

Corporate Social Responsibility and Sustainable Development: A Study of Shell Petroleum Development Company of Nigeria and Nigeria AGIP

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Abstract

This study assessed the procedures and practices of Shell Petroleum Development Company of Nigeria (SPDC) and Nigeria AGIP Oil Company (NAOC) in implementing their respective corporate social responsibility (CSR) in the development of host communities of Bayelsa state. The theoretical framework was derived from the social exchange theory, while the ex post facto research design was applied by employing multi-stage sampling technique, through survey questionnaires. It recorded a reliability index of 0.83. To achieve this, two research questions guided the study, with a sample size of 398 respondents drawn from twenty-four (24) host communities through multi-stage sampling techniques. Data were analysed with mean analysis and chi-square. It found that there was a significant relationship between the level of host community participation and the socio-economic life of the host communities in CSR of SPDC and NAOC on the sustainable development in Bayelsa State. It therefore recommended that SPDC/NAOC should invest a greater percentage of their profit on educational projects, adhere to the implementation of the Global Memorandum of Understanding (GMOU), the introduction of capacity-building programmes and full public participation by the host communities in the implementation of CRS activities.

Keywords: Corporate Social Responsibility, NAOC, SPDC, Sustainable Development, and Host Communities.

1. Introduction

The concept of corporate social responsibility (CSR) states that Multinational Oil Companies (MNOCs) and organizations take into account the host communities in particular and society's interests in general when implementing programmes, projects and policies (PPPs) and initiatives that would have beneficial influence on them. This policy involves customers, employees, and stakeholders as well. Additionally, businesses and corporate organizations should perform above the minimum requirements of the legal framework and take voluntary initiatives to better the lives of their employees, host communities, and society, as a whole. The principle of CSR today mandates that in addition to ensuring returns to shareholders, improved wages for employees, quality products and services for customers, and environmental concerns, organizations must also respond to the needs of the host communities where they operate. Developing a sustainable host community requires ongoing modification to meet the basic expectations of the people while conserving the capacity of the environment to support it. As a result, it aims to enhance the lives of those who live in the communities while also preserving resources for the benefit of current and future generations.

Crude oil and gas exploration and exploitation activities by SPDC and NAOC have brought immense growth and development to the country, it is the opposite for the host communities in Niger Delta Region (NDR), in general, and Bayelsa State in particular. Since crude oil was discovered in the Otabagi community in Oloibiri District, Ogbia Local Government Area in Bayelsa State, on June 4, 1956, the situation has not greatly improved (Kabiamawe & Ajibola, 2017). Nigeria's federal

government (FGN), which is represented by the Nigerian National Petroleum Corporation and the MNOCs have formed a joint venture (NNPC), and in the joint venture partnerships, SPDC is the biggest MNOC of Nigerian gas and oil production and exploration companies. It coordinates the other MNOCs in the venture - NNPC an operator of a 55% percent-interest joint venture; SPDC thirty per cent (30 %), Elf ten per cent (10%) and NAOC five per cent (5%), respectively (Uzoagu, 2015).

Shell Petroleum Development Company of Nigeria Limited (SPDC), Nigeria Agip Oil Company Ltd. (NAOC) and Chevron Nigeria Ltd. (CNL) are major MNOCs operating in Bayelsa state in particular and in the Niger Delta area in general. However, the presence of these MNOCs in Bayelsa State has brought about untold hardship resulting in environmental degradation, pollution and oil spillage (Etekpe & Okolo, 2011). They went further to argue that despite these hardships, the MNOCs have not reciprocated through meaningful CSR programmes, policies and projects (PPPs) in the area of involvement of host communities by encouraging button-top participation, combining monitoring of CSR PP and timely signing and implementation of the global memorandum of understanding (GMOU). Over time, these companies have taken advantage of the host communities' vulnerability to enrich themselves at the expense of the region's overall development. Poverty and misery have been exacerbated by the region's richness of gas, oil, and water resources, which were expected to bring prosperity to the inhabitants.

