

Natural Resource Governance and Sustainable Development in the Niger Delta Region

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Abstract

This work was prompted by the desire to relieve the environment and host communities of injustices meted by the alliance of state and extractive firms in the Niger Delta region. The issue has been unabated exploitation of both solid and liquid deposits and the attendant hazard such exploitation causes the environment and people in the neighbourhood. Loss of arable land, fishing area, portable drinking water, polluted air, are some of the realities of Niger Delta people. Meanwhile, compensation and corporate social responsibility to ameliorate the suffering of host communities often do not address the real needs of the people, because they are often not articulated with the consent of the latter. Survey design was adopted to feel the pulse of the people and the other stakeholders on this burning issue. Hypotheses formulated were verified using the PPMC through IBM SPSS 23.0. It was found out in the work that the rule of law has been neglected for far too long. It was also found that corporate social responsibility programmes were often imposed on the people and thus unable to meet the real needs of the people. Accordingly, it was recommended, among others, that host communities should become the vanguard of the law by knowing the laws governing the exploitation of resources in their communities, insist on justice and develop Community Priority Programme (CPP) as a template for engagement with companies operating within their environment.

Keywords: Natural resource, governance, sustainable development, Niger Delta, environment

1.1 Introduction

Man's existence on planet earth and continued existence depends on the availability of the resources of nature such as air, water, plants and animals. Man harnesses all these and many more for survival on daily basis. Some of these resources are inexhaustible. Others such as plants (crops) must be carefully developed and preserved for continued use. However, beneath the earth crust and the ocean bed lie an array of minerals such as cobalt, potassium, iron ore, hydro-carbon,

diamond and gold, given equally free by nature. Of course, man being a product of nature and most intelligent manifest existence has been the care-taker of the earth.

Despite the fact that natural resources are not equally distributed, every man requires basic necessities of life such as air, water, food, clothes and shelter to lead a functional life. This explains why the development and utilization of natural resources must be on a sustainable basis. The entire gamut of activities involved in the development, distribution, regulation and utilization of natural resources goes by the name 'natural resource governance' (NRG). Campese (2016) sees NRG as the “norms, institutions, and processes that determine how power and responsibilities over natural resources are exercised by stakeholders, how decisions are taken and how citizens including women, men, youth, indigenous peoples and local communities, secure access to, participate in, and are impacted by the management of natural resources. This explanatory construct attempts to factor in all variables of the subject matter of natural resource governance but leaves out sustainable development defined as “development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs” (UNO, 1992: 2). Thus, sustainable development is about integration; developing in a way that benefits the widest possible range of sectors, across borders and even between generations. In other words, every action of man should take into account potential impact on society, the environment and the economy, while keeping in mind impact on future generations. The human environment is fragile and must be handled with care. Interestingly, Nigeria is blessed with a tropical environment. There is enough sunshine and rain fall in most parts of the country nearly all year round. Human supply is in abundance, so are natural resources. From the Atlantic coast through the savannah up to the desert, Nigeria bubbles with people, resources and relatively good weather. The difference between being a real wealthy nation and a poor one hinges on how a country's leadership utilizes its resources - human and material - to meet the needs of citizens today without compromising tomorrow. Natural resource governance does not begin and end with the oil industry which incidentally is Nigeria's main-stay. It cuts across all sectors. At independence in 1960, Nigeria's GDP was largely agro-based. Today, that has shifted in favour of the extractive industry, chiefly hydrocarbon, occasioned by the so-called paradox of plenty. As noted by International Democracy and Electoral Assistance (IDEA, 2017) Nigeria's natural resources provide a unique chance to foster human and economic development comprehensively.

However, over the years, Nigeria has suffered from what scholars such as Auty (1993) and Sachs and Warner (1995) refer to as “resource curse or paradox of plenty”, meaning that abundant endowment of natural resource does not lead to equivalent levels of prosperity, broad-based development and resources-based industrialization. This fact was espoused by Kolawole and Omobitan (2015: 30) noting “poverty and inequality in Nigeria is a paradox. Paradox in the sense that, poverty level in Nigeria contradicts the country's abundant wealth of both human and natural resources”. In plain language, there is poverty in the land in the midst of plenty and inequality in the face of economic growth. And who is the culprit? Poor governance! Yes, governance in this sense is broad. It encompasses the personnel and institutions of law-making, state and non-state institutions/ actors as well as international and multinational interest organizations on resources development, distribution and use.

