
The Nigerian Oil Industry: Environmental Diseconomies, Management Strategies and the Need for Community Involvement

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ABSTRACT The paper advances the view that environmental diseconomies occasioned by oil industry activities in Nigeria have to a large extent contributed to the lingering crisis in the Niger Delta area, where the bulk of the country's oil and gas is produced. Against this background, the framework for environmental policy and strategies adopted by oil operators is reviewed. It is revealed that the role which communities could play towards minimising negative environmental incidents and related social crises, has been largely neglected by the various legislations and environmental management strategies adopted by petroleum operators. The authors suggest the fostering of sustainable partnerships between oil operators and host communities through appropriate memoranda of understanding, in order to address problems arising from such issues as compensation for environmental damage, impact assessment, management of spills, pipeline surveillance, information management, conflict resolution, and decentralisation of responsibility for abatement programmes.

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