

2 Sustained misery

Shell in the Niger Delta

‘Our core values of honesty, integrity and respect for people define who we are and how we work. These values have been embodied for more than 25 years in our business principles, which since 1997 include a commitment to support human rights and to contribute to sustainable development.’

How we work: honesty, integrity and respect, shell.com¹

In Etegwe, in Nigeria’s Bayelsa state, the smell of oil is overpowering. The creek onto which Irene Edema’s house looks is awash with what from a distance appears to be a thick black soup. Close up it is clear that the community’s main source of water for drinking and washing is now choked with crude.

‘Our plantains have died,’ says Edema, a 47-year-old health worker and mother of eight. ‘Our fishpond is ruined and 50 fish were killed. I have to keep an eye on the young children the whole time. If they fall in there, it could be fatal.’

Further downstream, in Edepie, chief Game Emanuel is already counting the human cost to his community. ‘One child died after being caught in the crude,’ he says. ‘About 20 of our people are going to hospital each day with skin problems, breathing difficulties and other illnesses.’ (See ‘Oil, Oil Everywhere’, below.)

The people of Nigeria’s oil-producing region, the huge expanse of delta where the river Niger reaches the sea, need no reminding about the significance of oil. They have been living with the consequences of a world that cannot get enough of the stuff for more than half a century. It provides more than 95 per cent of the country’s hard-currency earnings. But while it should, and still could, bring prosperity to the Niger Delta, it has so far brought misery. For these people, one name is synonymous with all the ills oil has visited on their communities: Shell.

Shell Nigeria produces about 800,000 barrels of oil per day, pours hundreds of millions of pounds in revenue into Shell International every year, contributes 13 per cent of Shell’s total turnover and will be the company’s main source of expansion in this decade.² But while financially lucrative, the company’s Nigerian operations remain in other respects the company’s Achilles’ heel.

It took the death of nine activists in 1995 at the hands of Sani Abacha’s brutal military dictatorship to awaken the rest of the world to what oil exploitation was doing to the people of the Niger Delta. Among those killed was Ken Saro-Wiwa, a charismatic poet who had led the Ogoni people in their opposition to oil exploitation on their land. It is believed that prior to 1995, thousands of Ogonis lost their lives at the hands of the Nigerian military during protests against Shell.³

Saro-Wiwa, a vociferous opponent of Shell, was hanged by his government in the same year that the company faced a public storm over its plans to dispose of the Brent Spar oil platform in the North Sea. It was an *annus horribilis* for Shell, which saw a sharp drop in its share price, a fierce response from consumers and an exodus of staff.⁴

Eight years later, new Christian Aid research shows that Shell, in spite of its claims of ‘honesty, integrity and respect for people’, has failed to use its considerable influence in Nigeria to bring about



Sophia Evans/NB Pictures

Polluted communities: some claim oil spills in the Niger Delta are as frequent as one per day

change in the Niger Delta. Shell is the operating company and largest stakeholder of Nigeria's main oil consortium. To many, it is the public face of Nigerian oil. Just as in 1995 and before, Shell presides over a situation in which the violence in the communities around the oilfields, exacerbated by cash payments made by the company, is spiraling out of control.

Christian Aid has found evidence that Shell's clean up of oil spills and repair of pipelines in Nigeria is scandalously inadequate and would never be tolerated in Europe or North America. Oil spills, made inevitable by a network of ageing pipes, many of which are still routed above ground, are left for weeks, sometimes months, without being cleaned up. Oil is carried downstream, visiting a deadly black plague on communities miles away from the original spillage. This makes a nonsense of Shell's claims of

'integrity and respect for people', and its 'commitment to support human rights and to contribute to sustainable development' in Nigeria.