Be that as it may, they pointed out some PPPs embarked upon by the MNOCs especially, SPDC and NAOC such as agricultural programmes (AP), human capital development policy (HCDP), health/medical programmes (HMP) and provision of infrastructural facilities (PIF) are key specific variables expected to impact on the quality of life (socio-economic) in the host communities in Bayelsa State. For instance, the agricultural programmes by SPDC are meant to provide support to farmers (fertilizers, seedlings, etc.), the ultimate aim is to enhance agricultural output and thus provide adequate food for the people, as well as tackle poverty and employment in the host communities in Bayelsa State. According to Kabiamawe & Ajibola, (2017), SPDC has established eight oil palm processing mills, a 25-hectare oil palm plantation, ten (10) stream fishing projects, six off-shore fishing activities, an integrated fish hatchery and a commercial oil palm nursery. But one critical issue to note on AP is its failure to address the fundamental obstacles to benefiting host communities in the following areas: the shortage of manpower, disease and insect issues, insufficient support services, lack of feeder roads, and insufficient transportation infrastructure all contribute to a subpar agricultural environment. It is deducible that the agricultural support programmes of SPDC yield no significant result and have failed to promote agriculture development. This means the benefiting communities and SPDC failed to monitor the programme and the effect was that poverty and unemployment which the programme sought to liquidate remains.

Similarly, the human capital development programme implemented by SPDC and NAOC in Bayelsa state proved to be yet another policy that failed to effectively tackle the issues faced by the host communities. The HCDP was to award scholarships at the primary, post-primary and university levels. At the university level, SPDC and NAOC give scholarships at undergraduate and postgraduate levels, while Chevron awards foreign scholarships also. This also includes the provision of science teachers to schools, to promote science and technical education. It also involves a skill acquisition/vocational training programme. The policy performance review by Okoko in 2018 revealed that the youth development scheme (YDS) has not achieved the objectives of employment generation and poverty reduction, which are cardinal responsibilities of the host communities and government. There appears to be a wide discrepancy between the CSR practices of MNOCs, particularly SPDC and NAOC, in the sustainable development of host communities in Bayelsa state. The deficiency has led to several violent conflicts in the state and region.

2. Statement of the Problem

Bayelsa State is one of the major oil-producing states in Nigeria. The state is ranked the 4th producing 18.07% per cent of offshore/onshore contribution to the country's national income (Etekpe 2019). The

contribution does not include gas of which the state is the largest producer, and her oil production capacity to the national economy stands at 290,000 barrels per day (Nigerian Bureau of Statistics 2019) and this has not resulted in the state's physical and human sustainability, instead members and host communities who are driving the process are mired in poverty and underdevelopment. They endure numerous hardships and make numerous sacrifices for the land to produce crude oil, which is the main source of income for the rest of Nigeria. The host communities have long complained about poverty, exclusion, socio-economic well-being, environmental damage, and general disregard on the part of the government and the international oil firms who have been engaging in the plunder and exploitation of the societies that host them throughout the years. Oil was discovered in the Otuabagi community in the Olobiri district in 1956.

Despite the state's oil/gas productive capability, the host communities in Bayelsa State have a growing awareness of exploitation and backwardness. Host communities have been the victims of a sustainable development dilemma due to oil spills, gas flaring, and other environmental dangers associated with oil exploration. As a result, SPDC and NAOC have seen an upsurge in the demand for CSRs, whereas the CSR effort is seen as mere palliative measures that are inadequate to develop the area, they are seldom ingrained for the people to appreciate.

Etekpe (2019) found that MNOCs, especially SPDC and NAOC CSR programmes and projects (PPs) have not met the standard requirements of most oil-producing host communities in Bayelsa state and the Niger Delta region in general. According to the discoveries, this situation has primarily arisen from the needs of the local communities, fostering a mindset of dependence due to inadequate planning and execution that remains unresolved. Thus, the palliative PPs introduced in this way do not remain functional without the continued support of the outsider which tends to contravene a basic principle of development. Thus, the study aims to interrogate the role of CSR on sustainable development (SD) of host communities by SPDC and NAOC in Bayelsa state, which serves as the hub of the oil/gas industry in the country. The foregoing discussion has raised two questions below.

3. Research Questions

- i) Was the host community's participation in CSR of SPDC and NAOC instrumental in promoting sustainable developments in Bayelsa State, and
- ii) Has SPDC and NAOC's corporate social responsibility (CSR) had an impact on the socio-economic well-being of the host communities in Bayelsa State.

4. Objectives of the Study

This study aimed to assess the practices and procedures of CSR activities implementation by SPDC and NAOC in reaching sustainable development of their host communities in Bayelsa State. The specific objectives were to;

- i) Investigate the extent host community's participation in SPDC and NAOC CSR activities in contributing to sustainable community development in Bayelsa State.
- ii) Examine the impact of SPDC and NAOC's CSR on the socio-economic lives of the host communities in Bayelsa State.

