

# VANITY FAIR

## CONFLICT



Militants from the Movement for the Emancipation of the Niger Delta patrolling the delta. *Photographs by Michael Kamber.*

## Blood Oil

**Could a bunch of Nigerian militants in speedboats bring about a U.S. recession? Blowing up facilities and taking hostages, they are wreaking havoc on the oil production of America's fifth-largest supplier. Deep in the Niger-delta swamps, the author meets the nightmarish result of four decades of corruption.**

**BY SEBASTIAN JUNGER FEBRUARY 2007**

On June 23, 2005, a group of high-ranking government officials were convened in a ballroom of the Four Seasons Hotel in Washington, D.C., to respond to a simulated crisis in the global oil supply. The event was called "Oil ShockWave," and it was organized by public-interest groups concerned with energy policy and national security. Among those seated beneath a wall-size map of the world were two former heads of the C.I.A., the president of the Council on Foreign Relations, and a member of the Joint Chiefs of Staff. The scenario they were handed was this:

Civil conflict breaks out in northern Nigeria—an area rife with Islamic militancy and religious violence—and the Nigerian Army is forced to intervene. The situation deteriorates, and international oil companies decide to end operations in the oil-rich Niger River delta, resulting in a loss of 800,000 barrels a day on the world market. Since Nigerian oil is classified as "light sweet crude," meaning that it requires very little refining, this makes it a particularly painful loss to the

American market. Concurrently, in this scenario, a cold wave sweeping across the Northern Hemisphere boosts global demand by 800,000 barrels a day. Because global oil production is already functioning at close to maximum capacity (around 84 million barrels a day), small disruptions in supply shudder through the system very quickly. A net deficit of almost two million barrels a day is a significant shock to the market, and the price of a barrel of oil rapidly goes to more than \$80.

The United States could absorb \$80 oil almost indefinitely—people would drive less, for example, so demand would decline—but the country would find itself in an extremely vulnerable position. Not only does the American economy rely on access to vast amounts of cheap oil, but the American military—heavily mechanized and tactically dependent on air power—literally runs on oil. Eighty-dollar oil would mean that there was virtually no cushion in the world market and that any other disruption—a terrorist attack in Saudi Arabia, for example—would spike prices through the roof.

According to the Oil ShockWave panel, near-simultaneous terrorist attacks on oil infrastructure around the world could easily send prices to \$120 a barrel, and those prices, if sustained for more than a few weeks, would cascade disastrously through the American economy.

Gasoline and heating oil would rise to nearly \$5 a gallon, which would force the median American family to spend 16 percent of its income on gas and oil—more than double the current amount. Transportation costs would rise to the point where many freight companies would have to raise prices dramatically, cancel services, or declare bankruptcy. Fewer goods would be transported to fewer buyers—who would have less money anyway—so the economy would start to slow down. A slow economy would, in turn, force yet more industries to lay off workers or shut their doors. All this could easily trigger a recession.

The last two major recessions in this country were triggered by a spike in oil prices, and a crisis in Nigeria—America's fifth-largest oil supplier—could well be the next great triggering event. "The economic and national security risks of our dependence on oil—and especially on foreign oil—have reached unprecedented levels," former C.I.A. director Robert Gates (now secretary of defense) warned in his introduction to the Oil ShockWave—study report. "To protect ourselves, we must transcend the narrow interests that have historically stood in the way of a coherent oil security strategy."

In January 2006, less than seven months after the first Oil ShockWave conference—almost as if they'd been given walk-on parts in the simulation—several boatloads of heavily armed Ijaw militants overran a Shell oil facility in the Niger delta and seized four Western oil workers. The militants called themselves the Movement for the Emancipation of the Niger Delta and said they were protesting the environmental devastation caused by the oil industry, as well as the appalling

conditions in which most delta inhabitants live. There are no schools, medical clinics, or social services in most delta villages. There is no clean drinking water in delta villages. There are almost no paying jobs in delta villages. People eke out a living by fishing while, all around them, oil wells owned by foreign companies pump billions of dollars' worth of oil a year. It was time, according to MEND, for this injustice to stop.

The immediate effect of the attack was a roughly 250,000-barrel-a-day drop in Nigerian oil production and a temporary bump in world oil prices. MEND released the hostages a few weeks later, but the problems were far from over. MEND's demands included the release of two Ijaw leaders who were being held in prison, \$1.5 billion in restitution for damage to the delicate delta environment, a 50 percent claim on all oil pumped out of the creeks, and development aid to the desperately poor villages of the delta. MEND threatened that, if these demands were not met—which they weren't—it would wage war on the foreign oil companies in Nigeria.

