# The Politics of Oil in Africa

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**Overview**

In the wake of the growing number of terrorist attacks on U.S. interests at home and abroad since the late 1990s, by Saudi-funded al Qaeda operatives, American neoconservatives and petroleum producers have moved quickly to explore alternative sources of oil and gas, beyond what might be extracted from the Arctic National Wildlife Refuge (ANWR). African hydrocarbon resources are central to the new strategy, as evidenced by Vice President Dick Cheney's energy policy (PDF), drawn up in secret and announced publicly in May 2001:

> The NEPD [National Energy Policy Development (NEPD)] Group recommends that the President direct the Secretaries of State, Energy and Commerce to reinvigorate the U.S. African Trade and Economic Cooperation Forum and the U.S. African Energy Ministerial process; deepen bilateral and multilateral engagements to promote a more receptive environment for U.S. oil and gas trade, investment and operations; and promote geographic diversification of its energy supplies, addressing such issues as transparency, sanctity of contracts and security.[1]

An ExxonMobil advertisement that appeared on the Op-Ed page of the *New York Times* on November 1, 2001, entitled "Africa: A Wealth of Opportunity," was timed to influence the third biennial United States-Africa Business Summit in Philadelphia, a meeting of industry and government leaders on American business opportunities in Africa. "ExxonMobil," the ad self-proclaimed, "has been committed to Africa for more than a century." The need to diversify energy sources was also a theme of President George W. Bush's national security strategy (PDF), released in September 2002, which aims to "enhance energy security" by expanding "the sources and types of global energy supplied, especially in the Western Hemisphere, Africa, Central Asia and the Caspian region."[2] Note the absence of the Persian Gulf region.

A major player in the administration's changed geopetroleum plans is the Jerusalem-based think tank, the Institute for Advanced Strategic and Political Studies, which was created in 1984 and is close to Ariel Sharon's right-wing Israeli Likud party. IASPS has succeeded in persuading the Bush administration to reorient its energy policy, away from Saudi Arabia, an important Israeli objective. In January 2002, IASPS organized a seminar in Washington, DC, for members of the U.S. government (inter alios, Walter Kansteiner, Assistant Secretary of State for African Affairs; Representative

Edward Royce, Chair, House Subcommittee on Africa; Representative William Jefferson, Co-Chair, African Trade and Investment Caucus; and Lt. Col. Karen Kwiatkowski, U.S. Air Force/Office of the Secretary of Defense), petroleum industry representatives, and several African ambassadors. I attended the seminar and was struck by Terry Karl's cautionary presentation on the paradox of plenty, which warned of poverty in oil-rich states, in contrast to the industry's boosterism of the Gulf of Guinea's potential for oil investment.[3] The outcome of this meeting was the creation of the Oil Policy Initiative Group, which issued a report in July 2002, *African Oil, a Priority for U.S. National Security and African Development* (PDF).[4] The report recommends that Congress and the White House declare the Gulf of Guinea an "area of vital interest" to the United States, a designation never before extended to any region of Africa, giving it strategic and military priority.[5]

The Bush administration has mobilized hundreds of thousands of troops for war against Iraq. Many observers believe that oil is the administration's main interest in Iraq, and that Iraq is central to its plans to control world petroleum supplies. Iraq has the world's second largest reserves, after Saudi Arabia, and the investment opportunities for oil service companies like Halliburton, which Vice President Cheney used to chair, are enormous, given the run-down state of Iraq's oil fields.