5. Research Hypotheses

- Ho1: There is no significant relationship between the level of host community participation in CSR of SPDC and NAOC on the sustainable development in Bayelsa State.
- Ho2: There is no significant relationship between the practice and procedures of CSR of SPDC and NAOC on the socio-economic life of the host communities in Bayelsa state.

6. Literature Review

The Concept of Corporate Social Responsibility

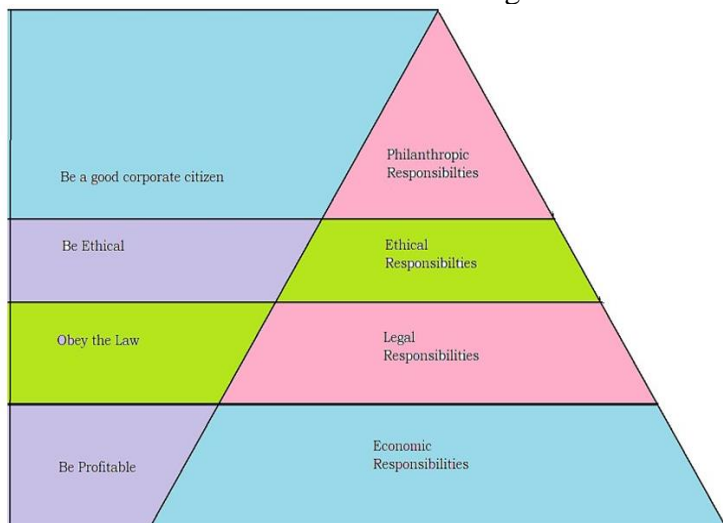
The term CSR was first introduced in the Roman Catholic Church, particularly in the Medieval Ages, where sections of legislation regulated what was acceptable behaviour in numerous economic sectors around the world, including those of the Catholic Church (Chryssides and Kaler 1993). According to Mosaic regulations in the Old Testament, (Leviticus 19:13) harvesters were not allowed to take in all of the harvests because they had to leave a portion for the needy. Servants, like their masters, were entitled to a day of rest on the Sabbath. The Year of the Jubilees was to be an amnesty every fifty (50) years in which all debts were forgiven. This principle was expanded by the teaching of Jesus Christ and Paul in the New Testament as a reminder of the Golden Rule– “Do unto others as you would have then do unto you” (Matthew 7:12, Galatians 5:14).

Over time, the idea of corporate social responsibility has gained popularity, but there is a lack of consensus in the literature on its meaning and application. Rockefeller and Carnegie's millions of dollars in charitable donations may be traced directly back to these two wealthy businessmen (Steiner & Steiner, 2006). In Howard Bowen's book, *Social Responsibilities of the Businessman*, the term "corporate social responsibility" (CSR) was coined in 1953 to describe the ethical obligation of business leaders to consider the broader social implications of the decisions they make (Bowen, 1953). Bowen further argued that businesses that fail to cultivate a broad contract with society should no longer be considered legitimate corporations. Corporations throughout the United States began adopting the ideas of corporate social responsibility in 1977 when they embraced the Rev. Leon Sullivan principles, with emphasis on dismantling barriers created by apartheid and discrimination of government (Etekpe 2019). The principles guided the values of General Motors in the United States of America (USA). General Motors was one of the then-major investors that sustained the apartheid government in South Africa.

Between 1977 and June 1982, approximately a hundred American businesses with South African operations signed the principles (pledge) for commitment to developing corporate social responsibility, as reported by Etekpe (2019). As a result, international corporations accepted the code (also known as the Sullivan principles) as a benchmark for community investment. Thus, in Nigeria, MNOCs have adopted the technique, notably SPDC and NAOC. Etekpe, (2019) went further to argue that the principles have expanded the scope to other national and trans-national organizations (TNOs), institutions (universities and labour unions), as well as non-governmental organizations (NGOs) in the areas of “scholarships/bursaries, human capacity building and the rights of employees are also included in the scope of social infrastructures such as health care delivery centres and classroom blocks for elementary and secondary schools.