To this extent, Nigeria is found wanting on governance of natural resources for sustainable development. Nigeria's poor governance is seen in the country's corruption profile articulated by both local and international institutions. For instance, Transparency International's 2020 Corruption Perception Index (CPI) placed Nigeria 149th out of 179 countries on the index. Public and private corruption have hindered deliverables and have impacted negatively on the environment.

Despite being one of the world's major producers of crude oil, the number of people living in abject poverty in Nigeria was 82.9 million 40.1% in May, 2020 (NBS, 2020). Besides, places where resources are gotten hardly have commensurate benefits for their contribution to national wealth. The Niger Delta region is a typical case where crude oil which accounts for between 80% and 90% of Nigeria's foreign exchange earnings in the past four decades has little to show for it (Dode, 2012; Nnorom and Odigbo, 2017). Environmental degradation occasioned by oil exploration and exploitation have left communities without arable agricultural land, safe spring water, aquatic life and greenhouse. Failure to mitigate these boiling issues have often created conflicts, tension and sometimes violent confrontation between indigenous communities, oil companies and the state. The Ogoniland, for instance has been exposed to petroleum hydrocarbons in outdoor air and drinking water, sometimes at elevated concentrations. Most communities are drinking water from wells that are contaminated with benzene and most members of the community are living with chronic oil pollution from the activities of Shell Petroleum Development (SPDC) and other oil multinationals (UNEP, 2011:10). The rule of law and corporate social responsibility (CSR) of businesses seem not to protect the people and oil companies are not responsible to some stakeholders. It is on this strength that Aluko (2010: 91) notes "for Nigeria to have a head start on sustainable development, the country must build credible political institutions worthy of sustaining peace, and allow democratic values to deepen in such a way that the rule of law and due process will replace the arbitrariness and rule of force, which have taken deep roots in Nigeria over the decades". Abua and Edet (2013) have it that the Niger Delta is at a tipping point, showcasing in one-fold neglect, misrule and danger for all stakeholders.

Previous studies by scholars on natural resource governance and the Niger Delta region situation including Aderogba (2016); Ezeocha, (2016) and Tambari and Imoh-Ita (2016) etc, have focused largely on the Niger Delta region and its environs. Much attention has not been given to the rule of law and implementation of corporate social responsibility as they relate to natural resource governance. This is the area the present effort is directed.

1.2 Research Questions

From the above narration, this study seeks to answer specifically the following questions:

1. To what extent has the rule of law promoted natural resource governance and sustainable development in the Niger Delta region?
2. How has non-involvement of host communities in planning and delivery of corporate social responsibility programmes promoted sustainable development in the Niger Delta region?

1.3 Research Hypotheses

- i) Application of the tenets of the rule of law is likely to promote sustainable development in the Niger Delta region.
- ii) Involvement of host communities in the delivery of corporate social responsibility programmes tends to enhance sustainable development in the Niger Delta region.

1.4 Literature Review

1.5 Governance and Sustainable Development

Regulation is good. Any unregulated matter is subject to abuse because of human tendencies. To that extent, natural resources though given free in nature, must be regulated by law, governed, managed and distributed in society for the wellbeing of the majority. Annye *et al.* (2017:1) defines the rule of law as "equality of all persons before the law or equal subjugation of all classes

to the ordinary laws of the land, administered by the ordinary court". Khan (2017) notes that understanding the political economy of the rule of law, the nature of legal and institutional reforms, their impact on diverse interests, and the power dynamics that drive or hinder the reforms, is essential to advance sustainable development for the benefit of all. Hardin alluding to Aristotle's position on non-governance and abuse of scarce resources observed that "what is common to the greatest number has the least care bestowed upon it. Everyone thinks chiefly of his own, hardly at all of the common interest" (Latta, 1968: 17).

Governance could be seen as the tension-filled interactions between the citizens and their rulers and the various means by which the governments can either help or hinder their constituents' ability to achieve satisfaction and material prosperity (Rotberg, 2014). On its part, the United Nations Development Programme Human Development Index Report (UNHDI) (2011) defines governance as a system of creating and sustaining an environment for inclusive and responsive political processes and settlements. In governance, the people come first whereas in government the state comes first. The World Bank cited in Ejere (2013:127) defines governance as the manner in which power is exercised in the management of a nation's economic and social resources for total development.