Adding insult to injury, Shell has in recent years inflicted a dysfunctional development programme on communities in the Delta. The company says this is 75 per cent successful, but in arriving at its figure, only allows its external reviewers to examine projects no more than one year old. It is Christian Aid's view that Shell's community development programme is also too closely associated with the company's commercial activities and is targeted at communities in which Shell already works or hopes to expand its operations – a view with which Shell disagrees. The region is now a veritable graveyard of projects, including water systems that do not work, health centres that have never opened and schools where no lesson has ever been taught.⁵

As recently as 2002, concerned shareholders made Shell chief executive Sir Philip Watts, who served as Shell Nigeria's managing director in the early 1990s, personally aware of some gross failures in community relations. But the same problems persisted when Christian Aid carried out its investigation in October 2003. As Sir Philip has said: 'Corporate social responsibility is not a cosmetic; it must be rooted in our values. It must make a difference to the way we do our business.' But Shell's commitment to corporate social responsibility looks shallow in the light of the sustained misery of the people of the Niger Delta.

Shell's community development programmes

'Our community development approach seeks to promote an enabling environment... [the Shell Petroleum Development Company of Nigeria] continues to support education... Through focusing on water and sanitation and on health, we continue to promote healthy living standards.'

Shell Petroleum Development Company of Nigeria 2002 report⁶

'The rain drains waste into the stream. People bathe in the water and urinate in it. But it's all we have to drink,' says Blessed Osuji as she collects water from Umuechem's only source – a polluted stream close to the village. Mother of ten Helen Omesurum fills jerry cans in the stream. 'It can cause typhoid, but there is no other water,' she says.

All day a line of people file to the stream and back, passing dry taps built in the village using community development money generated by oil.

Christian Aid saw six 'community development' projects in the 10,000-strong community of Umuechem in Rivers state in the Niger Delta, four 'donated' by the Shell Petroleum Development Company of Nigeria (SPDC) and two by the state-financed Niger Delta Development Corporation (NDDC).⁷ None of them function.



Sophia Evans/NB Pictures

Oil, oil, everywhere: oil spills seep into creeks and pollute miles of waterways which people rely on for drinking and farming

The broken NDDC-supplied water system most directly threatens life and health. But on the way to the nearby Shell flow station, which has fresh water and electricity for its employees, there is the SPDC women's centre, in which no meeting of women has ever been held and a *garri* (cassava root) processing plant that does not work. To check on the SPDC post office, which has never handled a single letter, the SPDC secondary school, where no lesson has ever been taught, and the NDDC hospital, in which no patient has ever been treated, it is necessary to clamber through bushes overgrowing the sites. None of the projects were ever finished.

When Christian Aid met Shell to put its concerns to the company, Alan Detheridge, Shell's vice president for external affairs, exploration and production, pointed out that SPDC also paid for a 5.2km road in Umuechem. But, according to the people living in the community to whom Christian Aid spoke during its research, the road is also a source of frustration. Its overuse by vehicles driving to and from Shell's flow station, they said, mean it is frequently in a bad state of repair. Detheridge was also candid about the company's failures in Umuechem. 'I don't believe that many of these [Umuechem's] projects are in the best interests of the community as a whole,' he said.

Worse still, the spectacular failure of the community-development projects in Umuechem is reopening old wounds.

In October 1990, under military rule, the community resolved to demonstrate its indignation that, after more than quarter of a century of oil production on its land, it had no running water, electricity or secondary school. According to the members of the town's community that Christian Aid interviewed, young people mounted a peaceful protest at a road junction 3km from Shell's flow station. Local police danced and ate food brought from the village together with a good-natured crowd. In the face of the protest, the manager of SPDC's eastern division requested security protection from Nigeria's mobile police because of an impending attack on the flow station. The following day, young people from the community moved their protest onto Shell's premises.⁸

Shell contests this sequence of events, saying that its flow station was 'invaded by an armed group with guns and machetes that drove our staff away and demanded a number of things including the equivalent in naira of US\$12.5 million'. Then, says the company, the head of its division sent a letter requesting mobile police protection.⁹ However, a Human Rights Watch report, written in 1995, states clearly that a first request for protection from the

mobile police was sent prior to 'peaceful protests by village youths on the flow station territory'.¹⁰