He emphasized that, since then, general sub-themes and sub-concepts have developed, making the concept more complex and encompassing. Public policy and environmental science are only two of the fields that have adopted it (Carroll 1999, p: 278). The study adopted the concept of CSR of Geetamani's definition (quoted in Etekpe, 2017, p. 372). According to Carrol (2000), these four definitions (responsibilities) of CSR are illustrated in a pyramid form in Figure 1 below:

Figure 1: The four Dimension of CSR in Nigeria



Source: Adapted from Carroll, 2000

CSR is giving back to the community in the form of financial and human resources to make a positive impact on the well-being of the people, who live there (Carroll, 1999). The need to act ethically follows next. Finally, the legal level is concerned with avoiding damaging stakeholders while doing what is correct. Furthermore, business is supposed to be a decent corporate citizen, still having economic obligations as the fundamental building element. It is anticipated that as a corporate citizen, it will consider the impact of its operations on the economy, the environment, and society (Etekpe, 2009). Similarly, Etekpe (2021) argued that the focus of CSR is shifting away from the supply of physical (social) infrastructure toward the development of human potential and empowerment. The shift is characterized in Table .1 as a new trend and developing patterns.

Table 1: Trend in CSR Implementation in Nigeria, 2021

S/N	The Physical and Social Foundations of the Previous Approach	Emerging Method (Human Resource Development/Empowerment)
1	The construction of classrooms, lock-up stores, town halls, and other facilities.	Granting of Financial Aid/Payment of Bursary Compensation
2	The construction of medical facilities	Compliance with corporate rules and regulations
3	Generation of electricity as a source of energy	Reducing the Environmental Impact of the Gas Turbine
4	Providing financial assistance for cultural events	In order to cover the cost of examinations (WAEC, NECO, Jamb)
5	Reconstruction of the feeder highway	building a feeder road
6	Boreholes are sunk (Water) Excavating for Oil and Gas (Water)	The provision of a local water system
7	A Contract for the Appointment of Minor Contractors	Human rights are respected.
8	-	Affiliation with the GMoUs
9	-	Working conditions have been improved.
10	-	The Environment's Concerns

Source: Etekpe (2021)

This calls for a CSR strategy centred on local communities, in which businesses actively participate in the creation and implementation of programmes aimed at bettering society as a whole and specific neighbourhoods (Lertzman & Vredenburg, 2005; Lund-Thomsen, 2005). A detailed analysis of the motive behind CSR is advanced by Ogundele (2010) and categorized into three basic approaches vis-a-vis laissez-fair or voluntary, state intervention of the force of law and lastly, the coercive approach.

7. The Concept of Sustainable Development (SD)

According to Brundtland Commission's seminar 1987 report, human interaction with the environment is the context in which the phrase "sustainable development is typically used, which has been elevated to the top of the global conversation about our shared future, by popularizing it worldwide" (p.82). A framework for both human and physical growth was therefore constructed, in line with environmental protection demands, to ensure sustainable development (Kabiamawei, & Ajibola, 2017). Rio de Janeiro's (Brazil) hosting of the United Nations Conference on the Environment (UNCED) in 1992 was the culmination of a series of debates and initiatives on sustainable development. As defined and explained by the Brundtland Commission in 1987, sustainable development... changes in resource exploitation, investment direction, and technical progress that are in harmony and boost both present and future potential to satisfy human needs and aspirations are part of this process (Allen & Eze, 2019).

When it comes to sustainable development and access to the various factors of production, it can be deduced that there must be a healthy relationship. An example of this would be the Nigerian state's multinational oil companies eroding the land and resources of its citizens, which in turn, impedes sustainable development. As a result, Robertto avers that as the productive foundation including natural resources is depleted, leaving future generations with fewer opportunities and increased hazards, sustainable development rejects policies and practices that maintain present living standards (Robertto, 1985).

According to Okolo (2016), one crucial point to note from the indicators of sustainable development is that the factor of creation of wealth is pivotally significant, but when added to creating wealth, it is another equally vital variable in the distribution of wealth. In a situation where only a few citizens benefit, leaving the vast majority of the citizenry in abject poverty, sustainable development is said to have been undermined. Against this background, poverty becomes a key factor to resolve in this regard.

In light of the foregoing, it is evident that this is the case of SPDC and NAOC sustainable development objective which fundamentally seeks to promote environmental protection, social responsibility, and economic growth; but essentially, conflicts and their attendant effect/impact on development (community development) of the host communities (settlements) was ignored completely. SPDC and NAOC's concern about conflict simply is only restricted to the promotion of a conflict-free relationship between the company and the host communities to ensure unhindered access to its production facilities and of course the continual free flow of the oil wells. Pivotaly, this is true for the other oil multinationals operating in the Niger Delta region (i.e. Chevron; elf, Mobil and Texaco).