Natural resource governance relates to the fundamental norms, institutions and processes that determine how power and responsibilities over natural resources are exercised, how decisions are made and how citizens involve in and benefit from the natural resources in their domain (Mead, 2014). Governance of natural resources is a matter of justice and sensibility. It is a necessary and inseparable foundation for a just world that values and conserves nature. NRG is an integral support to climate change advocacy but Ezeocha's (2016), in a particular study, noted that the governance structure of the presidential amnesty programme has resulted in many negative consequences for the Niger Delta including the notion that violence pays and more polluted Niger delta. In the same vein, Aderogba (2016) found out that the Nigeria's government has not restored real peace in the Niger delta because of poor approach to managing the delta resources. The work raises questions about the sustainable approach to managing the resources of the Niger delta.

The concept of sustainable development was first used by the World Conservation Strategy presented by the International Union for the Conservation of Nature and Natural Resources in 1980, but popularized by the Brundtland Report in 1987 (Usoro and Modo, 2012). The Brundtland report commissioned by UN World Commission on Environment and Development defines sustainable development as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Zubcevic, 2016:1). Sustainable development means on-going development. It emphasizes the creation of sustainable improvement in the quality of life of all people (Jhingan, 2006). So, the idea of sustainability in development presupposes that development should not be a spike in low trend of poverty but a rather ever upward trend of progress in all spheres of life. That is why businesses must mitigate their impact on society through corporate social responsibility (CSR). CSR is seen as the obligation of an organisation which considers the interests of all stakeholders, which include the customers, employees, shareholders, communities and ecological considerations in all aspects of their operations (Muniapan and Dass, 2008). This expectation is seen to extend beyond their statutory obligation to comply with legislation. For extracting firms, it is pertinent to strike a balance between extraction and restoration especially when the natural capitals or minerals being extracted are irreplaceable. That perhaps suggests why Aluko (2010) enjoins Nigeria to institutionalise sustainable development through deliberate institution building and Owugah (2010) tasks both Nigeria and extractive firms to prioritize the people and environment of the delta area.

1.6 Struggles for Good Governance and Sustainable Development in the Niger Delta

The Niger Delta became notorious for kidnapping, oil bunkering, vandalism of oil installations; forcing many Western countries to issue travel warning to their nationals visiting Nigeria for business or other engagements. But before the Niger delta came to have a tag of hostage takers, restiveness and oil thieves, the area had enjoyed tremendous peace and tranquility and equally had welcomed companies into their communities, with open arms. The Niger Delta has recently experienced relative peace, part of the reason being the implementation of the amnesty programme proclaimed by President Umaru Musa YarAdua in 2008.

Oil discovery in commercial quantities brought high hopes and expectations to the three key players, the oil companies, the government and host communities. The companies and the state as joint venture business partners, share a common expectation of capital accumulation (Dode, 2015). Capital accumulation runs parallel to the expectations of the host communities' expectation of improved life through the provision of basic facilities like electricity, portable water, paved roads, employment opportunities in the firms, skill development and healthcare centres. The people received only promises of benefits. In fact, they did not anticipate any negative effects arising from oil exploration.

When the first oil spillage occurred in 1959, rendering thousands of people homeless, no compensation claims were filed and none was paid. The communities simply dismissed the experience as one of the challenges of a new company which would be overcome with time. That dismissed reality consolidated. With time the communities started to notice the impact of persistent pollution and degradation of the environment on their lives and livelihood. They first observed a drastic decline in their harvests or yields from their farming and fishing activities, resulting in food insecurity. Next, they noticed increasing cases of health problems especially respiratory and water-related disease as well as strange ailments. Furthermore, miscarriages, vaginal infections and birth defects increased resulting in health insecurity. As noted by Owugah (2010), it was at this point that the people realized the enormity of the negative impact of oil activities, especially the threat to survival of the present and future generations of humanity in the area. The situation corroborates with Karl Marx's view (cited in Foster, 1998:5) that “for humanity to ensure an inalienable condition for the existence of human generations, man must adopt a conscious and rational treatment of the land as permanent communal property”.

Understanding of the metabolic relationship between man and his environment impelled host communities to demand compensation for damages to their farmland, crops, economic trees, bodies of fishing waters and fishing equipment. Surprisingly, the oil companies did not respond promptly to claims. The communities, not realizing the intertwined relationship of the oil majors and the state, approached the state for intervention. Again, they got no meaningful response. They turned to the court which ought to be an impartial arbiter and last hope of the common man. Interestingly, the court being appointed and funded by government, sided with the oil majors and the state to the dismay of the affected communities. Often, the oil majors in connivance with the state will drag the court process for years until the communities were no longer able to afford legal fees and abandoned the cases.