A further published account of the incident states that the request for mobile police protection sent to the Rivers State Commissioner of Police by JR Udofia, Shell's Divisional Manager, was headed: 'Threat of Disruption of Our Operations at Umuechem by Members of the Umuechem Community'. Said Udofia in the letter, 'In anticipation of the above threat, we request that you urgently provide us with security protection (preferably mobile police force) at this location.'¹¹

The police killed three people when they first arrived, and another 45 the following day. They burned Umuechem to the ground, destroying 495 homes. By the time they had finished pulling demonstrators from their hospital beds and pursuing them through the local forests, the death toll stood at 80. An inquiry carried out by a retired judge in March 1991 also recorded the death of one regular policeman, Corporal Ojugbali. Shell says it 'very much regrets the suffering and loss of life that occurred. The company have gone on record many times calling for restraint from all sides in disputes'.¹²

The inquiry left open the question of whether the community's demonstrations were peaceful or violent but recommended compensation of several hundred thousand naira (£1 is worth approximately 220 naira) be paid to the survivors of the massacre. Cheques sent to families by the Rivers state government bounced. To this day, no-one has received a penny.¹³

It took the traumatised community ten years to recover sufficiently to restart its campaign for basic amenities. Its hopes had been raised when the water-supply system was installed, and dashed when it broke after a few months. It had watched contractors come to start, but not finish, the hospital, secondary school, post office and women's centre. The Umuechem town council sought help from the Centre

for Social & Corporate Responsibility (CSCR), a Niger Delta NGO linked to the UK-based Ecumenical Council for Corporate Responsibility (ECCR).

In May 2002, CSCR representatives visited Umuechem and reported a '100 per cent failure' of SPDC and NDDC community projects. In a letter to NDDC, the group pleaded for prompt action, warning that the population remained 'traumatised' and its young people were 'volatile and prone to restiveness'.¹⁴ Seventeen months later, when Christian Aid visited Umuechem, nothing had changed.

In October 2002, a group of Umuechem residents travelled to the Nigerian capital, Abuja, to protest to a panel of parliamentarians. They demanded a 15 billion naira (US\$100 million) compensation package from Shell. After a further five months, some residents staged a protest occupation of the flow station. Oil production was halted.

The confrontation threatened to result in another disaster, but was defused after CSCR and others conciliated. Community leaders say Shell signed a memorandum of understanding (MoU) with them, under which it agreed to 'take all necessary steps to resolve the grievances'. Community leaders in Umuechem also say that Shell promised to provide the town with fresh water and electricity, and recommence work on the secondary school.

Shell's Alan Detheridge told Christian Aid: 'The MoU has not been signed. It is certainly true that it was being negotiated and it is certainly true that clean water was part of that.' But during its visit to Umuechem, Christian Aid was given a copy of the MoU signed by 'Miss Tola Taiwo (Legal Adviser – SPDC Ltd)' and dated 19 May 2003.

'None of the things agreed in the memorandum have been forthcoming,' chief Nelson Amadi told Christian Aid. Shell has neither apologised for its part in causing the 1990 massacre nor protested at the Nigerian government's failure to pay compensation.

The Shell Nigeria website claims that the company 'repeatedly stated that we would not operate behind a military shield in the Delta' in the 1990s, but says nothing about the concrete instance in which 80 lives were lost after Shell requested the assistance of a notoriously brutal police against peaceful demonstrators. When asked by Christian Aid whether Shell would welcome a hearing on Umuechem in a court the company had confidence in, Alan Detheridge said: 'I don't think you welcome any lawsuit against you, frankly, but we'll put our case and see what happens. But I don't think it will solve very much however it turns out.'

Some responsibility for Umuechem's misery goes right to the top of Shell. In 2002, campaigners from a shareholder pressure group made Sir Philip Watts personally aware of Umuechem's continued suffering. As managing director of Shell Nigeria between 1991 and 1994, when the massacre was fresh in the public's mind, he might have regarded dealing with the situation in Umuechem as a priority. If he has taken action, no-one in Umuechem knows about it.

Development in reverse

'Corporate social responsibility is not a cosmetic; it must be rooted in our values. It must make a difference to the way we do our business.'