8. Theoretical Framework

The social exchange theory (SET) developed by George Homans (1958) was adopted in the study. The theory is anchored on two fundamental principles, namely: reciprocation and fairness, and aggressiveness and approbation. The reciprocity and fairness principle focuses on relationships. Persons who get expected sympathy or rewards in a relationship are thought to wish to reciprocate, that is to return similar good gestures towards the person who gave the reward, while the aggressiveness and approbation principle emphasizes the ramifications of not obtaining the benefits one expects or experiencing the penalties one does not expect from such behaviour. After being denied an anticipated benefit or subjected to an unanticipated penalty, an individual will feel enraged, leading to hostile behaviour that will be repeated and will eventually become a more valuable habit (Ogege & Ewhrudjakpor, 2009). The exchange of social and material resources is a fundamental type of human contact (Homans, 1974). Each interaction between people includes an exchange, and every connection should have a give-and-take dynamic. Alkazay & Robert (2003) argue that an individual group or organization has resources that it is prepared to trade. As a result, they aim to minimize costs and maximize benefits to get the best possible outcome.

The theory revolves around the premise that individuals act rationally and interact with each other while calculating the price and advantages of social trades. Secondly, it assumes that persons involved

in contacts are rationally aiming to maximize the advantages to be derived from such relationships, particularly in terms of addressing fundamental human requirements. Third, trade procedures that yield incentives or pay-offs for people contribute to social interaction patterning. Social exchange theory, on the other hand, implies that people are goal-oriented in a free-market society (Alkazay & Robert 2003).

Applying this theory explains the reasons host communities in Bayelsa State are dissatisfied with the level of sustainable development in their communities despite the huge wealth generated. This position is in line with Sokoh's (2006) position that for inhabitants of SPDC/NAOCs host communities, the tale of "high anticipation" has turned out to be the story of disappointment "story of empty expectation". This has attracted hostile behaviour from the host communities in the form of venting their anger and dissatisfaction on the practice and procedure of the MNOCs CSR.

The works under scrutiny highlighted the recurring themes of exploitation and discord, touching on CSR projects and programmes, community growth, interrelations between communities and companies, as well as environmental stewardship, acting as barriers to effective policy execution of CSR (Allen & Eze 2019; Idemudia 2007; Ojo, 2012, Ogri 2019; Uzoaru & Chidinma 2019). However, these studies do not adequately assess CSR impact on sustainable development in oil-producing communities, especially in Bayelsa state, in particular, and Niger Delta Region, in general. It is a new approach to addressing the gap since it will do so in the following ways, first, investigate the extent host community's participation in SPDC and NAOC CSR activities to promote sustainable development and second, examine the impact CSR of SPDC and NAOC in their socio-economic development and wellbeing of the host communities in Bayelsa state.

9. Methodology

The research applied an ex-post facto design, by employing a survey questionnaire instrument to accurately measure the practice and procedure of development of a sustainable future through CSR of SPDC and NAOC in Bayelsa State (Okeke et al., 2014). Both qualitative and quantitative methods were applied to acquire a better grasp of the study question to establish a causal relationship between SPDC/NAOC CSR and the sustainable development of the host communities.

The adult (those who were twenty (20) years and above) population size of SPDC and NAOC selected host communities was 142,861 (National Population Commission Report 1996). This figure comprises both males and females within the age range of 20 to 70 years old. It consists of SPDC and NAOC employees of the Corporate Community Relations Development (CCRD) and community liaison officers (CLOs) who were indigenes of the host communities. The total sample for this study is three hundred, and ninety-eight (398) respondents (SPDC NAOC and host communities) as well as staff of the companies from the three senatorial districts of Bayelsa State, by applying Taro Yamani (1967) formula to determine the sample size. Nevertheless, the numbers from SPDC and NAOC were based on a purposive sampling technique.

The data collection instrument for this study was a four (4) point scale questionnaire. The four options on the Likert scale that respondents may use to indicate their degree of agreement with a statement: strongly agreed (four points), agreed (three points), strongly disagreed (two points), and disagreed (one point). Mean analysis was applied to the research questions and relevant hypotheses for testing the chi-square test (χ^2). Each hypothesis was tested at a 0.05 level of probability to determine whether or not the null hypothesis was accepted or rejected.