Strategy was changed by the community to organizing protests. The use of placards to march along the streets, in front of Government House and in front of the oil companies was aimed at drawing wide media attention and those of the joint venture business partners to their plight. State response was swift and immediate. State apparatus of violence, the police, got drafted to disrupt and arrest key organizers of the protest (Dode, 2015). By beating, teargassing and arresting the communities' protesters, the state hoped to undermine the communities from having justice. It equally wanted to stop the spread of the protest to other areas (Owugah, 2010). The

state strategy of violence was unfortunate because no community wanted to end up like Oloibiri, where oil was first drilled in large quantities but the moment the wells dried, the oil companies simply packed and left the community environmentally ruined.

Introduction of the security services to an otherwise peaceful struggle changed the peaceful resistance into revolutionary violence. Critical oil installations were blown up, oil workers taken hostage or killed, security operatives in oil installation facilities killed and their weapons seized. The hunter became the hunted. The situation almost grounded the country during the administration of President Umaru Musa Yar'Adua compelling him to proclaim amnesty to militant groups. Revolutionary groups such as Movement for the Emancipation of the Niger Delta (MEND), Niger Delta Volunteer Force (NDVF), The Niger Delta Avengers (NDA) and Movement for the Survival of the Ogoni People (MOSOP) emerged and caused serious problems for the joint venture business partners. These groups are not isolated from the people. It seems the Niger Delta people love their activities as long as the cause of the delta is advanced. The governments of the South-South States are demanding resource control, that is, the right to exclusively exploit their resources without damaging the environment and pay agreed tax to the federal government to maintain the federation as was practiced in the First Republic. Ewah *et al.* (2019) agree with them, noting that the Nigerian state and the oil firms have neglected the Niger delta and its people for far too long. The work questions the corporate social responsibility content of oil firms and declare them as window dressing.

The logic here is that derivation was 100% between 1954 and 1959 when groundnut, cocoa and palm oil formed the mainstay of the Nigerian economy. These three cash crops came from the three main ethnic regions of Nigeria namely the north (Hausa) groundnut, the southwest (Yoruba) cocoa and the southeast (Igbo) palm oil respectively. When oil overtook these cash crops as the life wire of Nigeria's economy, regional control over resources was de-emphasized. For instance, in 1977, the Olusegun Obasanjo led Military junta reduced regional control of resources to 25 percent. Subsequent Military governments further reduced state control eventually to 1 percent.

Following agitations of the minority ethnic groups from the oil region, derivation was raised to a paltry 3 percent and then to a minimum of 13 percent as approved by the 1999 constitution (Akpabio and Akpan, 2010). Even with this, there is still politics surrounding the 13 percent allocation to states in the Niger Delta. The introduction of onshore/offshore oil revenue dichotomy has been politically used to further prune the constitutional 13% to 7.5% (Aaron 2003). The Federal Government erroneously argued that oil drilled offshore belongs to the federation only, whereas oil drilled onshore belongs to the state government at first instance before the federation. Arguments on this oil revenue dichotomy went to the Supreme Court of Nigeria. The Supreme Court sided with the federal government.

Meanwhile, the argument of the littoral states led by Victor Attah of Akwa Ibom, Peter Odili of Rivers and Diepreye Alamieyesiegha of Bayelsa has been that in a federation, the units make up the whole save for overseas territory which could be a special situation. Finally, a political agreement was reached through a National Assembly legislation which set aside the judgement of the Supreme Court. But even at that, from January, 2000 to April, 2002, the Nigeria state released only N215.6 billion to the governments of the South-South states in terms of revenue derivation from oil production. This represented only 60 percent of the total revenue accruable to the states. What happened to the remaining 40 percent or N143.74 billion of the derivation fund not released?

1.7 Efforts to Address the Niger Delta Issue

Nigeria's Niger Delta region is not a stranger to governance and development discourse. What is perhaps new is the 'sustainability' notation to the discourse. Peculiarities of the Niger Delta geography have attracted developmental attention of governments from the colonial period to the present. In the wee hours of Nigeria's independence, Her Majesty's Government set up the Sir Henry Willink's Commission to review and recommend the best strategies for the development of the region which has the most difficult terrain.

When the commission turned in its report in 1958, it specifically recommended that the Niger Delta region deserves special developmental attention and should, therefore, be made a "special area" to be developed directly by the Central Government. This was before crude oil became the mainstay of the Nigerian economy. The recommendation of the report birthed the Niger Delta Development Board (NDDDB) in 1960 to cater for the unique developmental needs of the area. The NDDDB never really went into work before the outbreak of the civil war in 1967. After the Nigeria war of unity, the River Basin Development Authority was established to promote regional development for which the Niger Delta region was to benefit.

