

Corporate Social Responsibility in Nigeria: A Study of the Petroleum Industry and the Niger Delta Area

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Abstract

Organizations gain social license to operate in a given neighborhood, thus the government of Nigeria, her agencies and the multi-nationals make use of and exploit the Niger Delta Area of Nigeria. This is considered the thrust of this study that assessed the extent, constraints and challenges to the adoption of the principles of corporate social responsibility in the Niger Delta Area. Data were collected and collated based on the use of sets of questionnaires, interviews and observations. Findings include that the area Niger Delta is poor in development given the unwillingness of the government to sacrifice expected high returns on petroleum exploration for the development of the area and lack its of knowledge of and will power to make and execute uninformed decisions concerning the exploration and management of the activities of multi-national companies operating in the area. It therefore recommends a joint action plan and implementation between all participants and stakeholders in the oil business in the Niger Delta area based on encouraging the multi-national companies to operate based on the provisions of committee on economic development on social responsibility of business corporations.

Keywords: Social License, Social responsibility, Bio-diversity, Ecosystem, Pollution control, Poverty reduction and Community development.

1. Introduction:

Globally, organizations are concerned with value re-investment to the society in appreciation of the contributions of the society to their growth, sustenance and survival. Hence attention is further directed to the potential consumers as well as non consumers of corporate offers as marketing concept philosophies are integrated into societal marketing concept as means of achieving desired level of social responsibility. Given this as the thrust of operations, corporate attention is increasingly being given to issues like equal employment opportunity, thus it is easier for corporation to be re-oriented to corporate social responsibility

philosophies. But in the developing economies represented by Nigeria; consumers are unwilling to sacrifice convenience and pay potentially higher prices to protect the environment as they lack knowledge to make informed decisions dealing with their purchase, use and disposition of product; pollution control; energy and natural resources conservation and consumers' and workers' protection –Preston and Post (1975). Businesses thus operate on the philosophy of maximization of positive effects of their activities on the society as the negative impacts of these activities are minimized-Farrell and Fraedrich (1997). This is the thrust of corporate social responsibility as considered an obligation among businesses in the advanced societies of the globe.

2. Frame Work of the Study:

Corporate bodies in their desire to achieve sustainable development and improve the quality of life, execute operations in such manners that ensure the protection of natural environment without however relegating to the background the desire to make economic progress–Rondinelhi and Vastag (1996) and Berkowitz, Kerin, Hartley and Rudelius (2000). This is irrespective of whether or not consumers are socially responsibly in their purchases, use of product and unwilling to sacrifice convenience and pay potentially higher prices to protect the environment as they lack knowledge to make informed decisions dealing with the purchase, use and disposition of environmentally sensitive products-Speer (1997), hence, consumers are accountable for unethical and socially irresponsible corporate behavior unlike in the developed societies where marketers and consumers are accountable for ethical and social responsible behavior-Berkowitz, Kerin, Hartley and Rudeluis (2000). Thus, the de-emphasis for profit and stakeholders' responsibilities in favour of societal responsibility at best the optimization of both is a pre-requisite for the needed macro economic development of Nigeria as firms in the petroleum industry begin to show inclination for social audit.

3. Objective of the Study:

The operational efficiency of the national economy (economic development) –Nigeria is a function of the impact of the activities in petroleum industry on the larger society vis-à-vis the effects of these impacts on the drive for corporate social responsibility.

Given the above, this work has the objective of assessing comparatively the corporate social responsibility activities of participants in the Nigeria petroleum industry with a view to determining their respective impacts on the economic development drive of the Niger Delta people.

To achieve this objective, this work considers the following sub-objectives:

- Identification of participants' social expectations and the rational for engaging in social responsibility activities
- Identifying this social responsibility causes (activities) that are consistent with these participants' mission
- Showcase these participants' objectives and priorities for actions and activities undertaken in their desire to actualize corporate objectives.
- Specify the types and amount of resources considered adequate for the actualization of corporate social responsibility objectives; and
- Appraise the social responsibility programmes and activities executed by these participants' as basis for projecting into the future.

4. Significance of the Study:

The result of this exercise will aid the concessionaire (Government of Nigeria) and transnational corporations to evaluate their level of commitment to their corporate social responsibility objectives and functions in the light of their dependency on the environment as source of inputs and market for corporate outputs.

It will also highlight the degree of neglect of government as a regulatory agent in the execution of its social responsibility duties. The harmonizations of the above quality environment management programmes will catalyze the Niger Delta area and Nigeria to high height in its quest for economic development.