Sir Philip Watts, group managing director, Royal Dutch Shell

The failure of community development in Umuechem is not an isolated instance. The underlying problem with many oil industry 'community development' projects in the Niger Delta is that they are used not to help communities, but as a pay-off for access to land. They are all too often administered by exploration and production staff who know little about development and whose priority it is to keep oil flowing.

Oronto Douglas is a leading community rights campaigner and deputy director of Environmental Rights Action (ERA), part of Friends of the Earth

International. 'In response to our campaigning, the oil companies have introduced stay-at-home payments to youth, instead of providing employment,' he explains. 'They conclude MoUs with communities, most of which aren't fulfilled. They promise so-called development projects, but there is no incentive to make sure that these actually work. If Shell wants to put US\$69 million into community development, why doesn't it set up a foundation which has no direct links to the company and let development workers who know what they are doing manage the projects?'

Shell's Alan Detheridge told Christian Aid that its development projects were 'not all a doom and gloom story. If we were starting in Nigeria knowing what we know now we would do things differently,' he said. 'We would look a lot more carefully at what are the real needs and what are the real issues there. We would talk with a lot more people – NGOs, development agencies – with good advice to give, before we started.' Detheridge also confirmed that the company has considered distributing its community development money through an arms-length fund or foundation. 'That's something, frankly, we would like to work towards, but what you need is more capacity on the ground,' he said.

Development experts have repeatedly warned Shell about the problems with its community development programme. But the company prefers to trumpet the more-than-hundredfold increase in its community development budget – from US\$300,000-US\$400,000 per year in the early 1990s to US\$25 million per year in 1996 and US\$69 million in 2002 – than to publish, or discuss, comprehensive information on the impact of this expenditure. The extent of Shell's community development failure therefore remains difficult to quantify.

After a storm of criticism, Shell agreed in 2001 to allow development professionals to conduct an external review of its community projects. The review was limited to projects launched in 2000, and

its findings were leaked to the *Economist* magazine. Of the 81 projects visited by reviewers, 20 did not exist, 36 were partly functioning or partly successful and only 25 worked properly.

Two further reports, covering projects started in 2001 and 2002, show an improvement from terrible to bad. Of 87 2001 start-ups checked, external reviewers verified that more than one-third either did not exist or were not working.

Results improved in 2002, when only seven per cent of start-ups reviewed were non-existent, and a further 18 per cent unsuccessful.¹⁵ But the importance of these results is undermined by SPDC's failure to conduct external reviews of projects more than one year old. 'The reason why we take a year at a time is quite simply because we want to measure whether there's any actual improvement going on,' Shell's Alan Detheridge told Christian Aid. 'In 1997 we did a five-year review of 900-plus projects. At some stage, certainly not this year, maybe next year, we'll have another five-year look back to get an overall picture.'

The external reviewers' reports for 2000-02 start-ups recommend that projects must be sustainable, transparent and community-based. But similar points were made in a report commissioned in 1996 by Living Earth, a development NGO. Shell has not acted on this report.¹⁶

Now, Shell's community-relations work in the Niger Delta is reportedly undergoing another relaunch. Shell insiders say that from 1 January 2004 it will be re-labelled a 'sustainable community development programme'. The US Agency for International Development is teaming up with Shell on a US\$20 million, three-year malaria-prevention programme, and a new youth employment initiative is being launched with the World Bank's International Finance Corporation. But development and aid workers in the Niger Delta fear that this will do little to ease the growing tensions between oil companies



The Niger Delta's landscape is scarred by oil spills, and clean-up operations are often inadequate

and the communities in which they work. And sources in the Delta suggest that development agencies are hesitant to work directly with Shell because of its current community-development record.

A worrying sign is senior Shell managers' continuing aversion to a transparent examination of the company's problems. A report on Shell's relationship with communities in the Delta, co-written by Shell managers and the consultancy Congo On Line, was destroyed, according to one Shell insider. 'Even the computer hard disks were wiped.' Shell denies this and at a meeting with Christian Aid produced a copy of a report called *SPDC Review: Managing Community Interfaces – July 2002*. 'It's not our practice to spread these things widely throughout the organisation, frankly because they leak,' said Alan Detheridge. 'There are some significant changes that we have to make about the way in which we do our community

interfaces.' Christian Aid asked to examine a copy of the report, and awaits the company's response.