Akpan and Akpabio (2003) see this gesture as a negation of the developmental ideas for the Niger Delta as recommended by the Willink Commission's Report. As a consequence, the Niger Delta people continued to agitate for the restoration of the Willink Commission's dream by requesting special attention to be paid to their developmental needs especially as crude oil found in the delta area had then become the mainstay of Nigeria's economy. This later led to the setting up of a presidential Task Force which devoted 1.5% of the Federation Account to the development of the Niger Delta Region. The impact of this strategy was minimal on the region and could not settle the growing restiveness and developmental needs of the people.

Following the recommendations of the Belgore Commission set up by the Babangida regime, the Oil Mineral Producing Areas Development Commission (OMPADEC) was established in 1993 (Akpabio and Akpan, 2010). However, OMPADEC could not make any major impact in the development of the region due to several factors namely: lack of a master plan, inadequate funding, and official corruption. The failure of these development interventions prompted the establishment of the Niger Delta Development Commission (NDDC) by President Olusegun Obasanjo in year 2000. The NDDC Act 2017 provides several sources of funding. These include:

- (i) Federal government contribution, which shall be equivalent to 15% of the monthly statutory allocations due to member states of the commission from the federation account.
- (ii) Oil and Gas processing companies' contribution of 3% of their total budget.
- (iii) 50% of the ecological fund allocations due to member states.
- (iv) Proceeds from other NDDC assets etc.

Looking closely at the NDDC funding, it becomes apparent that her mandate is sourced indirectly from the funds due to the Niger Delta states and ecological funds, while the Federal Government of Nigeria tactically dodges its developmental responsibilities to the region. This, in essence, is tantamount to playing politics with the development needs of the Niger Delta region in view of being the goose laying the golden egg for the nation.

Further, the Ministry of Niger Delta has been created still in an effort to address governance and development challenges confronting the Niger Delta. Despite the listed institutions to address Niger Delta issues, Aluko (2010) notes that the Niger Delta is not yet developed sustainably owing to lack of sustained will by the state. The issue, according to the report is not availability of the law but its neglect. For instance, there is a law against gas flaring. But many oils firms choose to flare gas and pay fine.

1.8 Theoretical Framework

This work adopts Stakeholder Theory as its theoretical framework. The chief proponent of stakeholder theory is Edward Freeman. Stakeholder Theory's assumption is that values are necessarily and explicitly a part of doing business (Freeman, 1984:3). It tasks managers to articulate the shared sense of the value they create, and what brings its core stakeholders together. It also pushes managers to be clear about how they want to do business, specifically what kinds of relationships they want and need to create with their stakeholders to deliver on their purpose.

Freeman (1984:3) raised two crucial questions as follows:

- i. what is the purpose of the firm?
- ii. what responsibility does management have toward stakeholders?

This pushes managers to articulate how they want to do business—specifically, what kinds of relationships they want and need to create with their stakeholders to deliver on their purpose. In the original conception, Freeman (1984:1) defines stakeholder in a broad strategic sense as 'any group or individual that can affect or is affected by the achievement of a corporation's purpose.'

Stakeholder scope has widened now. Freeman *et al.* (2010) define stakeholder to include the promoter(s), employees, customers, suppliers, financiers, communities, governmental bodies, political groups, trade associations and trade unions. Figure 1.1 showcases the reach of stakeholders in a modern typical firm.



Figure 1.1: Stakeholders of modern firms.

Source: Freeman, Harrison, Hicks, Parmar and Simone de-Colle (2010).

Dunham et al (2006) see stakeholders as the “group that a firm needs to exit, especially employees...communities” etc. The primary responsibility of the executive therefore is to create as much value as possible for stakeholders.

Businesses can avoid the mindless pursuit of profits for shareholders at the expense of other stakeholders, a pursuit which ultimately destroys both the shareholders and stakeholder value. What may appear could be creative capitalism, responsible capitalism, conscious capitalism, or, as Freeman *et al.* (2010) would prefer, stakeholder capitalism. Business cannot be conducted as usual, it sure will meet stiff opposition, if not real, it could be intellectual.

How relevant is the stakeholder theory to a work on natural resource governance and sustainable development in the Niger Delta? Though developed in the West, stakeholder theory tends to have a humane face. It sets an agenda which understandably shows that businesses must make profit to stay afloat. But it also recognizes that businesses cannot ignore their stakeholders and succeed for long. That is why, the theory broadens the reach of stakeholders to include communities and the environment. It emphasizes real corporate social responsibility, which is one of the pillars of this research, as key part of business. It also encourages firms to carry out businesses lawfully.