10. Data Analysis

The arithmetic mean was used to analyse data collected from the research questions (items) 1 to 8 which are grouped into four items per group. The questionnaire was arranged in a label form of strongly agree, agree, strongly disagree, and disagree, with scores assigned as follows: SA=4, A=3, SD=2, and D=1, added together and divided by the number as follows: $4+3+2+1 = 10/4 = 2.5$ (criterion mean). Responses below 2.5 are negative, while responses above 2.5 are positive.

Research Questions (RQ) 1: Was host popular participation in CSR of SPDC and NAOC sustainable development in Bayelsa State.

Table 2: Mean scores of respondent's responses on the extents host community's popular participation in CSR of SPDC and NAOC sustainable development in Bayelsa State.

Items	Responses				Total	Mean
	SA 4	A 3	SD 2	D 1		
1 Involvement of host communities by SPDC/AGIP promotes sustainable development projects in your community of Bayelsa state.	25	30	15	2	72	2.8
	(100)	(90)	(30)	(2)	(207)	
2 Bottom- top participation by SPDC/AGIP CSR projects of host community has promoted sustainable development in Bayelsa state.	25	38	25	3	91	2.9
	(100)	(119)	(5)	(3)	(272)	
3 Combine monitoring of CSR projects by SPDC/AGIP of host community promoted sustainable development in Bayelsa state.	31	35	25	6	97	2.9
	(124)	(105)	(50)	(6)	(285)	
4 Timely signing/implementation of MOU/GMOU with host community enhanced sustainable development in Bayelsa state.	40	30	20	10	100	3.0
	(160)	(90)	(40)	(10)	(300)	
Grand mean÷ criterion mean= 2.5						2.9

Source: Author Field Work, 2024

Table 2 shows the calculated mean values generated by the respondents. It reflected their weighted responses on the level of host community's participation in fostering long-term growth and sustainability in Bayelsa State as central to the corporate social responsibility policies, projects and programmes SPDC and NAOC. Items number 1, 2, 3, and 4 with mean scores of 2.8, 2.9, 2.9 and 3.0 respectively were above the criterion mean of 2.5 revealing that the level of host community's participation in CSR of SPDC and NAOC sustainable development included the following forms: involvement of host communities members, bottom- top participation of community members, combined monitoring of CSR project and timely signing/implementation of MoU/GMoU of SPDC and NAOC host community enhanced sustainable development in Bayelsa state

With a grand mean of 2.9, it was established that SPDC and NAOC have operated all the above strategies to promote the level of host community's participation in CSR sustainable development in Bayelsa state hosts communities of SPDC and NAOC.

Research Question (RQ) 2: Has the CSR of SPDC and NAOC impacted on the quality of life (socio-economic) in the host communities in Bayelsa State?

Table 3: Mean scores of respondents’ responses on CSR of SPDC and NAOC and impact on the quality of life (socio-economic) in the host communities in Bayelsa State

Items	Responses				Total	
	SA	A	SD	D		Mean
	4	3	2	1	10	X
5 Human resources development programmes by SPDC/NAOC have led to sustainable development of host community in Bayelsa state.	32 (128)	30 (90)	20 (40)	10 (10)	92 (268)	2.9
6 Provision of infrastructural facilities by SPDC/NAOC has led to sustainable development of host communities in Bayelsa state.	30 (120)	20 (60)	15 (30)	10 (10)	75 (276)	3.6
7 Agricultural programmes by SPDC/NAOC have led to sustainable development of host community in Bayelsa state.	34 (172)	30 (90)	26 (52)	10 (10)	100 (324)	3.2
8 Health/Medical programmes by SPDC/NAOC have led to sustainable development of host community in Bayelsa state.	38 (152)	32 (96)	13 (26)	10 (10)	93 (284)	3.0
Grand mean						3.1

Source: Author Field Work, 2024

The analysis of the data from Table 3 revealed that items 5, 6, 7 and 8 generated mean values of 2.9, 3.6, 3.2, and 3.1 respectively. This implied that items number 5 to 8, have had an impact on the economic and social lives of the host communities in Bayelsa state, in terms of its human resource development programmes, provision of infrastructural facilities, agricultural development programmes and health/medical programmes by SPDC and NAOC. A grand mean (x) of 2.9 revealed that all the above-mentioned items stand as CSR ways in which SPDC and NAOC might have affected the quality of life in the host communities in Bayelsa state.