Oil, oil everywhere

'Being a good neighbour means taking the long-term view and learning – sometimes the hard way – to take more account of the impact of our operations on the lives of those around us.'

Shell Nigeria website

On 23 September 2003, in Yenagoa, capital of the Niger Delta's Bayelsa state, an excavator driven by Shell maintenance contractors accidentally ripped into a pipe carrying oil from production wells in the Gbarain field to the Kolo Creek flow station. A fountain of oil 20-30 metres tall erupted out of the high-pressure line for more than 24 hours before Shell employees clamped it. The oil poured into a creek, polluting the communities of Edepie, Etegew (see above), Okutukutu, Opolo and Biogbolo. Heavy

rain spread it more widely still. Shell staff placed about ten sandbags across one tributary of the creek and the contractors returned to their maintenance work.

Inemo Adaka is Bayelsa project officer for ERA. 'It was when they [the contractors] continued work, without having started clean-up operations, that anger boiled over in the community,' he says. 'Then Shell called in the mobile police to protect the contractors.' When Christian Aid visited the communities affected by the spill in late October, clean-up work had not begun. Shell met Christian Aid in mid-December, almost three months after the spill, and confirmed the clean-up had still not begun because of a disagreement between Shell and the Nigerian environment ministry over which contractor to use. When asked by Christian Aid whether the company had protested about the bureaucratic hold-up, Shell confirmed it had sent a letter to the ministry.

Shell managers' decision to continue maintenance work under mobile police protection seems doubly insensitive since local communities bore the brunt of the most recent large-scale massacre of anti-oil-company protestors.

In December 1998, under the transition government preparing to end military rule, soldiers attacked demonstrations opposing oil companies including Shell and supporting the Kaiama declaration of the rights of the Ijaw ethnic group. Human Rights Watch concluded that 'probably more than 100' people died, and that others were tortured, treated inhumanly and detained.¹⁷

During Christian Aid's meeting with Shell, Yaabari Uebari, a corporate adviser to the company on Nigeria and a former Shell community liaison officer in the Delta, blamed the spread of the spilled oil on nearby communities who, he said, had removed containment booms put in place by the company. 'They know that the wider the spill spreads the more

work there is in terms of clearing up, and because obviously local labour will be involved, they will get more money,' he said.

The response to the Yenagoa spill is not an isolated case. Christian Aid also visited Ogbodo in Rivers state, where a gigantic spill on 25 June 2001 was never properly cleaned up and continues to endanger life, health and the environment. Shell says this clean up has now been completed, although in late October Christian Aid saw a large quantity of oil still polluting the spill site.

While every major oil spill in Europe and North America makes headlines, the Niger Delta's disastrous, almost daily, spills are barely noticed.¹⁸ But after years of such spillages, there are now instances of people demanding compensation before allowing oil-company staff access to spill sites. Sabotage of pipelines, either to steal crude oil or to demand compensation payments, causes some spills. But now Shell managers and people from communities affected by spills are increasingly becoming embroiled in disagreements over their cause.

For instance, Shell is locked in a fractious dispute with community organisations and NGOs over a spill on 10 July 2003, estimated at 1,000 barrels of oil. A 40-year-old trunk pipeline at Rumuekpe in Rivers state broke at a point in the pipeline that had also ruptured in 1994. Shell says the pipeline was sabotaged. But people in the six communities affected by the spill are fearful that a clamp put in place after the 1994 rupture worked itself loose. If the clamp had been left for so many years, that would be at variance with customary good oil-industry practice.¹⁹

Andrew Palmer, research professor in petroleum engineering at Cambridge University, told Christian Aid: 'Many operators would not think of a clamp as an adequate long-term solution. Clamping is normally a stop-gap measure, to be used until a permanent repair can be made.'

