

Globalization and Illegal Oil Bunkering in Asari-Toru Local Government Area of Rivers State, Nigeria

Deedam Dorka Godbless PhD

Department of Sociology, Ignatius Ajuru University of Education, Rumuolumeni, Port Harcourt, Rivers State, Nigeria.

Oparaka Emugh-madighiniooye George PhD

Department of Sociology, Ignatius Ajuru University of Education, Rumuolumeni, Port Harcourt, Rivers State, Nigeria.

Keywords

Globalization, Illegal Oil
Bunkering,
Environmental
Degradation, Strategies
Employed.

Abstract

This study seeks to investigate the nexus between globalization and illegal oil bunkering in Asari-Toru Local Government Area of Rivers State, Nigeria. The study is guided by two research questions and two hypotheses. The population of the study is 316, 000 with a sample size of 400 gotten using Taro Yamane scientific formula. The respondents were selected using the purposive sampling technique. The data for the study was collected using a self-styled instrument; 'Globalization and illegal oil bunkering (GAIOB)'. The reliability of the instrument was measured using Cronbach's Alpha Reliability Test Model which 0.82 reliability index was obtained. The research questions and hypotheses were analyzed using descriptive statistics and linear regression respectively. The result of the findings revealed that the use of computers, internets, smart phones, emails and the availability of illegal international markets, poor governance, arms in the hands of non- state actors, unemployment, and poverty all contributed to the burgeoning activities of illegal oil bunkering in the area. Based on the above, it was recommended that government should improve the security of the waterways, strengthen institutions, and provide good governance, while the multi-national oil companies should immediately implement all signed Memoranda of Understanding (M.O.U.).

I. Introduction

The world has been recently described by several scholars as eminently interconnected. It has therefore become a global village. In this respect, globalization reflects a widespread perception that the world is rapidly molding into a shared social space by socio-political, economic and technological forces and that development or under development in one region in the world can have profound consequences for the other side of the globe. For many, globalization is also associated with a sense of political fatalism, illegality and chronic insecurity in that the sheer scale of contemporary socio-economic changes in one part of the world appears to outstrip the capacity of national governments or citizens to control, contest and resist that change (Comote, 2019). Oddih

(2009) has posited that globalization is not all about promoting the general good only but also has negative consequences including greater inequality, opening illegal markets through the back doors, increased corruption, encouraging illegality, reduction in sovereignty, erosion of cultural values/identity and degradation of the environment.

This idea of making the world a global village through improved relationship between countries and their citizens as a result of globalization is also being exploited by non-state actors as the prevailing situation in mineral-rich countries. Bassey (2014) has opined that Nigeria is the only Organization of Petroleum Exporting Countries (OPEC) member nation with the existence of four refineries that are not really functional and has consistently failed to meet up with its quota. He further stated that to fill in the gap, many youths especially in the Niger region Delta have decided to be involved in oil stealing which has further degraded the environment of the area and drastically reduced the earnings of the country.

Azaiki (2009) has opined that illegal oil bunkering involves the theft of crude oil and its by products through diverse means which has serious implications. It has led to grave socio-economic, cultural, and political and security consequences including; untimely deaths, varied diseases, environmental degradation, fueled insecurity, damaged infrastructure and further dented the image of the nation in the eyes of members of the international community. Despite the fact that illegal oil bunkering is unbelievably dangerous, the actors are not relenting on this ungodly activity.

Iyayi in Oluwaridare (2022) revealed that globalization has been used loosely to stand for a variety of things including the shrinking of the world into a global village. The awesome changes brought by the revolution in information and technology, the collapse of boundaries between countries, expansion of connectivity of all forms and removal of barriers among nations of the world, thereby giving human and social relations unhindered access. The unique characteristics of globalization often include increased capital mobility, decline in the cost of transportation, and promote computing and effective communication. He therefore opined that these characteristics make globalization susceptible to be an instrument for the good, bad and ugly proponents.