While the preparations for war against Iraq built, a quiet offensive was underway in Africa. In Gabon, Nigeria, Equatorial Guinea, Angola, and Algeria, Washington increased offers of aid and stationed military advisors, while oil companies sealed new contracts. The United States supported peace talks in Sudan at the beginning of 2002. It sent military equipment to help the Algerian government quell the Islamist insurgency (and berated Algeria for its technical assistance to Pdvsa, Venezuela's oil company, during the strike). It broke ground for a new U.S. embassy in Luanda, Angola, and pledged aid to help resettle UNITA rebels. It promised to help Gabon establish the world's largest forest preserve. It leaned on Nigeria to leave OPEC, the Organization of Petroleum Exporting Countries. It promised to reopen the U.S. Consulate in Equatorial Guinea and to drop that country from its list of 14 African countries condemned for their violations of human rights. And it invited ten central African heads of state to a White House breakfast in September 2002.

In December 2001, the U.S. ambassador in Cameroon received a warning that al Qaeda planned to attack U.S. oil installations in Equatorial Guinea and Nigeria. In July 2002, General Carlton Fulford went to São Tomé and Príncipe to study security issues in the Gulf of Guinea linked to the need to protect projected offshore oil rigs and vessels. Al Qaeda threats against oil tankers are an increasing concern since the attack on a French tanker, the *Limburg*, off the coast of Yemen in October 2002.[6] Meanwhile, Military Professional Resources, Inc. (MPRI), a private military company based in Virginia that was founded in 1988 by retired senior Pentagon officers, will likely defend the offshore installations of Equatorial Guinea.[7] (MPRI also has an $8 million contract to professionalize the military in Nigeria, with one half paid by the U.S. Defense Department and the other half paid by the Nigerian government.)[8] Some U.S. companies - e.g., Marathon - already include former U.S. military men in their security departments in Equatorial Guinea.

**Debating Oil Development in Africa**

In a statement made on June 12, 2002, Representative Ed Royce (R-CA), Chair of the House Subcommittee on Africa, said,

> Let's be frank: oil development has proven to be more of a curse than a blessing for many developing nations. Few have put oil revenue to good use. Oil revenue has often been squandered. In many cases, oil revenue has been plundered by corrupt government officials. It is sobering that the average Nigerian is worse off today than 25 years ago, despite the $300 billion in oil revenue generated since then. It is appalling that former Nigerian dictator General Sani Abacha took billions himself. In the worst cases, oil has fueled civil war. This has been the case in Angola for years; over the last few years, oil has intensified the long and brutal war in Sudan.

But Royce concluded on an optimistic note: "If done right, the development of Africa's energy resources will improve our nation's security, benefit our economy, and help lift African economies."[9]

The mainstream African churches - the Catholic Church and the Episcopal Church - have come out on the administration's side. While belatedly adopting something close to Liberation Theology, which was at the forefront of so much change in Latin America several decades ago, the churches have agreed that oil development holds the answer to African poverty. The Association of Episcopal Conferences of the Central African Region, in its report on poverty and oil in central Africa, calls on all involved to work "for the exploitation of our oil . . . with total respect for the lives of our people, of our environment, and for our personal and social rights."[10] They are less optimistic than Royce, though, as they describe all the forces working against a positive outcome.

*This is the core of the debate on oil development in Africa*: Can oil revenues be made to work for Africans or will they profit only the corrupt few? Are oil revenues destined to fuel civil wars and pay for the abuse of human rights or can they build peace and prosperity? Is oil development in Africa's interest or in the interest of the United States, as Royce implies? And there are further questions: Can African oil and gas reserves be exploited without harming the environment or is the expansion of the world's oil-based economy ultimately inimical to our collective future on this planet?

**Oil and Arms**

Oil and arms are inextricably linked in Africa, where states are using oil revenues to fund arms purchases, and oil wealth is contributing to internal violence. The evidence comes from civil wars in Angola, Chad, Congo Republic, Nigeria, and Sudan.

