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Think Piece Memo to Big Oil Companies: Africa's Oil Belongs to Africans By Mark P. Fancher

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In Obioku, Nigeria, as a matter of routine, the children collect muddy water from puddles, and take it to their mothers to use for cooking. It is likely that many of the children of this impoverished community have no real appreciation for the extent of the oil wealth that sits beneath their feet. Royal Dutch Shell knows, and the oil giant has jockeyed for the opportunity to have full access to this significant alternative oil source.

The oil industry has its eyes trained, not only on Obioku, but also on the broader Niger Valley, and much of the African continent's western coastal regions. As turmoil in the Middle East continues to percolate and escalate, Africa's oil becomes increasingly attractive. Already, West Africa supplies about 15 percent of America's oil. It is generally agreed that by the year 2015, that amount will increase to 25 percent.

Casual consideration of these developments might suggest to many that West Africa stands to benefit from an expansion of its oil trade. However, history suggests that after the oil giants have fully established their new operations, the children of Obioku will continue to collect muddy cooking water. Somehow, oil revenues never seem to trickle down to those who are most in need.

There is at least one southern hemispheric leader who has a full appreciation for oil industry dynamics. What's more, he has taken direct and dramatic steps to prevent exploitation of the people he leads. President Hugo Chavez of Venezuela recently made a bold demand that major foreign oil companies with operations in his country turn over a controlling stake in their oil interests to the Venezuelan government. Faced with the alternative of being booted out of the country altogether, most of the companies agreed. It has been reported that a substantial percentage of Venezuela's oil revenue is directed to social programs for Venezuela's poorest urban and rural communities.

Given Africa's poverty, the Venezuelan approach makes a great deal of sense for Africa. However, the continent's long history of underdevelopment, coupled with the firm neo-colonial grip that the West has on most of Africa's countries makes it unlikely that certain African heads of state who are mere puppets of imperialism will demonstrate Chavez's courage and vision anytime in the near future.

Beyond the economic disadvantage that oil industry plans pose for Africa, is also continuing humiliation for a continent that has already endured far more than its share of pain. Many of the oil industry comments about prospects for West African oil reflect a smug, arrogant conviction that the region's oil already belongs to the western companies. They make plans for this valuable natural resource with no consideration of the fact that Africans have the right to object. Oil executives engage in active discussions about the possibility of establishing a permanent military presence in the Gulf of Guinea to protect "their" oil.

There are many Africans who welcome the expanded presence of western oil interests. They are frequently the elite Africans who pocket the lion's share of oil money coming into their respective countries to the exclusion of the vast majority of their fellow countrymen/women who languish in poverty. As long as neo-colonial tyranny and greed exist, even if the big oil companies vanish from Africa, the lives of the continent's poor will not significantly change.

Thus, for those of us who would prefer that no African profit from oil until every African profits from oil, there is every reason to insist that if these companies are to be present for the short–term, their presence (as in Venezuela) must benefit the poor in direct and meaningful ways. In the long run, these companies must know that they will neither be wanted nor needed as Africa's oil production capacity increases.

Africa won't be able to credibly make Venezuela–like demands unless the oil industry knows that Africa means business. To that end, there are things that we in the African Diaspora can do. At the outset, we should not minimize the potential of boycotts coupled with an educational campaign. Although 1990s boycotts and protests of oil company human rights violations and environmental offenses in the Ogoni region of Nigeria probably did not capture as much attention as organizers may have hoped, certain oil companies nevertheless felt compelled to do a lot of explaining. The fact that Shell's approach to Obioku has been (according to reports) influenced by public relations concerns is evidence of how sensitive the company has become to allegations of corporate misconduct in Africa. We can, and should, explore prospects for well–planned, sustained, and targeted boycotts of oil companies that are implementing plans to permanently dominate the people of West Africa and their oil.

On a different level, the National Conference of Black Lawyers (NCBL) is completing a draft of a model law that includes legal mechanisms for African governments to expel foreign oil companies and/or appropriate their operations. Whether a version of the law is adopted in the near future or not, it is intended to provoke serious discussions on the African continent about new, radical possibilities for African resources and economies. It might also cause the oil industry to hesitate when making presumptuous plans for oil in regions where the people are seriously considering strategies for purging or appropriating foreign oil operations.

Finally, we must begin to encourage the African World to make honest assessments of the historical relationship between Africa and large foreign corporations generally. Too many Africans are mesmerized by the extent of western economic development, and a fallacious belief that Africa's full–scale embrace of capitalism will replicate such prosperity on that continent. This myth must be punctured with the fact that western countries were able to prosper only because they exploited Africa. For its part, Africa can also become an exploiter, or it can reject capitalism and take the harder, but more ethical socialist road to economic justice.

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