"Leave our land while you can or die in it," a MEND spokesman warned in an e-mail statement after the attack. "Our aim is to totally destroy the capacity of the Nigerian government to export oil."

Because Nigerian oil is so vital to the American economy, President Bush's State Department declared in 2002 that—along with all other African oil imports—it was to be considered a "strategic national interest." That essentially meant that the president could send in the U.S. military to protect our access to it. After the first MEND attack, events in the Niger delta unfolded almost as if they had been scripted by alarmist Pentagon planners. In mid-February, MEND struck again, seizing a barge operated by the American oil-services company Willbros and grabbing nine more hostages. Elsewhere on the same day, other MEND fighters blew up an oil pipeline, a gas pipeline, and a tanker-loading terminal, forcing Shell to suspend 477,000 barrels a day in exports. The nine hostages were released after a reportedly huge ransom was paid, but oil prices on the world market again started to climb. MEND had shown that 20 guys in speedboats could affect oil prices around the world.

The problem was one of scale. The Nigerian military—as poorly equipped as it is—can protect any piece of oil infrastructure it wants by simply putting enough men on it. But Shell has more than 3,720 miles of oil and gas pipelines in the creeks, as well as 90 oil fields and 73 flow stations, and there is no way to guard them all. And moving the entire industry offshore isn't a good option, either. Not only is deepwater drilling very expensive, but there are still immense oil and gas reserves under the Niger delta that have not yet been exploited. And—as it turns out—the deepwater rigs aren't immune to attack anyway. In early June, militants shocked industry experts by overrunning a rig 40 miles out at sea. Offshore oil platforms generally sit 40 or 50 feet above water level, but their legs are crisscrossed with brackets and struts that are not difficult to climb.

After firing warning shots, dozens of militants scampered up the legs and ladders to the main platform, rounded up eight foreign oil workers—including an American—and forced them at gunpoint into their boats. They were back in the creeks within hours.

The militants are also capable of striking in the cities. In January of last year, about 30 militants ran their speedboats straight into the Port Harcourt compound of the Italian oil company Agip, killed eight Nigerian soldiers, robbed the bank, and made their getaway. In May, a man on a motorbike shot an American oil executive to death while he sat in Port Harcourt traffic in his chauffeured car. In August, members of another militant group walked into a popular bar named Goodfellas and abducted four Western oil workers. By the end of September, militants had kidnapped—and released for ransom—more than 50 oil workers, and onshore Nigerian oil production had been cut by 25 percent, or about 600,000 barrels a day. That represented a loss of nearly a billion dollars a month to the Nigerian government.

In early October, two separate attacks in the creeks reportedly killed at least 27 Nigerian soldiers and sank or captured two navy gunboats. In response, militants claimed, Nigerian helicopters strafed and then torched an Ijaw village named Elem Tombia. No one was killed, but it was a clear escalation of the conflict. By mid-October, the Niger River delta was on the brink of all-out war.

## **Into the Delta**

The Ijaw village was just a scattering of huts along a meager break in the mangrove, and when our boatman spotted it he slowed and circled and ran his boat up onto the shore. Dugouts had been pulled onto a narrow sand beach, and cook fires smoked unenthusiastically through the thatched roofs of the huts. Behind us, a miles-wide tributary of the Niger River unloaded a continent's worth of freshwater into the Gulf of Guinea. Village children gathered to study our arrival, and a local man saw us and walked away to tell someone that a boatful of strangers had just arrived.

After a few minutes a young man came and motioned for us to follow him, and we stepped carefully through the village and took seats on a wooden bench outside a thatched hut. It was very hot. Somewhere a transistor radio was playing Western music. The huts were sided with rough-milled planks and thatched with palm fronds, and inside women cooked on small fires. Malaria is rampant in these villages, as are cholera, typhoid, and dysentery, and almost none of the communities have safe drinking water. The people survive—barely—off local fish stocks that have been decimated by pollution from oil wells. After a while we heard gunshots, and then a group of young men came walking out of the forest and gathered around us. "Don't be scared," one of them said. "Feel free."

An American photographer named Mike Kamber and I had come to this village to meet MEND, but things had already acquired that unmistakable feeling of not going according to plan. One of

the young men had a bottle of Chelsea gin with him, and he shook a splash onto the ground as a blessing and then poured himself a shot. The bottle proceeded like that around the little group. After the gin was finished they told us to follow them, and we were led back into the center of the village and told to sit in some white plastic chairs that had been set out for us. A joint was passed around. More Chelsea gin was brought out. Eventually the village chief took a seat at a small table under a mango tree and asked what we were doing in his village. It wasn't an unfriendly question, but neither was it an invitation to feel right at home. Young men with guns started to drift into the area and position themselves around the group. I stood up and explained that Mike and I were journalists and that we wanted to document the impact of oil drilling in the area, and that a MEND contact had directed us to this village for a meeting.