Obi (2009) has revealed that globalization has political, economic, and socio-cultural dimensions. Politically, it is the intensification and expansion of political interrelationships around the globe. Economically, globalization refers to an accelerating process of transactions in the form of trade, investment and capital flows. Such trends have been fostered by technological developments in transportation and communications. Cultural uniformity is encouraged by increased travel and migration, and the media network of rich Western countries. Global communication networks have far-reaching consequences, for businesses, governments, educational institutions, voluntary organizations and community groups. Social globalization is reflected in the illicit trade of drugs, laundered money, oil, weapons and women. Global markets put huge pressure on the environment. He concluded that nation state is said to be undermined by the above factors. National policies for economic development, employment, social protection and fiscal objectives are made redundant by mobile capital, global markets, and transactional industrial production. Nation states are rapidly being reduced to a municipal role in the global system, providing the required infrastructure, physical and legal for international capital. He opined that apart from the many advantages of globalization, the positives pale into insignificance when compared

to the disadvantages faced by countries especially the third world countries. He recommended that nations should be able to police their territories adequately to ensure legitimacy of transactions, and avoid having unmanned borders (like Nigeria) where foreign aliens will have unrestricted access into and out of the country.

Alfred (2012) posited that crude oil from the Niger Delta is still the king in Nigeria; oil still makes up about 40% of the world energy use and 96% of its transportation energy. The Niger Delta's crude oil produces about 75% of the nation's foreign export earnings, 85% of government revenue and more than 52% of Gross Domestic Product (GDP). The region though, oil rich, has also experienced and still experiencing crimes of various magnitude including; commercial kidnapping, pipeline vandalism, crude oil theft, etc. with its negative multiplier effects on the socio-economic development of the region.

The Nigerian National Petroleum Corporation (2023) observed that between 2019-2022, Nigeria lost an estimated \$2.1 billion, \$1.9billion, \$7.2 billion and \$22.4 billion respectively.

Several studies have linked the rise in crime especially illegal oil bunkering on the fact that the indigenes of the region are sidelined in the exploration and exportation activities of the black gold, poverty, environmental degradation and unprecedented level of unemployment among the teeming youths in the region (Akpuru-Aja, 2007, Aghedo, 2013, Comote, 2019 & Oparaka, (2024).

Gordon (2022) has opined that globalization has played both positive and negative roles in shaping cultural, socio-economic and political activities globally. In fueling illegal oil bunkering especially in oil rich countries with porous borders, globalization has led to increase in global demand for illegal oil, improved transportation networks, enhanced access to illegal global markets and encouraged money laundering and financial secrecy. He advised governments in affected countries to improve security of lives and property, provide alternative means of livelihood, improve governance and sensitize the general populace on the ills of illegal oil trade on humanity and the environment.

Several scholars are of the view that globalization is the foundation upon which illegal oil bunkering thrive in most oil-rich countries in developing countries. They also believe that illegal oil bunkering has impacted negatively on the economic fortunes of nations and degraded their environments especially in Nigeria (Tamuno, 1999, Azaiki, 2009, Cohen, et al. (2011) & Ijaseun, 2023).

The Nigeria's Extractive Transparency Initiative (NEITI) in its 2023 annual report revealed that between 2009 and 2022, 619.7million barrels of crude oil valued at \$46.16billion (#16.25trillion) were stolen through illegal oil bunkering. The above has grossly affected the OPEC quota of 1.8mbpd given to Nigeria. Ijaseun (2023) has stated that between February 2022 and March 2023, Nigeria lost #2.3trillion revenue to crude oil theft. This has negatively affected the envisaged infrastructural vision of the government especially at the centre. The present study seeks to establish if globalization has played any role in encouraging illegal oil bunkering in Asari-Toru Local Government Area. In order to achieve this, the following research questions will be asked to aid the present study.

What is the role of globalization in illegal oil bunkering?

What are the strategies employed by the government, international/local oil companies and other stakeholders in curbing illegal oil bunkering?

Hypotheses

There is no significant relation between globalization and illegal oil bunkering in Asari-Toru Local Government Area of Rivers State.