NGOs allege that after this year's Rumuekpe spill, SPDC managers made proper subsequent examination of the cause of damage impossible by sending in engineers, protected by mobile police, to clamp the pipeline. Only three weeks after the spill, on 4 August, did a joint investigation team inspect the damage. Community leaders say that the team did not include a community representative and that they did not know E A Amadi, who signed the team's report on behalf of the community.

Shell told Christian Aid that there was no longer a dispute and the community had now accepted the spill was caused by sabotage and that the clean-up had begun. However, this view is at odds with the testimony of those to whom Christian Aid spoke in the Niger Delta. Chidi Lloyd, who represents Rumuekpe on the Rivers State Assembly and chaired the three-person commission of Assembly representatives set up to investigate the spill, confirmed that there was a divided community, some of which works with Shell, some of which does not.

Christian Aid has asked to see a copy of the Rumuekpe joint investigation team report, which Shell has said it will provide.

Demands for better pipeline construction and maintenance have been central to community campaigns in the Niger Delta for years. A veteran oil industry executive, speaking in late 2003 on condition of anonymity, said: 'The oil companies couldn't get away with what they do in Nigeria anywhere else on the planet. They don't care about the communities they work in: they went to Nigeria because the oil is cheaper to get at than anywhere else except Kuwait. And they haven't improved.'

In response to pressure, Shell says it is cleaning up its act. The Shell Nigeria website cites a 'major' pipeline-maintenance programme, and gives figures for the burial of flowlines (minor pipelines that take

oil from wells to flow stations) but not of pipelines. There is no publicly available information from SPDC on the lifespan of its pipelines in Nigeria or on the application of the lifespan criteria commonly used by the international oil industry, such as those applied by the American National Standards Institute (ANSI) and the US Environmental Protection Agency.

Alan Detheridge admitted that the company's 'overall picture' of the age and condition of its pipelines in Nigeria with respect to industry standards was incomplete. 'We will try to implement this [a chart of the status of pipeline replacement in Nigeria] for next year,' he said, confirming that the company considers the lifespan of flowlines across land to be 15 years and across swamps to be ten years, and seeks to apply ANSI standards 31.4 and 31.8.

'Today, most pipelines are designed for a lifetime of about 40 years,' says Professor Palmer. 'Design, materials and construction standards, and technology, have changed a great deal since the 1960s, however, and if issues regarding the lifetime of pipelines are raised, responsible operators have nothing to hide and should apply the maximum transparency. That's the position taken in countries such as the US and Canada with high standards of freedom of information.'

Nigeria's violent oil curse

'Shell companies have developed closer, more open and more productive relationships with our host communities... [We] engage in many partnerships [with community groups and local government] that are having a catalytic effect both on our own outlook and on the quality of life in the [Niger Delta] region.'

Shell Nigeria website

Close to Yenagoa, in Gbarantoru, conflict is boiling against a backdrop of increasing violence across the region, and particularly in the next-door Delta state. The quantity of firearms in gangs' hands is ballooning.

Oil companies make payments to local youth, as a substitute for the employment that communities demand, providing a steady stream of unchecked cash. And Shell insiders admitted to Christian Aid that such payments continue. 'A commandment has gone out that cash payments must stop,' said one. 'But God only knows how it will be implemented.'

Even the 2002 SPDC report admits that the cash payments remain a problem: 'A challenge is the demand for cash payments by some community youths,' it declares. Improved internal company coordination is still required to help 'control and phase out unnecessary cash payments (especially those that are part of the mainstream business activity but fall outside the scope of the community development programme)'.

During Christian Aid's meeting with Shell in December 2003, the company also confirmed that in August 2003, SPDC staff had been told to make no more cash payments. 'The difficulty, frankly, is complying with that,' said Alan Detheridge. 'The first thing that we wanted to do was get a handle on it because these cash payments were being made out of all kinds of budgets. [Stopping cash payments] has some significant operational and even safety implications.'

The violence that has become the backdrop to oil exploitation in Nigeria is a symptom of the curse that many other oil-rich developing nations experience, although few with such virulence.