These unique additions endear stakeholder theory to this work. Recall that the Niger Delta has been needlessly neglected by various administrations in Nigeria both military and civilian. Also, recall that the Niger Delta struggle for attention and self-determination in extreme circumstances has spilled the blood of citizens from Isaac Boro to Ken Saaro-Wiwa. So, stakeholder theory holds the government of Nigeria and her conspirators to account. It is hypothetical to state that the Niger Delta people have charged the Nigeria State and the multinational oil companies to the court of environmental justice and have had them convicted and sentenced. In the minds and hearts of the Niger Delta people, the Federal Government of Nigeria and all the firms that exploit the natural resources of the region without regards to effects are serving a jail term. That jail term will expire as soon as the people and the environment have received justice. But when will that be?

1.9 Research Methodology

Descriptive survey design was adopted in this study. Descriptive studies aim at portraying attributes of a particular situation or group (Ekanem and Anyanwu, 2018). The study comprised of six (6) units of analysis shown in table 1.1. The units of analysis were purposively determined but the sample (364) from the population (4,075) was arrived at using Taro Yemene formula given as:

$$n = \frac{N}{\{(1 + N(e)^2)\}}$$

Research instrument was administered using both randomisation and judgement sampling methods depending on the situation at hand. For instance, at host communities of Emerouke, Iko Town Mfamosing and Mbobui, the researcher used judgment in administering the instrument because of the mixed feelings of the community owing to frustrations experienced in the hands of exploration firms.

Table 1.1 Distribution of Sample within Units of Analysis

S/N	Unit of Analysis	No.	Internal Sample Distribution
1	Ministry of Environment AKS	246	22(6%)
2	Ministry of Environment CRS	127	11 (3%)
3	Host Communities Akwa Ibom State (Iko Town/ Emerouke)	2,017	176 (49%)
4	Host Communities Cross River State (Mfamosing/ Mbobui)	1,219	109(30%)
5	Oil company, Akwa Ibom State (Amni International)	228	22(6%)
6	Mining company Cross River State (Crushed Rock Industries Ltd.)	238	22(%)
	Total	4,075	364

1.10 Test of Hypotheses

The verification of hypotheses for this study was done using IBM SPSS. The two hypotheses were analysed using Pearson's Product Moment in which '*r*' statistics was used to determine or specify relations between various variables of study.

1.11 Test of Hypothesis 1

1) H_0 : Application of the rule of law is likely to promote sustainable development in the Niger Delta.

Table 1.2 Relationship between Rule of Law and Sustainable Development

		My company tries to comply with government regulations to avoid fines	Getting some companies to comply with environmental regulations can be difficult
My company tries to comply with government regulations to avoid fines	Pearson Correlation Sig. (2-tailed) N	1 213	.021 .760 213
Getting some companies to comply with environmental regulations can be difficult	Pearson Correlation Sig. (2-tailed) N	.021 .760 213	1 213

Source: Field survey, (2019).

SPSS output in table 1.2, presents interesting output. The first information here represents Pearson's *r*. SPSS output indicates that Pearson's *r* correlation is .021. The implication is that (.021) is a weak but positive relationship between rule of Law and sustainable development in the Niger Delta. But no further conclusion can be made about this relationship at this point.

In the second output (**Sig. 2-tailed .760**), *P* value tells if there is a statistical (positive or negative) relationship between variables of study. It is the *P* value that is used to draw conclusion about correlational variables. Since this study utilises 0.05 level (2-tailed), an output less than .05 will be positively correlated (reject H_0) while an output higher than .05 will be negatively related (accept H_1). In this case, $r = .021$ and is a weak relationship because $Sig. = .760$, which is greater than .05, meaning $P > .05$. It is worthy to note that SPSS presents the correlations in tabular form. However, correlation is here presented within text. So, the correlation between rule of Law and Sustainable Development is weak, $r(211) = .021, P > .05$. The number in parentheses represents the degree of freedom associated with the significant test, which is equal to the number of cases (respondents) minus 2 ($N-2$). Therefore, H_1 is accepted and H_0 is rejected meaning that there is a significant relationship between rule of law and sustainable development in the Niger Delta.

1.12 Hypothesis 2

H_0 : Involvement of host communities in planning and delivery of corporate social responsibility programmes tend to enhance sustainable development in the Niger Delta.