5. Research Hypothesis:

The exercise is built on one hypothesis stated in null form thus:

H₀: The poor appreciation of corporate social responsibility philosophies among the concessionaire and operators in the Nigeria Petroleum industry does not significantly impact in the Niger Delta Area of Nigeria economic development strive.

6. Literature:

Businesses exist for the purpose of satisfying the interest of shareholders based on the satisfaction of the market. This is the hub of the marketing concept philosophy. Thus, Frielman (1970) argues that there is one and only one social responsibility of business –to use its resource and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud. To ensure healthy and fraud free competition, businesses have always policed themselves on the theory of self control-Berkowitz, Kerin, Hartley and Rudelius (2000). Self regulatory rather than market or government mechanisms of control are for protecting personnel information-Swire (1997). Unfortunately however, most rules and regulations formed due to public outcries have threatened profit maximization, thus the well being of shareholders –Armstrong (1977). Most of these outcries relate to the obligations organizations have to those whose efforts and activities can affect the achievement of corporate objectives as stakeholders, as well as members of the larger public in respect to preservation of the ecological environment and the public welfare.

Firms in a bid to accommodating the various interests of the different publics incline to marketing efforts to produce, promote and reclaim environmental sensitive products-Davis (1998), Menon and Menon (1977) and Hartmao and Stafford (1998). This inclination is described as corporate social responsibility.

6.1 Corporate Responsibility:

Corporate social responsibility is a social concept that highlights the importance attached to the need to bridge the expectation gaps of the major stakeholders in the affairs of an entity whether natural or artificial. The bridging of the gap as an obligation is based on the performance of activities that create and sustain a balance between the economy and the ecosystem –Wikipedia (2010).

Corporate social responsibility in the assertion of Holme and Walt (2001) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce, and their family as well as the local community and the society at large. It is anchored on the philosophy that businesses as natural or artificial

persons should take decisions that are considered in deed to be in the interest and benefit of a large number of people hence have respect for the fundamental rights of the publics of the organization.

Businesses in Nigeria especially those in the petroleum industry are expected to identify variables for integration into their operations for the purpose of bridging the expectation gaps common among shareholders and the general public (society) inclusive of consumers. Based on this, balance is maintained between the economy and the ecosystem, thus economic development objectives of the nation are actualized. A well articulated corporate social responsibility programme should impact on the management of workforce and production process as internal variables, qualitatively and on the society; the ecosystem as external variable, quantitatively –[htt://www.mallenbaker.net/crs/definition.php](http://www.mallenbaker.net/crs/definition.php). This external impact is the core of economic development.

6.2 Scope of Corporate Social Responsibility:

Social responsibility as the thrust of corporate social responsibility guides businesses to ethical decisions that insulate the businesses and their operations from government agencies' direct regulations-Kaliski (2001), can be categorized as economic; legal; ethical and voluntary responsibilities respectively-Ferrell and Fracedrich (1997).

Economic responsibilities relate more to production of goods and services needed for exchange and transaction purposes at fair prices for the satisfaction of corporate profit objectives as obligation to investors, through the satisfaction of identified target market; legal responsibilities impose obligations to respect statutes and regulations of governments, the ethical responsibilities expect businesses to acknowledge and observe to meet other societal expectations that are not expressly stated as part of documented law while the voluntary responsibilities are additional behaviours and activities that society finds desirable and that the value of the business dictate –Bateman and Snell (1999). Corporate social responsibilities are also classified as responsibilities required of businesses by the society-Economic and Legal expected –Ethical and those desired-voluntary.

Corporate social responsibility as a universal set-(Economic, Legal, Ethical and Voluntary) can be “negative” to the extent that it places obligation on the natural or artificial personalities to refrain from acting (resistance) or “positive” as obligation to act (proactive stance) is placed on the personalities-Wikipedia (2012). Hence social responsibility activities span beyond recycling wastes (residuals) for re-use, volunteering and monitoring as routine events to allowing these activities form corporate lifestyle as influenced by top management philosophies.

6.3 Corporate Social Responsibilities-Controversy:

Views vary on this issue of corporate social responsibility, thus different schools of thought exist. The first school of thought is of the opinion that businesses through their managers as agents of shareholders are by obligation expected to maximize the present value of the firm through increase in profit-Bateman and Snell (1999). This view is supported by the fact that economic performance is organizations' primary social responsibility thus, where organizations do not satisfy shareholders, as first obligation, they will not be in the position to satisfy the society; especially as profit as re-investment factor is required to catalyze economic growth and development. It also argues that profit making is sine-qua-non to corporate success.

This school of thought concludes that corporate social responsibility distracts businesses from their basic economic role, as it is nothing more than superficial window-dressing aimed at

pre-empting the role of governments as watchdogs over powerful tricorn corporations-Wikipedia (2010).