The truth was a little more complicated. The official MEND spokesman is a mysterious online entity known as Jomo Gbomo, who trades sharply articulate e-mails with foreign journalists who arrive in the delta to cover the oil wars. No one seems to know Jomo's real name or even where he lives; according to *The Wall Street Journal*, his Yahoo account carries an electronic code that may indicate his e-mails are sent from a computer in South Africa. Jomo is the person whom visiting journalists turn to for permission to go into the creeks, and he has refused every single request. A few days after getting the bad news from Jomo, though, Mike and I met with an Ijaw priest named President Owei, who also has contacts with MEND. Owei said that he could arrange a meeting for us if we wanted; all we had to do was hire a boat. By noon the next day we were gripping the mahogany thwarts of a 25-foot open speedboat, slamming southward at full throttle.

Throughout most of the delta there is a weak cell-phone signal, and MEND has run its entire military campaign using a flicker of reception and \$3 phones. We were later told that, as word of our arrival spread, Ijaws in South Africa began calling to warn that we might be spies, and others, in the United States, were looking us up online to figure out who we were. The first sign of trouble was when one of the village boys got in our boat and drove it away into the creeks so that we couldn't leave. Another hour went by, and dusk started to creep in through the mangrove. Finally we heard the sound of a powerful outboard motor, and then a boatload of gunmen roared past the village, plowed a couple of angry circles into the narrow creek, and came into the landing at what looked like full throttle. The women in the village fled. MEND had arrived.



A MEND militant painted with magical symbols to protect him from bullets.

They climbed out of the boat with their weapons propped upright on their hips and their faces immobile and expressionless. They didn't bother to look at us and we hardly dared look at them. They carried heavy belt-fed Czech machine guns with the ammunition draped across their bare chests like deadly-looking snakes, and some wore plaid skirts called "Georges," and others wore shorts or cast-off camouflage. One was naked except for his ammunition and a pair of dirty white briefs. They had painted their faces with white chalk to signify purity, and they had tied amulets around their arms and necks and foreheads for protection from bullets. Some had stuck leaves in their clothing so the enemy would see trees rather than men. One of them had painted the Star of David on his stomach to signify the lost tribe of Israel. They were a collection of walking nightmares, everything that is terrifying to the human psyche, and when confronted with them, Nigerian soldiers have been known to just drop their weapons and run.

Their leader was a slender boy wrapped in a red turban and white robe who was helped out of the boat almost like a child. Leaders are often chosen by the Ijaw god of war, Egbesu, and leadership can change daily. Egbesu sometimes communicates his desires by appearing in the dreams or visions of one of his followers and instructing him to be leader for that day. If the man tells the truth about Egbesu, others follow him without question; if he lies about it, Egbesu might kill him. The followers of Egbesu refrain from sex during time of war, and fast to increase their powers. Those powers, I was told, include the ability to drink battery acid without harm. "The spirit enters them when they go into battle," one anthropologist who had lived in Nigeria for years told me. "They don't have the same fears as you and I."

Mike and I were told to rise and we stood there like penitent schoolboys while the young leader approached. He handed his rifle to one of the other militants without bothering to look at us and said, "Which one of you is Sebastian?"



"I am," I said. The boy handed me a cell phone and walked away.

It was Jomo. "I told you that you couldn't go out into the creeks," Jomo said. I started to try to explain, but he cut me off. "What is the spelling of your last name?" he asked. I told him. "Don't worry," he said. "Everything's going to be all right." I handed the phone to the leader and walked back to where Mike stood. A few minutes later, one of the militants strode up to me and pointed his finger at my face. He was short but extremely strong and was covered in white war paint.

"You," he said matter-of-factly. "I am going to kill you."

Half an hour later, Jomo told the MEND leader to release us, and we were in our speedboat headed back to town.

## **Poverty and Corruption**

As is often the case in Africa, many of Nigeria's problems come as much from wealth as from poverty. African countries that happen to have valuable resources—oil in Angola and Nigeria, diamonds in Congo and Sierra Leone—are among the poorest and most violent on the continent. Economists refer to this phenomenon as the "resource curse." The resource curse holds that underdeveloped countries with great natural wealth fail to diversify their industry or to invest in education, which leads to long-term economic decline. The per capita gross national product of OPEC countries, for example, has been in steady decline for the past 30 years, whereas the per capita G.N.P. of non-oil-producing countries in the developing world has steadily risen.