There is no significant relationship between the strategies employed by the Federal Government and International oil companies and other stakeholders in Asari Toru Local Government Area of Rivers State.

II. Methodology

In this study, we adopted the descriptive survey design because it seeks to describe the characteristics of a certain group. It is also because the sample size is drawn from a large population which is aimed at investigating the role of globalization and illegal oil bunkering in the area of the study. The population of the study consists of three hundred and sixteen thousand (316,000) persons which is the 2022 projected population of the area according to the National Bureau of Statistics (NBS).

The Taro Yamane scientific formula was used to get a sample size of 400 for the study. The respondents were selected using purposive sampling technique. The instrument used in the study was a self-styled questionnaire titled 'Globalization and illegal oil bunkering'. The questionnaire has a four point modified Likert scale including SA =Strongly Agree (4), A= Agree (3), D=Disagree (2) and Strongly Disagree (1). The criterion Mean can be mathematically calculated thus: $\frac{4+3+2+1}{4} = \frac{10}{4} = 2.5$.

The corrected instrument was used for the study. In order to measure the internal consistence, the selected questionnaire was analyzed using Cronbach's Alfa Reliability Test Model which 0.82 reliable indexes was obtained showing that the instrument adopted for this study is highly reliable.

The data for this study was collected using 'Globalization and illegal oil bunkering' (GAIOB) questionnaire'. To ensure adequate monitoring, the researchers distributed their questionnaire to the selected four hundred respondents but three hundred and eighty-four copies of questionnaire were retrieved from respondents (representing 96%) while sixteen copies were either mutilated or respondents left with the copies without returning them. The data obtained from the field was analyzed using Statistical Package for Social Sciences (SPSS version 21). The research questions were analyzed using the descriptive statistics of Mean and Standard Deviation while the hypotheses were tested using analysis of variance (ANOVA).

III. Results

Research Question Analysis

Question 1: What is the role of globalization in illegal oil bunkering?

Table 1: The role of globalization

	Role of globalization	M	Std. Dev.
1	Networks and supply chains	2.78	1.15
2	Use of internet/computers	2.96	1.21
3	Technology	3.03	1.24
4	Technical knowhow	2.73	1.14
5	Available of illegal markets	2.87	1.18
6	Provision of equipment like badges	2.64	1.13
	Grand Mean	2.84	1.18

Source: Researcher's fieldwork, 2024

Since the grand mean of 2.84 is greater than the criterion Mean of 2.5, we conclude that globalization contributes largely to illegal oil bunkering in the area of study through the following; networks and supply chains, use of internet/computers, technology, technical knowhow, availability of illegal markets, provision of equipment like badges, compass etc. Therefore, from the above findings, it has been statistically proven that there is a nexus between globalization and illegal oil bunkering in Asari-Toru Local Government Area of Rivers State, Nigeria.

Questions 2: What are the strategies employed by the government and international/local oil companies and other stakeholders in curbing illegal oil bunkering?

Table 2: Strategies employed in curbing illegal oil bunkering

S/N	Strategies employed	M	Std. Dev.
1	Destruction of illegal bunkering sites	2.76	1.15
2	Security of pipelines by ex-agitators	2.81	1.16
3	Establishment of anti-bunkering units	2.63	1.13
4	Signing of M. O. Us.	2.59	1.12
5	Patrol of the water-ways by security agencies	2.92	1.19
	Grand Mean	2.74	1.15

Source: Researcher's fieldwork, 2024.

The grand Mean (2.74 & 1.15) is greater than the criterion Mean (2.5), therefore, we conclude that strategies like destruction of illegal bunkering sites, security of pipelines by ex-agitators, establishment of anti-bunkering units, signing of M. O. U., patrol of the waterways by security agencies, etc. which have been adopted by the government and the international/local oil companies and other stakeholders in curbing illegal oil bunkering in Asari-Toru Local Government Area in particular are not adequate to curb illegal oil bunkering in the area of study. The strategies are tokenistic in nature and anti-people. The government and other stakeholders must therefore, rejig these strategies to ensure that the desired objectives are achieved with minimal ecological damage.