Table 1.3 Relationship between Involvement of Host Communities in CSR Planning and Sustainable Development

	It is cheaper to discuss with community leaders than the whole community	It is not necessary for this company to consult the community before executing projects
It is cheaper to discuss with community leaders than the whole community	Pearson Correlation	1
	Sig. (2-tailed)	.258**
	N	213
It is not necessary for this company to consult the community before executing projects	Pearson Correlation	.258**
	Sig. (2-tailed)	.000
	N	213

** . Correlation is significant at the 0.01 level (2-tailed).

From the SPSS output in table 1.3, a number of conclusions can be inferred. First, 213 (*N*) respondents participated in the survey. Pearson's product moment analysis focuses on the middle box to the right of the table. The first information here represents Pearson's *r*. Already, the SPSS output indicates that correlation is significant at 0.01 level (2-tailed). What does this mean? The implication is that (**.258****) there is a strong relationship between involvement of host communities in corporate social responsibility planning and Sustainable Development in the Niger Delta. But no further conclusion can be made about this relationship at this point. In the second output (**Sig. 2-tailed .000**), *P* value tells if there is a statistical (positive or negative) relationship between variables (contextually between involvement of host communities in CSR planning and sustainable development in the Niger Delta) of study. It is the *P* value that is used to draw conclusion about correlational variables. Since this study utilises 0.01 level (2-tailed), an output less than .01 will be positively correlated (reject *H*₀) while a output higher than .01 will be negatively related (accept *H*₁). In this case, *r* = .258 and is significant because Sig. = .000, which is less than .01, meaning *P* < .001. Therefore, *H*₀ stands rejected and *H*₁ is accepted that there is a significant relationship between involvement of host communities in CSR planning and sustainable development in the Niger Delta.

1.13 Discussion of Findings

Hypothesis 1 on the relationship between application of the rule of law and sustainable development in the Niger Delta was upheld. This finding is supported by a number of previous findings on the subject. For instance, Aluko (2010) concluded that for Nigeria to have head start on sustainable development, the country must build credible political institutions worthy of sustaining peace, and allow democratic values to take roots in such a way that the rule of law and due process will replace the arbitrariness and rule of force, which have taken deep roots in the country over decades of misrule. At present, rule of law pertaining to environment sustainability remains at the realm of the state. Such laws must belong to the people. How? The New Zealand

1996 Fisheries Act for instance, sets a science-based sustainable limit for fisheries, and grants long-term ownership rights to investors. Fishers have a collective interest in maintaining stocks for the future because the law rewards such effort.

It is true that Nigeria has the Environmental Impact Assessment mechanism, but that is at the realm of the state. Host communities usually have no access to such report and hence cannot monitor compliance with the limit set by law. What the Buhari Administration has done that appears close to people centered law is the Whistle Blowing Policy. Whistle blowing is alarm raised when a citizen sees or is aware of fraud by an official of state or private establishment. The state will follow the lead, investigate and prosecute. Ten percent (10%) of the recovered proceeds is given to the person(s) or organization that raised the alarm as incentive. For now, this is in the realm of fighting corruption in Nigeria. A similar provision pertaining to the laws governing natural resources as implemented in other climes would have the eyes of the people on the environment.

The rule of law is a regime of justice. In this particular case, justice to natural resources, to communities, to the environment and to the state. The question is, has justice been felt by the communities and environment in the Niger Delta? The research found the contrary. Host communities are afraid even to pursue legal option to remedy violation of their interest and the environment. The companies seem to have real ability to manipulate the legal system. The long line of court cases; the high cost of hiring a lawyer each court day; the irregular court seating; the long adjournments; and even miscarriage of justice contribute to sap the rule of law and justice. Flouting regulation is a commonplace reality in Nigeria. That is why oil firms, for instance, still flare gas in the study area despite it being illegal. Tax paid for violation of rules are not commensurate with the level of damage violation causes and seems cheaper for the firms than to build the infrastructure to stop flaring of gas.

Hypothesis II on involvement of host communities in the planning and delivery of corporate social responsibility programmes and sustainable development in the Niger Delta was confirmed. This finding is key to future engagements of firms in the Niger Delta. Of course, this is not an isolated finding. Owugah (2010) studied corporate social responsibility of the Petroleum Industry in the Niger Delta Area and reached a similar conclusion. The work notes that oil exploration especially the spills and other environmental threats associated with oil exploitation in the region have tremendously caused disruption of the ecosystem stability and traditional livelihood structures of the host communities. Demand for reversal of the trend is the cause of conflicts between oil exploration firms and their host communities. In a bid to pacify communities, oil companies embark on projects which do not meet the needs of the communities. For instance, the researchers found out that the construction of a class room block at Government Primary School Emeroke, by Addax Petroleum was seen as unnecessary because the pupil population could hardly fill the existing facilities. The people requested for electrification project on the island, but the firm connived with some “elders” and imposed a class room block on the island.