To this end, Armstrong (1977) opines that rules and regulations like corporate social responsibility are formed due to public outcries which threaten profit maximization and the well being of shareholders. Armstrong (1977) concludes that where no outcry exists, there will be limited regulations and possibly non demand for corporate social responsibility.

The second school of thought, supporting the call for corporate social responsibility draws its argument from the principles of corporate governance, which states that the corporation “may take into account ethical considerations that are reasonably regarded as appropriate to the responsible conduct of the business-Ferrell and Fraedrich (1997). They however, have exception to the use of “may”-Ferrell and Fraedrich (1997), as ethical actions are not considered optional but mandatory –Good Pastor (1991). Given this, it is expected that managers must not act in contradiction to a minimal set of universal principles.

The argument in support of corporate social responsibility adds that organizations have a wider range of responsibilities that extend beyond production of goods and services at a profit. These organizations as natural or artificial personalities who are members of the society are naturally and by obligation expected to be actually and responsibly involved in community and larger environmental development and substance programmes-Bateman and Snell (1999).

Balancing these opposing views concerning corporate social responsibility is the fact that corporations must do more than optimize production variables such as productivity, growth and profit as deliberate and concerted efforts are made at managing risk variables such as pollution, resources, waste, technological hazards, dangerous products and public safety-Farrell and Fraedrich (1997). Corporate social responsibility must however not be at the expense of profitability as corporate profitability is affected positively by ecocentric growth and philosophies and practices especially in the long term basis-Bateman and Snell (1999). Research findings show positive relationship between corporate environmental performance and profitability-Russo and Fouts (1997).

Corporate social responsibility in act and deed enhances corporate images, reputations and market share as it attracts more employers and employees, and creates correlation between public relations and publicity, given that organizations are perceived to be honest and fair when mistakes are admitted, apologies are quickly, genuinely and sincerely made and activities are performed to make up for mistakes-Handy (1996) and Turban and Greening (1997). Advocates of corporate social responsibility stress the fact that business opportunities and profit are generated based on systematic and vigorous efforts of organizations at finding solutions to social problems-O’Toole (1991). It also saves organizations from illegalities and convictions that have the ability of reducing corporate sales growth and accounting returns over a period of time-Baucus and Baucus (1997). Based on the foregoing, it is discernable that corporate social responsibility is an integral part of corporate strategic management and marketing philosophies.

6.4 Corporate Social Responsibility-Managerial Issues:

Corporate social responsibility does not have uniform universal application standard, as the variables that serve as input for the implementation of its activities vary across social, political and economic classes of the globe.

The International Organization for Standardization however, is developing an international standard to provide guideline for the adoption and disseminating social responsibility-ISO

2600-Social Responsibility. This has its thrust as encouraging voluntary commitment to social responsibility as it provides common guidance on concepts, definitions and methods of evaluation of corporate social responsibility activities– International Organization for Standardization (2009).

In the absence of universality of application of standard, this work considers the management of corporate social responsibility from the shareholders' approach, thus considers the company, employees, shareholders, customers, suppliers and public stakeholders-Ferrell and Fraedrich (1997), as thrust areas of corporate social responsibility activities.

A corporate social responsibility activity of the company resolves around economic performance, organization, mission or purpose, the competitive environment and corporate codes. To the employees it includes compensations and rewards, health and assistance programmes, leaves of absence, dismissals and appeals, termination and layoffs, discrimination, family accommodation, safety, career planning among others.

In the area of shareholders' management, corporate social responsibility include shareholders rights, advocacy, communication and complaints while that of customers involves communications, complaints, product safety, services and others. The suppliers and marketing intermediaries of the business deserve relative power in negotiation of better profit as well as fair treatment in all transactions and exchange relationships.

Public issues of corporate social responsibility management include public health and safety, energy conservation, public policy, environmental issues, involvement in public, social donations and community relations. In Nigeria, given the low level of qualitative literacy, lack of access to information and absence of the practice of open book management system;-Oko (2013), highlighted only are the public issues of corporate social responsibility with special attention to natural environment and its management. These public issues therefore form basis of evaluating these companies as representative of firms in the petroleum industry in Nigeria.