Hypotheses Analysis

H01: There is no significant relationship between globalization and illegal oil bunkering in Asari Toru Local Government Area of Rivers State.

Table 3: Summary of ANOVA on the role of globalization in illegal oil bunkering

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	11.218	2	5.609	19.544	.000
Within Groups	510.939	397	.287		
Total	522.157	399			

The table above has shown $F = 3.581$ at 0.000 significant level. Since the level of significance is less than 0.05, we reject the null hypotheses and accept the alternate. Therefore, we conclude that globalization plays a significant role in illegal oil bunkering.

H02: There is no significant relationship between the strategies employed by the Federal Government and International oil companies and other stakeholders in Asari Toru Local Government Area of Rivers State.

Table 4: Summary of ANOVA Analysis on the strategies employed.

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	24.726	6	4.121	3.348	.067
Within Groups	90.783	393	1.231		
Total	115.509	399			

The table above shows $F = 3.348$ is at 0.067 significant level. Since the level of significant is greater than 0.05, we accept the null hypotheses and reject the alternate. Therefore, we conclude that the strategies employed by the Federal and State Governments, oil majors/stakeholders are not enough to curb illegal oil bunkering because oil stealing is operated by a global cartel.

IV. Discussion

Globalization Plays a Role in Illegal Oil Bunkering

Based on the findings of the study, it was discovered that globalization has significantly influenced illegal oil bunkering in Asari-Toru Local Government Area. It has been exacerbated by the global interconnectedness of economies, illegal markets, and advanced technologies. This phenomenon is facilitated and amplified by several aspects of globalization, including global trade networks, technological diffusion, and illegal transnational financial systems. These findings are in line with UNODC (2016) views that the use of flags of convenience and complex shipping routes complicates efforts to monitor and regulate maritime activities and also provides cover for illicit operations. In the same vein, Best (2007) stated that the proliferation of these technologies, often facilitated by the global exchange of knowledge and expertise, increases the capabilities of those engaged in illegal oil bunkering. While Chêne, (2013) argued that offshore financial centers and the use of complex financial instruments can obscure the origins of money derived from illegal oil activities, making it difficult for authorities to trace and recover these funds. In countries where governance is weak and regulatory oversight is minimal, illegal oil bunkering becomes more prevalent due to limited enforcement capabilities and widespread corruption (Gillies, 2009).

It is therefore concluded that globalization plays a significant role in illegal oil bunkering by facilitating the movement of goods, technology, and finances across borders. The complex global trade networks, advanced technologies, and transnational financial systems all contribute to the proliferation and sophistication of illegal oil bunkering operations in the area of the study. Addressing this issue requires a more collaborative approach, recognizing that the forces of globalization have transformed itself from a local problem into a global challenge.

The Strategies Employed by the Federal and International/Local Oil Companies and other Stakeholders are not enough to Curb Illegal Oil Bunkering

Based on the findings, it was deduced that though the Nigerian federal government and international oil companies have employed various strategies to curb illegal oil bunkering, recognizing the significant economic and security threats it poses

and its contribution to environmental degradation. Some of the strategies include military interventions and destruction of bunkering sites, legal reforms, technological surveillance, community engagement, and international cooperation. The study is in line with the views of Onimisi (2014) who opined that military operations often involve the destruction of illegal refineries, the seizure of equipment, and arrests of individuals involved in the trade. He found out that the military approach has been criticized for being too focused on immediate security measures rather than addressing the underlying socio-economic issues that drive illegal bunkering (Ibaba, 2010). Additionally, the installation of pipeline surveillance systems and increased security personnel at key infrastructural sites aimed in deterring sabotage and theft. The government also uses drones, satellite imaging, and other monitoring technologies to detect illegal activities along pipelines and oil installations (NNPC, 2021). Furthermore, the Nigerian government and oil companies have implemented community engagement and development programs. These initiatives aim to provide alternative livelihoods, improve local infrastructure, and involve communities in the decision-making processes related to oil resource management have not sufficiently addressed the problem (Nwokeji, 2007).