According to the World Bank, most of Nigeria's oil wealth gets siphoned off by 1 percent of the population, condemning more than half of the country to subsist on less than a dollar a day. By that standard, it is one of the poorest countries in the world. Since independence in 1960, it is estimated that between \$300 and \$400 billion of oil revenue has been stolen or misspent by corrupt government officials—an amount of money approaching all the Western aid received by Africa in those years. Former president Sani Abacha and his inner circle stole at least \$2 billion. In a recent crackdown on corruption, the president of the Nigerian senate had to resign after accusations that he had solicited a bribe in exchange for pushing through an inflated education budget (which presumably would then have been plundered by others). A former inspector general of the national police, after being accused of stealing between \$52 and \$140 million, was recently sentenced to six months in prison for a lesser charge. And two Nigerian admirals were put on trial for trying to sell stolen oil to an international crime syndicate.

The list of wrongdoing continues almost without end. With top government officials so brazenly violating the social contract, everyone downstream inevitably follows suit. The Nigerian constitution stipulates that just under 50 percent of national oil revenue must be distributed to state and local governments, and that an additional 13 percent must go to the nine oil-producing

states of the Niger delta. Last year that amounted to almost \$6 billion for the nine delta states—plenty, it would seem, to take care of basic social services. The problem, however, is that the money goes to the governors' offices and then simply disappears. A financial-crimes commission was recently formed to investigate all of the country's 36 governors, and it wound up accusing all but 5 of corruption. The most apparently egregious case was that of Diepreye Alamieyeseigha, who was accused of embezzling hundreds of millions of dollars while he was governor of Bayelsa State. He fled to England, was arrested for money-laundering, jumped bail, and slipped back into Nigeria dressed as a woman. (The English authorities had taken his passport.) When asked how he managed to make the trip, he said he had no idea. "All the glory goes to God," he explained. He is now in custody awaiting trial.

"It's going to be tough," human-rights activist Orono Douglas said when I asked him about reforming Nigerian politics. "Nobody who has privilege surrenders it easily. The struggle is to get people to give up power who got it illegally."

The problem isn't purely a Nigerian one, either. Oil companies have long been thought to pay for the allegiance of local youth gangs, and Jomo claims that Agip offered to pay MEND \$40 million in exchange for "repairs" to the company's pipelines. (An Agip spokesman strongly denies any payment to or contact with MEND.) The American corporation Halliburton has admitted that its then subsidiary KBR paid \$2.4 million in bribes to the Nigerian government and is under investigation for its role in earlier bribes totaling \$180 million. And House representative William Jefferson, of Louisiana, is being investigated by the F.B.I. for allegedly accepting bribes from the vice president of Nigeria, Atiku Abubakar. These were said to be in exchange for help steering lucrative business contracts to Africa. (Jefferson has denied any wrongdoing, despite the fact that the F.B.I. found \$90,000 in cash in his freezer.)

Because of this corruption, most of Nigerian society has been starved of money and is effectively cannibalizing itself. Between Port Harcourt and the delta city of Warri there are 20 or 30 police checkpoints—some within sight of one another—where drivers simply hand cash out the window in order to pass. I was told that when police arrive at the scene of a bad car accident they won't call for medical help until the injured and dying have paid them off. There are car accidents all the time—I saw two fatal accidents on as many drives across the delta—because the roads have not had major repairs since the early 1980s. Even expressways have collapsed, turning a drive that once took several hours into a terrifying ordeal that can last days.

Every sector of society has been left to fend for itself. The airline industry, for example, is so slack in its maintenance that it has seen three catastrophic plane crashes in the past 16 months, which together have killed more than 300 people. The airport at Port Harcourt was shut down in 2005 after an incoming Air France flight plowed into a herd of cows that had wandered onto the



runway; it still has not reopened. Tens of millions of people live in urban slums without water or sanitation, restaurants have to hire guards with AK-47s to protect the diners, and the levels of chaos and street violence rival that of many countries at war. A dead man lay on the street near my hotel for two days before someone finally came to take him away. Even during Liberia's darkest days of civil war, the dead were usually gathered up and buried faster than that.

When Nigerians are asked about these problems, few can offer more than anger and despair—or the promise of violence. A typical Nigerian reaction came from President Owei, the Ijaw priest who tried to help with our first trip into the creeks. Owei is the head of an organization that promotes Ijaw rights and protects their communities in the delta. At first, my questions just provoked a torrent of indignation. "The people of the Niger delta don't need theory—they need practical things," he declared. "We need to be made to feel like human beings. There is an economic blockade of the Niger delta—they don't want money to flow here. With the wealth that Nigeria has, the whole nation should have roads and free education."