6.5 Corporate Social Responsibility Physical and Natural Environment:

Globally, there is increase need for corporate managers to create a new relationship between business activities and the natural (physical) environment as a means of mitigating the impacts of its past abuses (ill practices) on the environment-Post (1991). These abuses and associated impacts are great in Nigeria; hence its management ought to be effective and efficient as well as long term goals oriented. To achieve this, management of the environment must be strategic and based on the integration of technical, ethical, social and competitive variables-Corbett and Van Wassenhire (1993). This condition is based on the fact that a strong global economy as a product of strong national economy is sustained only if it integrates economic, social and environmental well-beings- The Challenges of Going Green (1994). Business must therefore be willing and ready to change the current philosophy of: "You either help the environment and hurt your business, or help your business only at a cost to the environment"-Bateman and Snell (1999). The relationship between the environment and the business must be optimized in favour of the environment-Oko (2002). This is the case with many US businesses who have turned from rebellious under achievers to active problems solvers in issues that relate to green marketing –Rich (1993).

The management of the environment as a thrust area of corporate social responsibility is anchored on the appraisal of society as a risk prone entity, the economic management theory and environmental agents for the future-Bateman and Snell (1999). These are described below:

Risky Society:

The natural and artificial persons in the course of daily activities as primary and or secondary consumers generate by-products that cause injury, loss or danger to people and the environment, thus Shrivastava (1995), asserts that the fundamental sources of risk in the modern society are the excessive production of hazards and ecologically unsustainable consumption of natural resources. These risks have continued to increase with population explosion, industrialization and industrial pollutions, environmental degradation and poor risk management-Ferrell and Fraedrich (1997). Common in Nigeria are some of these: industrial pollution risk, with its sub-elements as air pollution, smog, global warming, Ozone depletion, acid rain, toxic waste sites, nuclear hazards, obsolete weapons and arsenals as well as items of containerization, cars, vehicles and truck wreckety bodies, industrial accidents and hazardous products-Ferrel and Fraedrich (1997). The argument is that the institutions as natural and or artificial persons whether government agencies or corporations that are involved in the creation and generation of environmental and technological risks should be directly involved in the control and management of these risks-Ferrell and Fraedrich (1997). To what extent are firms in Nigeria especially in the oil sector, as producers of risks, concerned with the management of these risks?

Ecocentric Management:

The ecocentric management principles are built on the objectives of achieving minimized negative environmental impacts of by-products of corporate operations. This objective is achieved based on the adoption of strategies of low energy consumption, smaller resources, quality environmental appropriate production technologies, and product with eco-friendly packaging and recycling materials-Bateman and Snell (1999). The ultimate goal of these management philosophies is the creation of sustainable ecocentric development and improvement of quality of life globally for all organizations' stakeholders-Ferrel and Fraedrich (1997).

Market offer designed based on ecocentric management philosophies has consideration for its impact on the environment from the cradle –to-the grave; thus, has full assessment of all inputs, through a detailed analysis of how customers use and dispose the product.

The efficient management of the risk variables associated with the production and consumption of these products yields the profit, as positive relationship is created and sustained between environmental performance and profitability-Russo and Fouls (1997). It is important to assess the operations of firms in the petroleum industry based on the principles of ecocentric management.

Environmental Agenda for the Future:

The management of the environment given corporate offer should be pro-active rather than re-active. Management based on strategic action plan should be able to create business opportunities based on its environmental management programmes, where input is derived from results of well executed environmental scanning exercises.

Given the growth in population and corresponding increase in industrial and domestic consumption and the associated high rate of waste generation, it is impossible for individual firms to contend with the challenges of waste management. Thus, it is expected that firms should web into union with common ecological vision and mission for high leverage and impactful action-Pinchot and Pinchot (1976). This synergy of firms is required for ecological challenges management in the petroleum sector of the Nigeria economy as cost associated with technology, skill, research, and personnel are conserved given non-duplication of efforts

by individual firms. To what extent are firms in the petroleum industry in Nigeria future oriented? This research provides answer to the question.

The result of this synergy of actions are most likely to attract other firms as means of discovering market opportunities in waste and ecological environment marketing-Hart (1997).

6.6 The Niger Delta States:

Niger Delta States by geo-political definition are states bordered by coastal waters of the Atlantic that are oil producing. Inclusive of these are Akwa Ibom, Bayelsa, Delta, Cross River, Edo, Ondo, Rivers, Abia and Imo-Osuntkum (2000). Ethnically, it comprises of the Ijaw, Urohbo, Efik, Ibibio, Ogoni, Edo, Yoruba (mainly Itsekiri and Ilaje) and the Igbo-Okechukwu (2000).

This region (Niger Delta) is Nigeria's largest oil producing zone, and one of the highly productive oil exporting regions of the World-UNDP (1999). Nigeria is the fourth largest economy (GDP) in Africa behind South Africa, Egypt and Algeria –ANEEJ (2004) and one of the largest exporters of petroleum products in the World-Ross (2003), courtesy of Niger Delta Area.