Christian Aid examined the curse of oil in its report *Fuelling Poverty: Oil, War and Corruption*, published in May 2003. The report highlighted the increased likelihood of conflict, poverty and economic failure in developing countries rich in oil. In few countries is this curse more severely felt than Nigeria. Critically, Christian Aid's report called on oil companies to break the cycle of addict-like behaviour over oil exploitation and end the curse. The case of Gbarantoru is a clear

example of why companies have a major role to play in changing the behaviour of oil-rich developing countries.

In 2001, Shell decided to more than double production in its Gbarain oil field in Bayelsa state. Its plan to drill two new wells in Gbarantoru split the community. Families on whose land the drilling was proposed, represented by the Nun River Keepers community group, demanded that repairs to previous damage be completed, and compensation issues be resolved, before drilling started. But one of the local chiefs, B N S Weke, and his family, with whom Shell's community liaison officers met regularly, were happy for drilling to start straight away.²⁰

The Nun River Keepers allege that this division in the community, which Shell's actions aggravated, led to armed attacks on the company's opponents. Shell denies this, saying it is not in any way responsible for the division in the community. Alan Detheridge told Christian Aid: 'A divided community is not actually very helpful to us, because a divided community means tension and at some point that tension is going to cause problems.'

As the community's discussion on the prospect of new oil production intensified, so did the violence. On 2 March 2002, a gang of youths known as the Uwou Pele Ogbo gang, which had met with chief Weke, used threats to close down a conference on social and environmental issues in Gbarantoru. Two days later, according to the Nun River Keepers, Shell's community liaison coordinator Anthony Lawrence and three other Shell staff entered Gbarantoru after dark – in breach of Shell's own guidelines – and met Chief Weke.

In response to a Human Rights Watch report, which made the same allegation, Shell said that two meetings had been held, one during the day and one in the evening because people from the community were not available during the day.²¹ The version of events Shell gave Christian Aid was

different. Yaabari Uebari said Anthony Lawrence was running late on the day he arrived in the community after dark and only went there 'in order to rearrange the meeting for another time'.²²

Two weeks later, chief Weke and some of his supporters signed a Memorandum of Understanding with SPDC allowing drilling to go ahead, without consulting the families that drilling would affect or the community as a whole. On 9 April 2002, brothers Thankgod and Loveday Oyadongha, two of six community leaders who protested to Shell about the rig plan, told police that gang members had attacked them with sticks, machetes and pistols.²³

But Shell's plans to drill at Gbarantoru suffered a setback on 23 May 2002, when traditional leaders from the region supported the Nun River Keepers' demand for past damage to be repaired before new drilling could begin. Pressure mounted in the summer of 2002, activists believe, because Shell's contractors, who had started drilling at nearby Opolo in June, were anxious to minimise costs by bringing their equipment straight from there to Gbarantoru.

On 21 July 2002, the Uwou Pele Ogbo gang rampaged through the area, firing pistols and brandishing machetes. They attacked and injured two opponents of drilling and a woman who tried to help them. Bubaraya Dakolo of the Nun River Keepers was shot at and his car vandalised. After complaints were made to the police, Chief Weke was arrested and released without charge; members of the gang were arrested and charged with relatively minor offences.

However, in mid-2002, amid escalating community conflicts, SPDC paused. Contractors abandoned drilling plans. But community leaders who tried to resolve outstanding issues were treated with contempt. A string of letters to Shell went unanswered. A meeting was fixed and then rearranged; community leaders travelled to it at great expense to find it had been cancelled without warning or explanation. In October 2003, Bubaraya Dakolo told Christian Aid:

'Shell has shelved drilling plans for the moment. But Gbarantoru is left with knives and pistols, with hostility. I consider that the whole community, these youths included, is a victim of the oil industry.'

Human rights organisations believe that state violence and gang violence, such as that in Gbarantoru, feed each other. They also feel that the cash payments youths receive from oil companies helps fuel the growth of armed gangs that engage both in organised crime (including oil theft, kidnapping and attacks on oil companies' staff), and ethnic and inter-community violence.²⁴ In late 2003, with the death toll from the latter reaching the hundreds in Delta state, fears were rising of a new and even more violent state clampdown.