Owei lives in the great, seething slum of Bundu-Waterside, on the outskirts of Port Harcourt. Bundu-Waterside is a community built literally atop garbage and mud. High tide and raw sewage continually threaten to rise up over the thresholds of its thousands of plank-and-corrugated-iron shacks. People are packed into Bundu-Waterside with such desperate ingenuity that almost every human activity—cooking, fighting, eating, sleeping, defecating—seems to be observable from almost anywhere at any given moment. When I met with Owei, he and several of his assistants were seated on a wooden bench beneath a canopy of corrugated iron that serves as an open-air community center. Young boys swam in the tidal muck while, a few feet away, other young boys squatted to relieve themselves. Every 20 minutes or so, an oil-company helicopter thumped past on its way to one of the offshore rigs.

"The Niger-delta people are the new world power," Owei informed me solemnly. "I don't have a bulletproof vest, but I can drink acid. Can you drink acid? I can drink acid. We are a world power. We are waiting. We want to live in peace because God is peaceful, but the rest of the world is building armaments while they wait for Jesus. I don't know."

## **A History of Violence**

On November 10, 1995, an Ogoni author named Ken Saro-Wiwa and eight other anti-Shell activists were hanged by the Abacha government on trumped-up charges of incitement to murder. Saro-Wiwa had been a driving force in the formation of a group called the Movement for the Survival of the Ogoni People—MOSOP—which had taken a stand against environmental damage caused by the oil industry and the uncompensated appropriation of Ogoni land for oil drilling. Ignored by the Nigerian government, MOSOP petitioned Shell and the other oil companies directly. They wanted \$10 billion in accumulated royalties and environmental-damage

compensation, and a greater say in future oil exploration. Again ignored, Saro-Wiwa organized mass protests that managed to shut down virtually all oil production in Ogoniland. It was a severe blow not only to the oil industry but also to the system of corruption and patronage it had spawned, and the Nigerian military reacted with predictable brutality.

"Shell operations still impossible unless ruthless military operations are undertaken," the commander of the Rivers State Internal Security Task Force wrote to his superior on May 12, 1994. The memo went on to suggest "wasting operations during MOSOP and other gatherings, making constant military presence justifiable." (The memorandum was leaked to the press, though its authenticity was questioned by Shell.) Nine days later, the military moved into Ogoniland in force. They razed 30 villages, arrested hundreds of protesters, and killed an estimated 2,000 people. Four Ogoni chiefs were murdered during the chaos—possibly by government sympathizers—and the military used their deaths as a pretext to arrest the top MOSOP leaders. Saro-Wiwa was subjected to a sham trial and condemned to death. Before he was hanged, Saro-Wiwa's last words were "Lord take my soul, but the struggle continues."

Indeed it did.

The next major outbreak of violence occurred in 1998, when several Ijaw groups tried to duplicate MOSOP's strategies by declaring Ijaw territory off limits to the Nigerian military and demanding a stop to all oil extraction. Their rebellion was called Operation Climate Change. Within days, the Nigerian military saturated the delta and Bayelsa State with up to 15,000 soldiers and commenced a series of attacks that resulted in dozens—if not hundreds—of civilian deaths. Ijaw militants retaliated by shutting off and destroying oil wellheads in their area, and over the next several years an armed militancy evolved that the government was unable to contain. Fighting also broke out between different armed factions—many of which were hired by politicians to intimidate local rivals—and in 2004 an Ijaw leader named Mujahid Dokubu-Asari retreated into the creeks to wage "all-out war" against the government and the oil companies. His statement helped drive New York oil-futures prices above \$50 for the first time ever.

Asari was a convert to Islam and had briefly worried U.S. authorities by expressing his admiration for Osama bin Laden. His overriding concern, however, was control of the oil resources of the Niger delta. One form of control, according to Asari, was simply stealing back the oil that he believes has been stolen from the Ijaw. In Nigeria, stealing oil is called "bunkering," and it is huge business; by some estimates, 10 percent of the oil exported from Nigeria every year—several billion dollars' worth—is actually bunkered.

The safest way to bunker oil is essentially to bribe people into letting you steal it. Vastly more dangerous, and common, is tapping crude directly out of the pipelines themselves. Light sweet crude is extremely volatile, so metal-on-metal contact can touch off a massive explosion.