However, these efforts have not been effective as a result of the numerous challenges that limit their effectiveness and this is in line with the present findings. For instance, the programs created by the Nigerian government and oil companies have had some positive impacts, but their total success rate has been limited by issues such as mismanagement, inadequate funding, corruption and lack of genuine community participation (Ibaba, 2010). Additionally, there have been allegations of corruption and collusion within the security forces, undermining the effectiveness of military interventions (Aghedo, 2013). According to Amundsen (2010), corruption, inadequate resources, and insufficient training among law enforcement agencies hinder the effective implementation of these laws. Despite these measures, illegal oil bunkering remains a pervasive issue and unabated, suggesting that the current strategies employed by stakeholders are tokenistic, ineffective and need modifications.

V. Conclusion

The study was aimed at establishing the nexus between globalization and illegal oil bunkering in Asari-Toru Local Government Area of Rivers State, Nigeria. It founds out that the availability of illegal international markets, use of internet facilities, technical knowhow, technology/computers and the inability of the ministry of communications, innovation and digital economy to monitor, identify and sanction those involved in the illegal business through their communications contribute largely to the flourishing illegal oil bunkering business.

The strategies employed by the government, international/local oil companies and other stakeholders are tokenistic and so, inadequate especially the burning and destruction of sites, since it is mostly targeted only at the petty oil thieves while the big thieves who are siphoning the oil into badges in the high seas are moving freely without sanctions. The use of kinetic military approach by the agencies of government in eradicating or reducing the incidences of illegal oil bunkering in the area of study has never succeeded anywhere in the history of the fight against the theft of natural or human resources in the world. Since globalization has made the world a global village, strategies and programmes employed by the government and other stakeholders in

fighting illegal oil bunkering must be in line with approved international best methods. Finally, the study finds out that the failure of governments at all levels to emplace policies and programmes that will provide employment, elevate the sufferings of the Asari-Toru Local Government Area indigenes, clean the environment and engage in enlightenment campaign to educate the people on the consequences of illegal oil bunkering on the environment on their health and social economic well-being have all contributed to the burgeoning illegal oil bunkering in the Asari-Toru Local Government Area of Rivers State.

VI. Recommendations

Based on the above findings, the following recommendations were made;

The security agencies saddled with the responsibility of policing the waterways must live up to expectation by arresting and prosecuting oil thieves no matter their socio-economic and political status while the ministry of communications, innovation and digital economy should monitor, identify and sanction those involved through their communications.

Government at all levels, international oil companies and other stakeholders should employ policies and programmes in accordance with international best practices that will provide jobs, reduce poverty, stop the burning of illegal refining (kpo fire) sites and give license for the establishment of modular refineries. The kinetic approach employed by the government at all levels will achieve little or nothing. Finally, they should engage in enlightenment campaigns to educate the people on the negative consequences of illegal oil bunkering on the environment, their health, and socio-economic well-being.

References

- Ademola, F.S. (2007). Theories of conflict in Best, G.S. (2007). Introduction to peace and conflict. Spectrum Books Limited.
- Aghedo, I. (2013). Winning the war, losing the peace: Amnesty and the challenges of post-conflict peace-building in the Niger Delta, Nigeria. *Journal of Asian and African Studies*, 48(3), 267-280.
- Akikibofori, J.S. (2020). The Sociological examination of globalization. Alherbooks.
- Akpajo, L. (2023). Globalization and its many defects. Spectrum Books Limited.
- Akpuru-aja, A (2007). Basic concepts, issues and strategies of peace and conflict resolution: Nigerian-African case studies. Keny and Brothers Ent.
- Alfred, C. (2012). Conflict, militancy and peace education in the Niger Delta. *Journal of Social Studies*, 6(9), 76-80.
- Amundsen, I. (2010). Good governance in Nigeria: A study in political economy and donor support. NUPI Report. Norwegian Institute of International Affairs.
- Azaiki, S. (2006). Oil: Politics and blood. Y-Books Ltd.
- Azaiki, S. (2009). The evil of oil. Y-Books Ltd.
- Azaiki, S. (2015). Thoughts on Nigeria: Speeches, letters & essays. Y-Books Ltd.