Testing of Research Hypotheses by Using Chi- Square

Hypothesis 1

H₀₁: There is no significant relationship between the level of host community popular participation in CSR of SPDC and NAOC and sustainable development in Bayelsa State.

Table 4: Chi- Square Decision Table

Statistics	Df	P	Value	Decision
X ² calculated	9	.05	10.08	Accepted Hr
X ² expected	9	.05	16.92	Rejected Ho

Source: Author Field Work, 2024

From Table 4, the x² expected is 16.92 while the x² calculated is 10.08, therefore we accept the alternate while rejecting the null hypothesis. This is because the x² calculated is less than the x² expected. This suggests there is a strong connection between the various means of host community popular participation in CSR of SPDC and NAOC and sustainable development in Bayelsa State.

Hypothesis 2

Ho:₂ There is no significant relationship between the practice and procedures of CSR of SPDC and NAOC and the socio-economic life of the host communities in Bayelsa State.

Table: Chi- Square Decision Table

Statistics	Df	P	Value	Decision
X ² calculated	9	.05	14.48	Accepted Hr
X ² expected	9	.05	16.92	Rejected Ho

Source: Author Field Work, 2024

From the above, the x² expected is 16.92 while the x² calculated is 14.48, therefore we accept the alternative hypothesis and reject the null hypothesis. This is because the x² calculated is less than the x² expected. This implies there is a significant relationship between the practice and methods of CSR by SPDC and NAOC and the enhanced socio-economic life of the host communities in Bayelsa State.

11. Discussion of Findings

The Level of Host Communities' Popular Participation in CSR of SPDC and NAOC Sustainable Development in Bayelsa State

The extent of popular participation in the outcome of CSR programmes, policy and projects in Bayelsa state has increased over the years and significance, which includes: the involvement of community people, signing/implementation of GMoU, button-top participation by SPDC and the combined monitoring of projects by SPDC and NAOC. From the x² test of hypothesis 1, the x² calculated is less than the x² expected, we therefore accepted the alternative hypothesis, which implies that there is a significant relationship between the level of popular participation and the outcome of CSR of SPDC and NAOC sustainable development in Bayelsa state. The involvement of the SPDC in host communities' development has continued to rise every year by employing various forms without significant participation of host communities' members

Commenting on the above situation, Ibaba (2013) argued that non-participation is a key issue in SPDC and NAOC in carrying out their CSR programmes, policy formation and project implementation by host communities and the lapses amount to exclusion, deprivation and marginalization, which has thrown up the crisis of development and instability in host communities. This view was in line with Enemaku's (2006) view that SPDC's corporate social responsibility and its dedication towards supporting the long-term development of host communities was a drop in the ocean, given the level of unrest and development crisis that the host communities in Bayelsa state were experiencing at the time. A "paradigm shift" has therefore been initiated from the community assistance, community development and sustainable development viewpoints, which nevertheless requires a deeper level of community involvement and commitment to achieve long-term sustainability.

Asserting this position, Etekepe (2011) argues that the initial two approaches SPDC and NAOC assume direct responsibility for the initiation, formulation and implementation of programmes and projects through a matrix system of communication where the communities are mere spectators and get what SPDC and NAOC development partners and government consider the ideal projects.

He further reported the case of non-participation of host communities in the lock-up market stores built by SPDC at Otuasega in Ogbia local government area of Bayelsa state. The stores were initiated and built without any input from the people. What they later received from SPDC was an invitation to hand over the store to them (the community). The people refused to attend the ceremony and rejected the site. The market has been abandoned since 2001. This same scenario also played out in the Opolo community in the Yenagoa local government area and the Ondewari community in Southern-Ijaw local government area, all in Bayelsa state in 2010. Idemudia et al., (2006) justified this position by stating that before now, SPDC and NAOC corporate social responsibility was anchored on a top-down approach to host communities 'rather than a down-top approach to development. The effects are

that, in sustainable development projects and programmes, the top-down method should not be used to bring into host communities because; it fosters a dependency mentality and neglects the inputs of the host communities.

To elaborate on the level of host communities' participation in CSR toward sustainable development in Bayelsa State, a focus group discussions conducted on Egbemo-Angalabiri community (Bayelsa West senatorial district), Imiringi community (Bayelsa East senatorial district) and Ikarama community (Bayelsa Central senatorial district), with the CDC Chairmen, revealed that the level of SPDC and NAOC host community involvement could be better described as a failed process.