Bunkerers start by building a temporary enclosure around a small section of underwater pipe, pumping the water out and then drilling a hole into the steel casing that contains the crude. They then fit the hole with a short pipe and valve and let the creek water back in so that the apparatus is underwater, and therefore hidden from oil-company inspectors. Crude moves through the pipeline under a pressure of 600 pounds per square inch, and with such pressure it takes only a few hours to fill up a 1,000-metric-ton barge. The barge is then moved offshore to a transport ship—an operation that is vastly simplified by renting the Nigerian military.

"Most of the soldiers are paid 15,000 naira [around \$100] a month, so you go to the military man and say, 'I want to make you richer,'" a bunkerer in Warri told me. He had just worked all night moving bunkered oil; the work had probably netted his boss upwards of a hundred thousand dollars. "You say, 'This pipe will bring money; every night you will work here.' Then they will guard you. We give them five months' salary in a single night. Every time they bring in new people, we make new friends."

This man claimed that the federal government could easily stop bunkering if it wanted to, but local officials are making so much money off it that they would revolt. Ideally, he'd like to get out of the business. "There's so much risk in bunkering—fire risk, water risk, ambush risk. What I want to do is work for the oil companies as a production supervisor," he said. "I'm just bunkering until I get a job. There are plenty of people here with degrees in petroleum engineering who can't get jobs. They're offered positions by the bunkerers, so of course they take them."

Bunkering would not be possible without guns—militant groups are constantly fighting one another over access—and of course those guns are bought with oil money. The most impressive weapons I saw were Czech-made Rachot UK-68s that were new and well oiled and looked like they had just been unpacked from their crates. Rachots are highly portable general-purpose machine guns that can also be mounted on tripods for use against aircraft; they are not the sort of secondhand weapons commonly found floating around West African war zones. Someone brought those in with a special purpose in mind. "Their supplies seem to be unending," an arms expert named Dr. Sofiri Joab-Peterside told me in his office, in Port Harcourt. "The police have to count the rounds that they use—they don't have more than 10 or 15 each. The militants have belt-fed guns that can sustain action for 20 minutes. That, too, is a problem."

According to another contact of mine—a man who freely associates with the militants—the most recent arms shipment was 300 Russian-made AK-47s, built in 1969 but never used, that came from Moscow via London. He also said that in early October a South African businessman unloaded a ship full of weapons in the creeks in exchange for bunkered oil, which he then sold on the international market. Nigerian soldiers who have recently returned from peacekeeping missions in Liberia and Sierra Leone are known to sell their guns, he told me, as are soldiers

currently stationed in the delta. There are even rumors of floating weapons bazaars—freighters filled with guns—anchored off the Nigerian coast. All you have to do is pull up in your boat with cash.

However violent and dysfunctional it may seem, the convergence of bunkered oil, smuggled weapons, and illegal payoffs has worked fairly well within the broader violence and dysfunction of Nigeria. The original concerns of activists such as Saro-Wiwa were environmental degradation of the delta from oil spills, and the extreme poverty and backwardness of the villages. Two and a half million barrels of crude spilled or leaked into the delicate riverine environment between 1986 and 1996, resulting in wholesale devastation of the fish stocks that most villagers rely on. Flaring of excess natural gas has produced a blighting acid rain in the mangrove swamps, and freshwater even around wells that have been capped for years is still so polluted with hydrocarbons that it cannot be drunk safely. But people still do.

The costs of fully protecting the delicate delta ecology are almost incalculable. Once the militants participate in illegalities, however, the Nigerian government can dismiss the entire movement. "I recently directed the Nigerian security services to arrest and prosecute persons responsible for kidnapping ... under whatever guise the criminals and terrorists carry out these dangerous acts," President Olusegun Obasanjo declared in August 2006. Further complicating the issue is that much of the oil pollution in the creeks is from sloppy bunkering operations—which villagers then use as a basis for further claims of environmental damage to the delta. Shell recently appealed a decision by the Nigerian courts that ordered it to pay \$1.5 billion to the Ijaw people in compensation for environmental damage to the delta. Under the current system, everyone involved in the oil business—from corrupt government officials to military commanders to the militants themselves—makes vastly more money than he would in a transparent economy. And the bunkered oil isn't lost to the market; it simply becomes an additional tax borne by the oil companies for doing business in Nigeria.

The brutal functionality of this system started to break down in January 2006, when MEND arrived on the scene. MEND was not simply another bunkering cartel; it renewed the grievances first voiced by Saro-Wiwa and began to seriously disrupt the flow of oil from the creeks. "We are not communists or even revolutionaries," Jomo commented by e-mail to a journalist. "We're just extremely bitter men."