Ewah *et al.* (2019) noticed glaring insensitivity on the part of mining companies operating in Akamkpa quarries. Their unwillingness to address issues that premised on their corporate social responsibilities to host communities are serious. The grave nature of this neglect is reflected in a study by Abua and Edet (2013) who studied the area around the quarries in Akamkpa Local Government Area. They found out that the soils of the prescribed area are formed from acid crystalline rocks. These are characterized by coarse texture in the surface while the subsurface have fine clay accumulation. They are acidic in reaction with a pH range between 5.4 to 6.8 within the ecological settings. The low organic contents of the soils do not support food security in terms of intensive crop production. The high sand contents (> 70%) are capable of exposing the soils to erosion hazards etc. The point, firms are more interested in profit and not the wellbeing of people around.

Reflecting on the attitude of big businesses, Freeman *et al.* (2010) opine that they have erroneous presumption that as long as they have been able to satisfy the conditions of issuance of operational license and the subsequent payment(s) of various taxes to the Central Government, then they have no obligation to develop host communities with the apparent near-zero level of corporate responsibility. This position by Addax Petroleum supports the statement credited to Daukoru, E. M., Divisional Manager Shell Petroleum Development Company of Nigeria Limited (SPDC) that the oil companies have no statutory obligation to embark on an expensive road construction since they have already paid such as tax to the government which claims to know how best to meet the needs of its citizens (Ndu, and Agbonifoh 2014).

In Eastern Obolo for instance, the only paved road is the one that runs through Okorete, the capital, to Iko Town jetty. The rest of the local government is made up of earth roads in this twenty first century despite millions of Dollars-worth of hydro carbon drilled yearly. It was equally observed that the people of Eastern Obolo have very limited access to petroleum products like Premium Motor Spirit (PMS), Automotive Gas Oil (AGO) and Dual Purpose Kerosene (DPK). None of the oil majors have a service station there. The trend seen by the firms studied is a reactive strategy to corporate social responsibility. They tend to neglect the proactive strategy which is generally recommended by experts. Reactive strategy is responding frantically to emergencies.

1.14 Conclusion/Recommendations

This work investigated the relationship between natural resource governance and sustainable development in the Niger Delta. Investigation of the relationship between the rule of law and sustainable development was confirmed. One of the values of rule of law as pointed out in the work is its ability to deliver justice to both animate and inanimate objects without attention to involved persons. Violation of the rule of law has consequences, but the law must leave the realm of the state and belong to the people by making them co-owners and protectors of the law.

Hypothesis two on the involvement of host communities in planning and delivery of corporate social responsibility programmes was equally confirmed. The era of imposition of mismatched CSR projects is over in the Niger Delta. Nothing could be more interesting than the people being consulted or recognized. Besides, projects mutually agreed to, tend to receive the collective eyes of the host communities. "Elders" limited consultation is elders-oriented delivery and it is doomed to failure.

The following recommendations are made based on the findings of this research:

- (i) Nigeria has many good laws with regard to natural resource governance and sustainable development. One of such laws is the anti-gas flaring regulation. But if one goes to Iko Town in Eastern Obolo, from the jetty, one could count four flow stations in the Atlantic Ocean flaring gas. So, the law has to leave the books into the hearts of the people. Communities are therefore encouraged to investigate to know what the laws governing operations of the companies in their domain say. Communities are encouraged to mobilise their people to demand enforcement of the laws. But the communities must keep their eyes open because big businesses have a tendency to deploy their resources to obstruct justice or even compromise some community personalities to break the community's spirit. Also, justice is often not a given. It usually requires sacrifice, including even the ultimate sacrifice.
- (ii) On CSR, it is recommended that each host community should have Community Priority Programme (CPP). CPP should be ranked in order of importance. Such list should be reviewed from time to time. It should have projects or programmes of the community based on prevailing needs and value per time. Such a list of items will restrict the company to navigate within the prescribed boundary. The CPP itself should be modest. It should reflect critical needs and should take cognizance of the financial strength of the company to account. To draw up the CPP, the community leaders should convene a meeting of the three segments of the community - youth, women and men. Separately they should articulate their views and then jointly, through representation, should ratify the CPP and make it public for comments before final adoption.

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