone layer that protect the earth from direct sunray. According to the UNEP (2011) report in Ogoni land, it was observed that: The impacts of each illegal refinery are small; the cumulative effect risks an environmental catastrophe, the costs of which would far outweigh the short-term economic benefits derived. Unless artisanal refining of crude oil is brought to a swift end through effective regulatory action, in conjunction with development and educational initiatives, it has the capacity to cause further serious damage to the ecosystem and the livelihoods of the coastal communities in Ogoniland and beyond. The process of artisanal refining of crude oil starts with tapping or siphoning it from the oil pipes. Since the process is unprofessional, sometimes it generates a large spill in the environment causing damage to plants, soil, aquatic lives, among others. In fact, the soot crisis in Rivers State is partly attributed to this illegal business.

4.6 Food Security

Rivers State economy before the advent of white-collar jobs, was predominately agriculture. Rivers State has “high concentration of marine and forest resources that are sources of food, medicines, fuel, shelter and industrial raw materials” (Asuru & Amadi, 2016). They cultivate crops such as cassava, palm oil, yam, cocoa yam, sweet potato, plantain, among others. Rivers State is gifted with several sea foods, which include Bonga, Sardine, Croaker, Catfish, and periwinkles, Mullet, Spanners, Sharks and Barracuda, among others. The State also has large arable land that supports food production and cash crops. However, the hydrocarbon that

emanates from the artisanal refining affected the food security in Rivers State. The carbon that is realized during the process leads to the depletion of the ozone layer that shields the earth from direct sunray. Subsequently, this contributes to global warming leading to climate change, which affects harvest both the crops and fish in Rivers State, besides the process leads to deforestation that affects forest resources. The oil spill that takes place during the process of stealing the crude oil before refining affects the crops and mangroves.

4.7 Public Health

Decades of oil exploration and exploitation leading to environmental degradation emanating hydrocarbon from the gas flare has been complicated and worsen in recent years by the artisanal refining. There are two categories that are vulnerable. The first is the general public that inhales these substances emanating from the artisanal refining emission, and the second is the health of the refiners working in a toxic environment and inhaling the dangerous hydrocarbon when they are cooking the crude oil. The UNEP Report (2011, p.14) revealed that: There is a high risk of self-harm from artisanal refining a large number of accidents, fires and explosions on refining sites claim dozens of lives every year, quite apart from the long-term health effects of ingestion, absorption and inhalation of hydrocarbons. Given the circumstances under which these refineries operate (regularity of the practice; dozens of workers to be transported in and out, accommodated and fed; huge smoke plumes above the distilleries all day indicating the locations even from a distance, etc.), it is hard to understand why no action is taken by the local and regional authority police, army or navy to stop the practice. Consequently, the health status of those who engage in artisanal refining is worse than those who reside in the environment where the operation is not taking place. Naanen and Tolani (2014, p.69) noted that, “the people involved in artisanal refining have taken what could be regarded as an overdose of harmful petroleum substances and may not be expected to escape the long-term effect.”

4.8 Economic Impact

Artisanal refining in Rivers State in particular and the Niger Delta in general is a threat to the national economy. This illegal refining activity leads to crude oil theft. Nigerian economic survival is tied to crude oil that contributes 80 percent of her foreign exchange earnings. Hence, whatever affects the production of crude oil definitely shakes socioeconomic development in Nigeria. Despite the degree of financial loss from crude oil theft, further cost is incurred by the NNPC Joint Venture partners for the repair of the vandalized oil pipes; the cost of this is exorbitant. Based on the NNPC monthly financial report (November 2016), the “total earnings from domestic crude oil and gas sales, N11.78 billion was spent on pipeline repairs and management compared to N12.34 billion in October 2017. The corporation said it lost N127 billion to crude oil theft and infractions in 2016” (The Sun Editorial, 2018).

4.9 Corrupt Law Enforcement Agents and Artisanal Refining

The lapses in security of oil exploration facilities in the Niger Delta led the Federal Government to set - up a Joint Military Task Force drawn from the army, navy, air force and mobile police to restore peace, especially in the areas affected by the inter communal clash and prevent other criminal related activities that could affect oil production since 1990s. “With the emergence of armed resistance, the role of the JTF was expanded in the area and has become sort of permanent feature of the social landscape. In many ways, the JTF has taken over policing

functions even though its members are not trained and equipped for law enforcement” (Social Action Briefing, 2016, p.3). The JTF now involved in illegal deals with artisanal refiners in Rivers State and the Niger Delta at large. The Stakeholder Democracy Network (SDN) (2013, p.34) Communities Not Criminals: Illegal oil refining in the Niger Delta, revealed that: There is extensive evidence that some corrupt members of the JTF actively participate and profit from oil theft and illegal oil refining. This research suggests that a relatively small number of senior officers must have criminal ties to the tap point owners, unions and camp managers, as this is where most profits are made.

Going by the relatively small size of protection payments for vessels, it is likely they leave other lower ranking officers to share the relatively small “transportation taxes” from distributor vessels as a supplement to their official wages. Akin to SDN 2013 report on the role of security agents in artisanal refining of crude oil in Rivers State was the Sahara Reporters report (2017) titled: Dangerous but Lucrative: The Business of “Crude Oil Cooking” in the Niger Delta. The report disclosed that one of the artisanal refiners named Scorpion contested the claim of the Nigerian Navy, which said it seized stolen crude oil worth N420billion in 2016. According to Scorpion, there is no way in the world in which the Navy would seize that quantity of crude because the security agents collaborate with villagers to steal crude and sell off to illegal refinery operators...

Me no get access to crude. Somebody supplies, another brings it to me. My own is to cook it and send it to market...they [security agents] go after illegal refinery operators only when they feel like impressing their bosses” (Sahara Reporters New York, 2017).

A review of the above analysis indicates that artisanal refining activities in Rivers State in particular and Nigeria at large has been institutionalised by those involved in the business. They see it as a source of wealth creation, thus, undermines its socioeconomic implications to the oil-bearing communities. It is worthy to note that oil theft in the Region increased due to plausible flourish from this business. Consequently, the activity impacts education, agricultural, health, economic, environmental needs of the state and the people.

5.0 CONCLUSION

Conclusively, the contributing factors to artisanal refining of crude oil has been discovered to include ethnic marginalization/neglect, political exclusion, unemployment, poverty, political manipulation, youth exuberance, state repression, youth solidarity and attitude of MNOCs. From the foregoing, the alleged neglect and marginalization of Niger Delta Region (despite the huge financial contribution) was indicated as the major factor that has generated the phenomenon of artisanal refining.

5.1 Recommendations

- i. There is need for the establishment of modular refineries that will increase employment for youths and further reduce the trend of the phenomenon.
- ii. Oil and gas companies in the state should give preference to graduates from impacted communities during employment as this will help to reduce the feeling of neglect.

- iii. Security agents should stop the burning and bombing of artisanal refining sites as it causes further damage to the environment but should rather evacuate products from such sites. And should also desist from aiding and abating artisanal refining in the state.

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