The formation of MEND seems to have been triggered by Asari's arrest in September 2005. Asari had threatened to "dismember" Nigeria, which smelled enough like treason for the Obasanjo government to finally go after him. The first MEND attack came four months later and was soon followed by e-mails from Jomo demanding the release of both Asari and Diepreye Alamieyeseigha, the Bayelsa state governor charged with corruption. (Alamieyeseigha is Ijaw and

was closely connected to Asari.) The first four oil workers kidnapped by MEND were lectured for 19 days on the poverty and environmental degradation of the delta. More than ransom money, the militants said they wanted all foreigners to leave their territory. In other words, they wanted control of their oil.

A former hostage whom I talked to (who did not want to be identified by name) reported essentially the same experience. He was a contract pilot for Shell who was taken from a landing platform in 2000 and held for two weeks. He was never physically abused or threatened, though he did worry that he might eventually get malaria and die. "Their grievances are legitimate," this man told me. "It's just that those who do the kidnapping don't necessarily do it for the community. There's no water in these communities, no education, no medical facilities whatsoever. To be out in the swamp without any electricity or drinking water—of course they're upset."

We were sitting at an open-air bar inside the Shell compound near Warri. It was early evening, and bats flitted through floodlights that illuminated a tennis court. On the other side of the compound's chain-link fence was a local village that had been plunged into darkness. "The host community here," the man went on, waving at the ramshackle houses, "they are without electricity for days sometimes. This is obscene. They are looking through the fence at golf courses and tennis courts where the floodlights are on at midnight. Why not throw them an electric line? I mentioned it to someone at Shell. I said, 'Why not? You've got the turbines! Let there be light!' He said, 'If we do that, they'll all want that.'"

After his release, this man was repatriated to his home country and immediately came down with malaria. While he was recovering, he received a letter from the lead militant of the group that had kidnapped him. It was directed to his wife and children, and it even had a return address. "I apologize for kidnapping your husband and father," the letter read. "I did it because of Shell. I am born again and I will not do it again. I should be forgiven."

"They used light plastic speedboats with 75-horsepower engines," the man said. "They take the top off the engine to get more cooling. They know exactly what they're doing. The army will never have a chance."

## **Combustion Chamber**

This is why oil is so valuable: one tank of gas from a typical S.U.V. has the energy equivalent of more than 60,000 man-hours of work—roughly 100 men working around the clock for nearly a month. That is the power that the American consumer can access for about \$60 at the gasoline pump. If gasoline were a person, we would be paying 10 cents an hour for his labor. Easily accessible reserves are running dry, though, which means that the industry must develop

increasingly ingenious—and costly—techniques for getting at the oil. Deepwater drilling, for example, now happens so far offshore that rigs can no longer be anchored to the seabed; they must be held in place by an array of propellers, each the size of a two-car garage. The cost of deepwater drilling is close to twice that in shallow water.

As a result, oil is one of the few commodities with virtually no surplus production; just about every drop of oil that gets pumped gets used. The world currently goes through 84 million barrels a day, a figure that is expected to rise to almost 120 million barrels in the next 25 years. As that happens, oil will become more and more expensive to extract. When oil was first exploited, in 1859, the energy equivalent of one barrel of oil was required to pump 50 barrels of oil out of the ground. Now that ratio is one-to-five. Thus far, nearly half of the proven, exploitable oil reserves in the world have been used up. Barring the discovery of new reserves or new drilling technology, some experts predict the world will run out of oil by 2040.

Added to these technological problems is the fact that—as if by some divine prank—most of the world's oil reserves happen to be in politically unstable parts of the world. (The alternative theory is that oil exploitation tends to de-stabilize underdeveloped countries.) Because of the financial risks involved, oil reserves in politically stable countries have more value, per barrel, than oil in politically unstable countries. As we speak, the value of Nigerian oil—as a function of the capital investment that must be risked to produce it—is in steady decline.

That is MEND's trump card. It has several times threatened to shut down all Nigerian oil production, but it's possible MEND doesn't quite dare, because of the chance it will provoke a military retaliation it wouldn't survive. By the same token, the Nigerian military has threatened to sweep the delta with overwhelming force, but it doesn't know whether that might force MEND to carry out one devastating counterstrike—taking out the Bonny Island Liquefied Natural Gas facility with a shoulder-fired rocket, for example. An act of sabotage on this scale could drive Shell and the other oil companies from Nigeria for good, completely wiping out the national economy. One major company, Willbros, has already discontinued operations in Nigeria because of the security threat.