The World Bank approved a $3.7 million loan to the central African country of Chad in 2000 to finance the construction of an oil pipeline by two U.S. oil companies - ExxonMobil and Chevron - to transport Chad's oil through Cameroon to an Atlantic port. Under pressure from local, national, and international NGOs, the World Bank imposed strict conditions on the use of oil revenues and extracted promises from the Chadian government that it would use the money for economic development and social services. Instead President Idriss Deby spent $4 million of the first payment of $25 million on arms to fight insurgent forces. Oil revenues thus promise to prolong Chad's civil war and reduce the likelihood of a peaceful resolution of the conflict.[11]

In Nigeria, the relationship between oil and military rule was most obvious under General Sani Abacha. Foreign capital bankrolled Nigeria's petroleum industry, which supplied the military rulers with money to purchase arms; in turn, military rule ensured that Nigeria's huge foreign debt would not be repudiated. The military kept Shell's oil fields operating and profitable, by brutally suppressing dissent and hanging MOSOP leader Ken Saro-Wiwa and others. By 1998, Nigeria was spending about $500 million annually to service its external debt.[12]

In Sudan, oil has fueled ethnic cleansing, interethnic rivalries, and other human rights abuses.[13] Oil revenues amounted to $580 million in 2001, accounting for over 40 percent of total government revenue. Sudan spent 60 percent of these oil revenues on military purchases and to build a domestic arms industry. Helicopter gunships and armored combat vehicles enable the government to target and clear populations and secure the next oil concession area with roads and garrisons. This strategy can be reproduced until all oil areas and transport corridors are cleared of southerners and brought under heavy government guard - protecting the oil that paid for the guard.[14]

There has been one significant victory - Talisman, the Canadian oil company that was developing Sudan's oil fields, recently quit Sudan following intense pressure from human rights groups.

**Oil and the Environment** [15]

Oil development is responsible for laying waste to formerly productive areas. Pollution from oil spills destroys marine life and crops, makes water unsuitable for fishing and renders many acres of farmland unusable. Brine from oil fields contaminates rivers and streams, making them unfit as sources of drinking water. Gas flares near villages and high-pressure oil pipelines that snake across farmlands bring acid rain, deforestation, and destruction of wildlife. Toxic, nonbiodegradable by-products of oil refining dumped in the area are dangerous to people, flora, and fauna. Roads constructed through towns to link oil wells destroy drainage systems and lead to severe flooding; such roads reduce water flow to timberland and cause the atrophy and death of thousands of acres of forest.

The poverty of the Niger River Delta is in part the consequence of oil production, especially of its environmental impact. The Delta is 70,000 square kilometers of marshland, creeks, tributaries, and lagoons; fragile mangrove forests cover about one-third of the area. Arable land and freshwater are both scarce. An ethnically diverse population of 7 million people lives in the Delta's fishing and farming communities. The discovery of oil dramatically changed these societies and their environment. The Niger Delta's oil is the source of Nigeria's wealth, yet poverty is widespread in the Delta, exacerbated by the high cost of living. Only 27 percent of the Delta's people have access to safe drinking water, and only 30 percent of households have electricity. The figure of one doctor per 82,000 people in the Delta is more than three times the national average. Education levels are below the national average and are particularly low for women.

**Women and Oil**

Women figure in news stories about oil when the depredations of the oil industry become so egregious that survival is at stake. This was the case in Escravos, in the Niger Delta region of Nigeria, in July 2002, when Nigerian women shut down the operations of ChevronTexaco.[16] Their demands, which ChevronTexaco called unjustified, were for jobs, roads, houses, and embankments to stop erosion. The company's private security force, as well as the Nigerian police, the paramilitary mobile police, the army, and the navy, protected the terminal that several hundred women managed to occupy for ten days, trapping 700 oilmen by blocking the airstrip and the docks.[17] The women won concessions on the provision of electricity, water, schools, scholarships, and a community center, as well as help to set up poultry and fish farms to supply the terminal's cafeterias.