Before the discovery of oil in commercial quality in the Niger Delta area, the major economic activities of the people of the region include fishing, farming and hunting –Enyinna (2010). This area considered one of the largest in the World-Eni (2006), supports these agriculture based activities with its estimated 70,000 square kilometers of marshland, creeks, tributaries and lagoons that drain the Niger River into the Atlantic at the Bight of Biafra. The size of the mangrove forest makes it second largest in the World; hence it harbours diverse species of plants and animals-Wifa (2013).

Given the rich nature of the Niger Delta area based on petroleum deposits, many firms are involved in oil exploration. These include-Shell Petroleum Corporation, SPDC)-Anglo-Dutch; British Petroleum (BP) –Britain; Chevron –Texaco, Exxon –Mobile, Halliburton William Brother Litwin (USA); Agip (Italy); Total Fina (Italy), Elf-Aquitaine (France); Ram Boil (Canada); Statoil (Norway), Dietsman comenint (Natherland; Sassol (South Africa) among others.

Petroleum derived from the Niger Delta accounts for about 50 percent of Nigeria's GDP, 95 percent of foreign exchange earnings and 80 percent of all budgetary revenues. This amounted to about \$12 billion in 1999-Cherette, (1999) and to little above \$20 trillion annually or little above \$54 million daily in 2004-NNPC (2004). Nigeria generates immense profit net revenue from oil extraction –CIA (2001) and Wifa (2013).

Nigerian government through her corporate agent, the Nigerian National Petroleum Company –NNPC super intendments oil extraction and exploration in Nigeria as this agent has partnership relationship with the different firms in the petroleum industry.

These equity holdings range between 55-66 percent in favour of NNPC-Joint Venture operation-2013. The liquidified Natural Gas project in Bonny, Rivers State estimated at between \$3.7 to 3.8 billion in 1998, is jointly owned by NNPC-49 percent share, Shell-26.6 percent share and AGIP -10 percent share-Washington Times (1999).

Detail evaluation of the condition in the Niger Delta region, with earth surface of about 111,020 square kilometers (12% of the land mass of Nigeria) and about 27 million in habitants-Nigeria County Analysis (2003), shows total neglect and impoverishment in the areas of health, education, rural water supply, electricity, agriculture, women and youth

development-Abokede (1998). The environmental degradation associated with oil production and lack of adequate regulations of the exploration companies make the Niger Delta area vulnerable to food shortage, health hazards, loss of land, pollution, forced migration and unemployment-Ismail (1994). The situation in the Niger Delta area currently is far from being better compared to its description by Tongha (1961). Poor or no motorable roads, electricity and portable water supply. Worse is that adequate response has not been given to the fundamental problems of polluted and under developed environments as corporate social responsibility activities, thus the Niger Delta has remained poor-World Bank (1995) and Wifa (2013).

This region inspite of its enormous wealth is worse compared to every other parts of the country-NNPC (2004). Data on social situation in the Niger Delta show that one (1) Medical Doctor of general practice attends to 82,000 persons and in some more remote areas it is one (1) to 132,000 person. This is contrary to the statistics in other parts where the ratio is 40,000 people per Doctor. Records have it that only 27 percent of the residents of the Niger Delta area have access to safe sources of domestic water and 30 percent of households have access to electricity. These are below national average of 31.7 percent and 38.6 percent respectively. Less than 6 percent of the population has access to telephone services regularly and over 70 percent have never made use of telephone. The road network in this region is grossly inadequate. Only one Federal Trunk B road that crossed Bayelsa State, with one 1.5 kilometer tarred road. Records have it that poverty is wide spread. This is occasioned by the exceptionally high cost of living associated with the petro-economy expectations. In River State, the cost of living index is \$783 while the per capita income in Nigeria is \$280-World Bank (1995) and Wifa (2013). This is inspite of the high rate of unemployment estimated at over 30 percent.

In the education sector, access to formal education is low as students at the secondary schools level, age 19-26 years, with most female students as mothers to two–three children. This situation creates cycle of poverty. National statistics have it that 76 percent of Nigerian children attend primary school but in Niger Delta area the percentage range between 30 and 40 –Enyinna (2010).

Currently, the situation is not better as households have as large as 7 to 10 members generally occasioned by the balancing effect of high birth rate and massive mortalities–Zabbey (2013). The general high child maternal death rate is associated with poor feeding habits and value as well as absence of good medical care. The school drop out rate has increased to 40 percent from 25 percent in 2010 while only 6 percent of students who enroll for West African School Certificate Examinations and National Examination Council Examination pass their subjects at credit level- Field Survey (2013).