The Practice and Methods of Rendering CSR by SPDC and NAOC to Promote Socio-Economic Life of the Host Communities in Bayelsa State

In support of this position, Arugu (2013) reported that SPDC has responded positively to corporate social responsibility in its host communities. He contends that it is a business outfit and that as a corporate body, it abides by government regulations. To this end, it pays taxes to the government, and as representatives of the people, the government must provide development infrastructure for the people.

The SPDC report (2000) notes that human resource development of the SPDC involves the award of scholarships at post-primary and university (undergraduate) levels and vocational training, which is also known as the youth development scheme (YDS). It also includes a science teachers' scheme, adult literacy programmes and the provision of educational infrastructures. Infrastructural development in the host communities by the SPDC involves road construction, construction of bridges, provision of hospitals and medical equipment, water schemes, classroom blocks, science blocks, town halls, electrification and construction of market stalls.

In addition, the report further stresses the need for a well-functioning infrastructure for sustainable growth. Due to a lack of upkeep, many rural towns hosted by the SPDC have little or no infrastructure to brag about and are in varying stages of ruin. Therefore, SPDC has frequently been called upon to assist them in solving their infrastructural requirements.

Supporting the above point, Ibaba (2005) argue that environmental degradation and the cost of providing high social infrastructure in the Niger Delta doubles or triples the cost of delivering infrastructure in other regions (South East, West and North). There are several examples of how the expense of land reclamation might be used to pay for a project elsewhere or in geo-political zones. He cited the case where the Bayelsa state government spent a staggering 500 million naira on the construction of a 500-bed hospital in the state capital (sand-filling). This amount is sufficient to cover the total cost of the same project in another region. Construction of a kilometre of road in the Niger Delta costs 150 million dollars, while it costs 25 million dollars in other geopolitical zones.

In agriculture, it provides agricultural extension services and supplies farm inputs such as fertilizer, pesticides/insecticides and seedlings. All these cost the SPDC millions of United States dollars. Given the fundamental importance of agriculture (agriculture provides food, raw materials, employment and saving/capital) to the development of the host communities, the concept of sustainable development is not difficult to grasp. Important to note is the fact that aquatic life has been decimated. Many of the host communities' residents make their living primarily via fishing, which makes this resource particularly significant.

Conclusion/Recommendation

The study showed that corporate social responsibility PPPs executed under CSR are impacting positively on the host communities of SPDC and NAOC in the state as part of their contribution, but these inputs do not in any way measure up to the production capacity and the drivable benefits to Nigeria's federal government and oil companies. However, forces outside the authority of these communities are responsible for this. An examination of the relevant legal framework on the Nigerian oil sector showed that 90% of the laws controlling the oil industry are one-sided and repressive to the host communities in Bayelsa state and the Niger Delta region. With this, the federal government's position is very secure;

in contrast, the host communities in the state are left to fend for themselves against the SPDC and NAOC, as long as the legislation remains on change and its execution is not in the best interests of host communities. Sustainable development of CSR between SPDC and NAOC and their host communities would be difficult to achieve. In the end, SPDC and NAOC's best bet is to devise CSR initiatives that will provide a solid foundation for PPPs and ensure their long-term viability in the host communities in which they do business. Based on the discussion and findings, the study has recommended as following:

1. SPDC and NAOC should improve their CSR efforts by investing one (1%) out of the three (3%) each settlor contributes to host communities' development trust as recommended by the PIA of their profits to educational policies and programmes in the form of awarding of scholarships to deserving students from the host communities as education serves as the key to sustainable development of every society.
2. SPDC and NAOC should also key into the timeframe for incorporating host communities' development trust, such as the board of trustees (BOT), host communities' advisory committee (HCAC), and management committee (MC), to checkmate perennial violent conflict that may lead to destruction oil facilities and also to avoid the penalty of section 238 of the PIA of 2021.
3. Members of host communities should desist from the current practices of scandalous and criminal vandalization of oil pipelines and other properties owned by SPDC and NAOC in their domains, to avoid section 257 sub-section (2), of the PIA, so that the host community shall not forfeit its entitlement for the year.

Members of host communities should form projects maintenance and monitoring committee to ensure PPPs sustainability in the host communities to promote the quality of life in the host communities in Bayelsa state.

The federal and state, and MNOCs should strengthen citizen demand for accountability and transparency in governance of the oil industry in Nigeria by ensuring that shareholders by changing the joint venture agreements to enable the host communities' SPDC and NAOC own shares in the oil industry.

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