Specific effects of oil development on women's health seem not to have been investigated. Although I found an article on the effects of exposure of crocodiles to sub-lethal concentrations of petroleum waste drilling fluid in the Niger Delta basin, I could find nothing on the health of women who live near oil wells and oil production stations, and nothing on reproductive outcomes in areas adjacent to petrochemical plants. Yet it is known that cadmium, chromium, mercury, and lead are contained in the refinery effluents that are constantly discharged into nearby bodies of water. At high concentrations these metals cause metabolic malfunctions in human beings. They enter the food chain through the drinking water and the local fish that people consume. Fish store mercury without metabolizing it, and people who eat mercury-contaminated fish can contract Minamata disease.

Women have not traditionally moved into the top jobs of the oil and gas industry. The oil-field service industry tends to be dominated by men because engineers fill the jobs and engineering is a heavily male discipline. Men visibly outnumber women at the technical level and greatly outnumber women at the executive level. The truly influential positions are those of corporate officers who also serve on their company's board of directors. Among all industries, such influential female insider directors are very few, and in the oil and gas industry, extremely few.[18] Crude oil production and mining companies are among industries with a low representation of women corporate officers - the rate is 6.4 percent.[19] Six companies (Andarko, Burlington Resources, Devon Energy, Kerr-McGee, Occidental Petroleum, and UNOCAL) employ a total of seven women officers.[20]

If U.S. industry analysts are to be believed, this picture represents a real improvement over the situation a decade ago. In contrast, South African women seem to be taking concerted action to change the situation in their country. There, women have formed a new organization to facilitate the participation of women in business ventures in the oil, gas, and energy sectors. The organization Women in Oil and Energy South Africa (WOESA) aims to create a platform for women to participate in these sectors nationally through training and development. The organization identifies business opportunities for its 396 members in the various provinces. WOESA coordinator Pinky Moabi says interaction takes place with industry players to create a more conducive environment for women's empowerment and to lobby to make energy resources accessible to the poor. "We lobby policy change, facilitate access to funding, identify and provide access to relevant training, network and coordinate with members to share knowledge, and increase the presence of women in the oil, gas and energy sector. We gather and disseminate industry information, knowledge and opportunities."[21]

Not being an essentialist, I cannot assert that the presence of women CEOs in the oil and gas industry would affect the policies of the major multinational petroleum companies. I can only speculate that women victims of oil development might find more opportunities to present their complaints to receptive administrators were there a critical mass of women executives in the corporations. And I hope that scientists in Nigeria and elsewhere will be moved to document the effects of oil development on women's health.

**Endnotes**

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14. Rone, "Sudan: Oil and War." [Return to text]

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16. "Nigerian Women, in Peaceful Protest, Shut Down Oil Plant," *New York Times*, July 14, 2002, late edition-final, sec. 1. [Return to text]

17. Norinitsu Onishi, "Left Behind: As Oil Riches Flow, Poor Village Cries Out," *New York Times*, December 22, 2002, late edition-final, sec. 1. [Return to text]

18. Sara Steffes Hansen, "Why Oil Will Welcome the Good Ol' Gals," *Oil and Gas Investor* 19, no. 2 (February 1999): 39. [Return to text]

19. Catalyst, "2000 Catalyst Census of Women Corporate Officers and Top Earners in the Fortune 500," November 19, 2002, http://www.catalystwomen.org/press_room/factsheets/factscote00.htm. [Return to text]

20. Randall and Dewey, the Houston-based provider of transaction and advisory services to the upstream oil and gas industry, recently named former Texaco executive Claire S. Farley as its Chief Executive Officer, possibly a first in the industry. *Oil and Gas Journal* 100, no. 41 (October 7, 2002): 67. Marathon Oil Corporation has one female corporate officer, its vice president of human resources. Baker Hughes has three female corporate officers, and Smith International, a Houston-based oil and gas service company, has three women. See L. M. Sixel, "No Real Formula in Figuring Number of Women Execs," *The Houston Chronicle*, November 22, 2002, http://www.chron.com/cs/CDA/story.hts/business/sixel/1672643. [Return to text]

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# On Violence