This region has lost many prominent persons in conflicts occasioned by the quest for companies and government agents operating in the area to practice based on the philosophy of corporate social responsibility especially as the oil firms and governments have sponsored one group of agitation against the other in the same area as means of weakening the peoples' demand.

Great doubt exist as to whether the region can still have good crops of professional politicians; social activities; academics; journalists; musicians; businessmen and women, and others like Melford Okolo.

The firms operating in the region have made claims of active involvement in corporate social responsibility activity in agricultural assistance-Agip (1999), Agip (2005); community empowerment–NACOC Journal (2005); Community Development and Environment (1999). These projects were poorly planned, financed and executed, thus never created the desired impact on the respective communities-Zabbey (2009).

6.7 Niger Delta in the Face of Corporate Social Responsibility:

Corporate Social Responsibility relates to ethical and sensitive behavior by organizations towards social, cultural, economic and environmental issues-ISO (26 000-2010). Thus for efficiency in the practice of corporate social responsibility, the firms must assess the impact of their operations on the host community and must be willing to plan and execute actions that will ensure minimal negative impacts of their activities on the environment.

In the case of the Niger Delta, the oil exploration especially the spills and other environmental threats associated with oil production in the region have tremendously caused disruption of the ecosystem stability and traditional livelihood structures of the host communities-Zabbey (2005). The demand for a reverse of this trend is the cause of conflict between oil exploration firms and their host communities. This is especially so because the oil Trans-National Corporation (TNC's) had 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 Federal Government of Nigeria (FGN), then they have no obligation to develop oil-producing communities with the apparent near-zero level of corporate responsibility-Zabbey (2008). This supports the statement credited to Daukora, 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-Ogbuma (1987); while this company is of the view that it is the function of government to ensure that life in the oil producing areas is improved, the host communities assert that the oil Trans-National Corporations owe their hosts pay back development and alternative means of livelihood, having exploited their wetlands that were in the end transformed to or abandoned as Wastelands –Zabbey (2009). The management of these parallel concepts of optimization of benefits to the Trans-National Corporations, government and the Niger Delta people is the hallmark of corporate social responsibility, especially as it will ensure that the Trans-National Corporation retain the social license of operation issued by their host communities.

7. Methodology and Scope of Research:

This work, for effective appraisal of corporate Social responsibility activities of government and the oil companies in the Niger Delta area has its geographical scope as the entire Niger Delta states of Akwa Ibom, Bayelsa, Delta, Cross River, Edo, Ondo, Rivers, Abia and Imo-Osuntun (2000:105). However specific attention was given to the activities of oil companies in Akwa Ibom, Bayelsa, Cross Rivers and Rivers states, with Shell Petroleum Development Company of Nigeria Limited, Mobil Producing Nigeria Unlimited, Nigerian Agip Oil Company Limited, Elf Petroleum Nigeria Limited and Taxaco Overseas Petroleum Company of Nigeria Unlimited –Joint Venture Operations (2013).

It identified strategic communities of importance to both government and the oil companies in these areas as focus of study as well, structured sets of questionnaire were administered to the community leaders and staff of the oil companies, government officials whose presence are and were in the area as well as organizations that champion the Niger Delta people.

The Likert rank order scale-Fubara and Mguni (1995) was used to assess the strength of the respondents' view on the issues of corporate social responsibility in the area; analysis of variance (ANOVA) statistical technique was adopted to test whether or not the mean of the opinion of the government, the oil companies and the Niger Delta people are equal on social responsibility issues, and the Pearson Correlations Co-efficient 'R'- Ezejelue, Ogwo and Nkamnebe (2007) for the measurement of the relationship (strength of association) between corporate social responsibility activities of government, and companies and economic development rate in the Niger Delta Area.

Based on the Likert rank order scale, decision rule is thus:

Accept Projected Statement:

If and only if the value calculated is greater than the accepted mean value of 50(fifty) percent

Reject Projected Statement:

If otherwise

8. Analysis: The Data Collected were Collated and Analyzed Thus:

Assessment 1:

Based on Likert Ranking Scale, Impact of Corporate Social Responsibility is Assessed Thus:

Variables	Government Organisation					Oil Companies					Niger Delta People				
	5	4	3	2	1	5	4	3	2	1	5	4	3	2	1
▪ Employment Level	/	/	4	3	3	2	3	3	2	/	/	1	2	3	4
▪ Infrastructural Development	/	1	3	3	3	2	3	3	2	1	/	2	3	3	2
▪ Standard of Living	/	3	3	2	2	1	2	3	3	1	1	1	3	3	2
▪ Public and Private sector investment	1	3	2	3	1	2	2	2	2	2	1	2	3	3	1
▪ Human capital development	1	2	2	3	2	2	3	3	1	1	1	1	2	3	3
▪ Peace and security	1	3	3	2	1	/	1	3	3	3	/	2	2	3	3
▪ Bio-diversity and eco-system stability	/	2	3	3	2	1	2	3	3	1	/	1	3	3	3
▪ Poverty reduction	2	4	2	1	1	3	2	2	2	1	1	3	3	2	1
▪ Human health Standard	2	3	2	1	2	3	3	2	2	/	1	1	3	3	2
▪ Pollution control	4	3	2	1	/	3	3	1	3	/	1	2	3	3	1
Score	11	24	26	22	17	19	24	25	23	11	6	16	27	29	22
Multiplier	5	4	3	2	1	5	4	3	2	1	5	4	3	2	1
Weighted Score =	55	96	78	44	17	95	96	75	46	11	30	64	81	58	22
Aggregate Weighted score =	290					323					255				
Standard Weighted score =	750					750					750				
Aggregate Weighted score as Percentage of standard weighted score =	$\frac{290 \times 100}{750}$					$\frac{323 \times 100}{750}$					$\frac{255 \times 100}{750}$				
	= 38.67 percent					43.07percent					34.0percent				

Interpretation:

Government agencies, oil companies and the people of Niger Delta area assessed the impact of corporate social responsibility on the accumulative indices of evaluation of economic

development as presented on table 8.1 at 38.67 percent, 43.07 percent, and 34.0 percent respectively.

Decision:

These calculated values of 38.67percent, 43.07 percent and 34.0 percent as assessed impact of corporate social responsibility on economic development of the Niger Delta area by government agencies, oil companies and people of Niger Delta area respectively are below the accepted mean value of 50 (fifty) percent. Thus the conclusion is the corporate social responsibility activities of government and the oil companies have in significant impacts on the economic development strive of the Niger Delta area.

Assessment 2:

To assess for equality or otherwise between the mean values of respondents on the impact of corporate social responsibility on the economic development strive of the Niger Delta area, the research adopted the analysis of variance (ANOVA) statistical technique represented as:

$$f = \frac{V_b}{V_w} = \frac{\text{between groups variance}}{\text{within groups variance}} = \frac{S_B^2}{S_w^2} \quad (1)$$

Where:

$$V_B = \frac{SSB}{df_B} \quad ad$$

$$V_w = \frac{SSW}{df_w}$$

This is analyzed based on following table

Table 8.2: Assessment of the Impact of Corporate Social Responsibility on Economic Development of the Niger Delta Area

Variables	Government agencies	Oil Companies	Niger Delta People
▪ Employment level	21	35	20
▪ Infrastructural Development	22	26	25
▪ Standard of Living	27	27	26
▪ Public and Private Sector Investments	30	30	29
▪ Human capital Development	26	34	24
▪ Peace and Security	31	22	23
▪ Bio-diversity and Eco-system stability	26	29	22
▪ Poverty reduction	35	34	31
▪ Human health standard	32	40	26
▪ Pollution control	40	36	29
Total	290	323	255
Mean	29.0	32.3	25.5

For the test, based on Analysis of Variance (ANOVA) statistics, the hypothesis is restructured thus:

H₀: ($\mu_1 = \mu_2 = \mu_3$) there is no significant difference between the ratings of the impacts of corporate responsibility investment in the economic development of the Niger Delta area by three groups of respondents namely government agencies, oil companies and the people of Niger Delta Area.

H₀: ($\mu_1 \neq \mu_2 \neq \mu_3$) significant difference exist between the ratings of the impacts of corporate responsibility investments on the economic development of the Niger Delta area by three groups of respondents namely the government agencies, oil companies and the people of the Niger Delta Area.

Where: μ_1 , μ_2 and μ_3 are means of the rating of the three categories of respondents

Table 8.3: Computation of f –ratio; Rating of Impact of Social Responsibility in Economic Development of Niger Delta

Government Agencies		Oil Companies		Niger Delta People	
X_A	X_A^2	X_B	X_B^2	X_C	X_C^2
21	441	35	1225	20	400
22	484	26	676	25	625
27	729	27	729	26	676
30	900	30	900	29	841
26	676	34	1156	24	576
31	961	22	484	23	529
26	676	29	841	22	484
35	1225	34	1156	31	961
32	1024	40	1600	26	676
40	1600	36	1296	29	841
$\sum X_A = 290$	$\sum X_A^2 = 9906$	$\sum X_B = 323$	$\sum X_B^2 = 9063$	$\sum X_C = 255$	$\sum X_C^2 = 6609$
$\bar{x}_A = 29.0$		$\bar{x}_B = 32.3$		$\bar{x}_C = 25.5$	
$n = 10$		$n = 10$		$n = 10$	