- Bariledum, K. (2013). Globalization and human challenges in Nigeria. *International Journal of Humanities*, 6(5), 56-58.
- Bassey, C. (2014). The paradox of militancy in the Niger Delta Region: A critical appraisal. *International Journal of Social Sciences*, 7(8), 9-12.
- Best, S.G. (2007). *Introduction to peace and conflict in West Africa studies*. Spectrum Books
- Chêne, M. (2013). Money laundering and corruption. U4 Anti-Corruption Resource Centre. Retrieved from [U4](#) today 14/09/2024.
- Cohen, L., Manion, L. & Morrison, K. (2011). *Research methods in education*. Routledge Group.
- Comote, (2019). The effects of illegal oil bunkering on socio-economic development. *Journal of Environment Studies*. 6(6), 56-60.
- Gordon, L. (2022). Globalization and the rise of criminal activities in oil-rich countries. *Journal of Security Studies*, 6(8), 8-11.
- Gillies, A. (2009). Reforming corruption out of Nigerian oil? Part two: Political will, vested interests and the potential benefits of reform. *Journal of Good Governance and Sustainable Development in Africa*. 2(2), 80-82.
- Ibaba, S. I. (2010). *Environmental Protection Laws and Sustainable Development in the Niger Delta*. Centre for Niger Delta Studies.
- Nemieboka, D. (2015). *Steve Azaiki: The Yenagoa boy*. Balance News Company Ltd.
- NNPC. (2021). *Enhancing pipeline surveillance: new approaches and technologies*. Nigerian National Petroleum Corporation Annual report.
- Nigerian National Petroleum Corporation (2023). 2022 Annual report Retrieved from Google Scholar today 22/11/2024.
- Nwokeji, G. U. (2007). *The Nigerian National Petroleum Corporation and the development of the oil and gas industry: History, strategies, and current directions*. James A. Baker III Institute for Public Policy, Rice University.
- Obi, C. I. (2009). Nigeria's Niger Delta: Understanding the complex drivers of violent oil-related conflict. *Africa Development*, 34(2), 103-128.
- Oddih, E. (2019). Niger Delta in search of illusive peace. *Journal of Niger Delta Studies*. 7(5), 56-62.
- Oluwadare, A. (2022). The Petroleum Industry Act and its implications for Nigeria's oil and gas sector. *African Journal of Law and Criminology*, 12(1), 45-67.
- Onimisi, T. (2014). Globalization and the Nigerian national security: An overview. *Journal for Niger Delta Studies*, 6(1), 6-8.
- Oparaka, E. G. (2018). *Contemporary issues affecting the Nigeria Police Force: An insider's view*. Pearl Publishers Int.
- Oparaka, E. G. (2018). *Policing in Nigeria: A panoramic view*. Pearl Publishers Int.

- Oparaka, E. G. (2024). Crude oil exploration: A curse or a blessing to the Niger Delta people. Being unpublished work submitted to the Department of Sociology, Ignatius Ajuru University of Education, Port Harcourt.
- Owhondah, S.N. (2023). Bunkering in the Nigeria education sector. Pearl Int. Limited.
- Rosenau, J. N. (2004). Global transformations: Politics, economics and culture. Policy Press.
- Smith, B.C. (2009). Understanding third world politics: Theories of political change and development. Palgrave Macmillan.
- Tamuno, T. (1999). The Niger Delta question. Spectrum Books Limited.
- Ijaseun, L. (2023). The devastating effects of illegal oil bunkering in the Niger Delta. The Journal of Social Studies, 7(9), 8-11.
- The Punch Newspaper, 20/07/2022.
- United Nations Office on Drugs and Crime (UNODC). (2016). The Illicit Trafficking of Counterfeit Goods and Transnational Organized Crime. Retrieved from UNODC today 13/11/2024.
- Wosowei, L. (2017). Oil and its pains on oil in the Niger Delta. Journal of Environmental Studies, 7(9), 7-12.