One of the repeated claims in this report and in the Niger Delta's communities in general is that Shell frequently works under the protection of the mobile police. Alan Detheridge denied that this happens often. 'All we're saying is that the mobile police is now a part of the regular police, so when we ask for police to accompany us or to be there as witnesses as part of joint investigations, we have no say who turns up,' he said 'Most of the time it's regular police. But we can't dictate to the police force not to send a particular type of policeman.'

Under Sani Abacha, the mobile police had a fearsome reputation and were responsible for hundreds of incidents, in which large numbers of people were killed, such as the massacre in Umuechem. They underwent retraining when Abacha's government fell, but according to a recent Human Rights Watch report, 'the paramilitary mobile police remain deployed in the Delta, as throughout Nigeria', and continue to beat, detain and even kill 'those involved in protests, peaceful or otherwise, or individuals who have called for compensation for oil damage'.²⁵

Profits and transparency

'We support efforts such as the UK government's Extractive Industries Transparency Initiative, the Publish What You Pay campaign, and work by the World Bank and others to promote transparency of oil and gas revenues.'

Meeting the Energy Challenge, the Shell report 2002

Nigeria's population, one of the world's poorest, has not benefited from the fabulous oil riches produced, largely by Shell, over the past half century. Some economists and development experts argue that Nigeria is actually worse off in development terms because of oil. All agree that financial transparency is vital to help direct oil revenues towards funding development.²⁶ While the Nigerian governments that have presided over this human catastrophe must take much of the blame, oil companies have also participated in the extraction of the country's oil wealth at the expense of the communities living around the oilfields.

Recently, the Nigerian government has made significant moves to fall into line with UK-backed Extractive Industries Transparency Initiative (EITI). In a speech on 7 November 2003, Olusegun Obasanjo, Nigeria's president, pledged that the government would publish openly the revenues it receives from the oil industry.²⁷ Under the EITI, Nigeria would make public all oil company payments and require that all companies also publish details of payments independently.

Shell claims to favour transparency, too. But its own recent decision to publish information about payments to the Nigerian government is only half the story. George Frynas, a lecturer in international management at the University of Birmingham, who has followed Shell's activity in Nigeria for more than a decade, told Christian Aid: 'If the company means what it says about transparency, it could start by publishing the revenue it itself receives from Nigerian operations, and a thorough breakdown. Otherwise it is declaring its support for transparency initiatives

while not taking the most important practical steps towards being more transparent.'

The SPDC 2002 report states: 'At an oil price of US\$19 per barrel, the government's take in taxes, royalties and equity share is US\$13.78 per barrel. Of the remaining US\$5.22, operating cost and future investment take the lion's share, with about US\$1.22 left to be shared as a margin among the private shareholders (Shell, TotalFina Elf and Agip).' However, Shell does not publish disaggregated accounts for SPDC. Shell International has promised, on Christian Aid's behalf, to request a copy of SPDC's accounts from its subsidiary.

'We're not holding ourselves up on a pedestal in Nigeria. We think that we have made some changes both in the way that we operate and in the way that we interact with communities, and that those changes have been for the better,' Shell told Christian Aid. 'But we don't say that it's been a complete success, far from it. And we're pretty open about some of the issues and some of the dilemmas and problems in the annual report that comes from Nigeria.²⁸ I think we'd also say that Nigeria is a very tough place to operate.' Shell also says it is now inviting external specialists to look at its operations and advise the company about what it is doing.

If these assurances are to mean anything, Shell should now make public its accounts for Nigeria, joint investigation reports about spills, information about the age of its pipelines and other documents that NGOs and campaigners have been requesting – in some cases repeatedly and for many years. Shell has already indicated its willingness to share some documents with Christian Aid – a welcome move that it should pursue more widely. The company should also support public enquiries into some of the more tragic oil-related events of the past, such as Umuechem. These still cloud the present-day Niger Delta and threaten its future security.