On the world stage, as well, MEND's political power depends on its ability to cause economic pain in other countries. Some industry experts contend that new market mechanisms and the availability of U.S. petroleum reserves would mitigate the effects of even a complete shut-in of Nigerian oil. "Look at Katrina," one oil analyst at the Department of Energy told me. "There was a spike in oil prices for a couple of weeks, but then demand shifts and there is a little bit of conservation. Two years ago we were at \$28 a barrel and now we are in the mid-50s. Short-term market predictions are a fool's game."



The Oil ShockWave panel wasn't so sure. It found that a complete shut-in that coincided with another event—a terrorist attack in the Persian Gulf or even an exceptionally harsh winter, for example—could trigger a major recession. Furthermore, there seemed to be no good options for dealing with it. Opening up the U.S. Strategic Petroleum Reserve—some 700 million barrels of oil in underground salt caverns along the Gulf Coast—would lower oil prices for the whole world without providing a long-term solution. Begging Saudi Arabia for more oil could compromise the United States politically and damage our long-term interests in the region. And sending the U.S. military into the Niger delta would be politically risky and possibly unfeasible, given American commitments in Afghanistan and Iraq.

That did not stop the U.S. government from authorizing a joint training exercise with the Nigerian military in 2004. It was reported to have been focused on "water combat."

Two weeks after our first trip to the creeks, Jomo told me by e-mail that he would arrange for MEND to take us into its camp. It was deep in the mangrove swamps, and he said that no journalist had ever been there. Allegedly, the only foreigners who have ever seen the MEND camps were hostages.

We hired a boat at the Port Harcourt waterfront and headed south into the creeks, hoping not to run into any Nigerian gunboats. We had the feeling that the authorities knew what we were up to, and it seemed like an encounter that would end badly. We passed a few fishing villages and a flow station and two gas flares, and then we swung into the broad expanse of Cawthorne Channel. Twenty miles to the east, wobbling in the heat shimmer, was the Bonny Island L.N.G. facility. The rumor in Port Harcourt was that MEND was planning to blow it up. A wind had come up, and we banged our way southward into a hard chop and finally swerved into one of the nameless creeks and ran our boat into the village where we'd been two weeks earlier.

Calls went out, and half an hour later a boatful of militants dressed raggedly in old Western clothes pulled into the landing, and we climbed on board. We continued south for a while, almost to open ocean, then plunged back into the mangrove up a creek that got narrower and narrower until we had to duck to avoid getting hit by branches. We passed under a talisman strung between two trees, and minutes later we were at the camp. Every tree, it seemed, had a man behind it with a gun pointed at our heads.

Mike and I stepped out onto land and were immediately blessed by a man who dipped a handful of leaves into what might have been palm wine and splashed us twice. No one blesses someone before killing him, I thought. The camp was a rough wood barracks hidden in the trees with a few nylon tents scattered around. There was a small generator and a satellite hookup for television. There were two Egbesu shrines, unremarkable little thatched enclosures with inexplicable things tied to them. The men had stocking masks on their faces with leaves sticking out of the eye slits,

and they watched our every move through the slits, though they had stopped pointing their guns at us. Some of the militants couldn't have been 15 years old. They carried old British guns from the colonial days and ugly little submachine guns with the clips sticking out to the side—and the big belt-fed Rachot machine guns that Nigerian soldiers were so scared of. We walked through the camp rubber-kneed and weak, or at least I did. Their leader was named Brutus and he sat on a wooden bench in a clearing. He motioned me to take a seat next to him, and I opened my notebook and sat down. His men surrounded us in a semicircle with guns cocked at all angles.

"I have been instructed by Jomo to answer any question you have," he said. "And to let you take any pictures you want. The Nigerian government has been marginalizing the people who have the resources of this country. We are deprived of our rights. This time around we don't even want to wait for them to attack. When the order is given we can go ahead and crumble whoever we can crumble, because we don't die; we live by the grace of God. If one man remains, that man can win the cause—that is my own belief."

I had heard this before—that the delta was bracing for a wave of attacks. The attacks were rumored to include coordinated car bombings, assassinations, and hostage-taking. I asked Brutus what was going to happen next. "The first phase was just a test run for the equipment," he assured me. "Soon the real violence will come up and will be let loose. We are waiting for the orders from above and we won't waste an hour.... This is modern-day slavery. They have killed so many people in the struggle. The government will attack us, but we are very ready for them. We are just waiting for orders from above. Then we will move." (On December 18, two explosions were reported at Shell and Agip facilities in the delta. MEND claimed responsibility for the attacks.)

Brutus looked at me through the eyeholes of his mask. "When the Nigerian man moves," he said, "nothing can stop him."

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