Substituting for value in equation 1 based on values in Table 8.3

$$f = \frac{V_B}{V_W} = \frac{115.65}{17.18}$$

$$F = 6.73$$

Table 8.4: Summary of Analysis of Variance (ANOVA)

Sources of Variation	df	Sum of squares(ss)	Mean of squares (ms)	F –cal	Critical value of f	Significance	Decision
Between groups	2	SSB= 231.3	V_B 115.65			Not	Reject
Within groups	27	SSW= 232.6	V_W 17.18	6.72	2.46	significance	H_1

At 0.05 level of significance, the critical value of f is given as 2.46

Since $F < f_{0.05}$ (2.46) H_1 is rejected. The assertion that significance difference exist between the assessments of these group of respondents is rejected. This therefore establishes collaboration between the assessments of government agencies, the oil companies and the

Niger Delta people that investment in corporate social responsibility of government and oil companies has insignificant impact in the economic development of the Niger Delta people.

Assessment 3:

To assess the strength or otherwise of the relationship between government and oil companies social responsibility activities and the economic development of the Niger Delta Area, Pearson Correlation Co-efficient “R” was adopted.

This statistical notation is represented as:

$$r_{xy} = \frac{\sum (x - \bar{X})(y - \bar{Y})}{n S_x S_y} \quad (2)$$

Where: x and y are each values of x and y

\bar{X} and \bar{Y} are mean values of x and y

S_x and S_y are standard deviations of x and y

n is the number of paired values.

For the purpose of this test, the hypothesis is re-structured thus:

H0: = 0 (there is a linear relationship between social responsibility activities (x) and the impact of the activities on the economic development of Niger Delta area.

H1 \neq 0 (there is no linear relationship between social responsibility activities (x) and the impact of the activities on the economic development of the Niger Delta area.

To test this hypothesis, the variables are represented in table 8.5 as x and y are vital

Table 8.5

Social responsibility Activities (x)	Impact (x)
56	20
48	25
54	26
60	29
50	24
53	23
55	22
69	31
72	26
76	29

Substituting for equation 2

$$\begin{aligned} r_{xy} &= \frac{\sum (x - \bar{X})(y - \bar{Y})}{n S_x S_y} \\ &= \frac{223.3}{10 (10.22)(3.44)} \\ &= \frac{223.3}{351.57} \end{aligned}$$

$$= \mathbf{0.64}$$

Based on the computations, a positive correlation of 0.64 exist between social responsibility activities of government and oil companies and impact of economic development in the Niger Delta area of Nigeria.

To test for the significance of the correlation between government and oil companies social responsibility activities and their impact on the economic development of Niger Delta area, the mathematical notation (3) is adopted

$$t = \frac{r\sqrt{n-2}}{1-r} \quad (3)$$

Where: r is the value of the Pearson Correlation
 n is the number of paired observation

Substituting for equation 3

$$\begin{aligned} t &= \frac{r\sqrt{n-2}}{1-r} \\ &= \frac{0.64\sqrt{10-2}}{1-0.64} \\ &= \frac{0.64(2.83)}{0.36} \\ &= \frac{1.80}{0.36} \\ &= \underline{5.03} \end{aligned}$$

The value of the 't' computed is 5.03. At 0.05 level of significance and 8 degrees of freedom, that is (10-2), the critical value of the 't' statistical is given as 1.86. The test is significant hence the null hypotheses that there is no linear correlation between government and oil companies social responsibility activities in the Niger Delta area and the impact on economic development is rejected.

Based on the conclusion of this analysis, it is evident that the impact of economic development in the Niger Delta areas is poor as such a negation of the assessment of government agencies and oil companies as the area Niger Delta by statistical records, interviews and observation show inequality in income distribution; poor medical standard (facilities) and housing; poor (low) level of education and training and low level of employment, low level of self reliance; and poor level of technological development particularly among the indigenes, hence productivity is constrained-Zabbey (2005), (2008) (2009a) and (2009b); Adedayo (2013); Wifa (2013), Acha (2012), NIDEREF (2012), The Guardian (2010) and www.nndc.gov.ng (2013).

The disparity in assessment between the government and oil companies vis-à-vis the people of Niger Delta and available records on social responsibility is a source of great concern. Resolving this concern is not the crux of this research work.

9. Research Findings:

Based on the analysis of the data collected, the following are highlights of the research findings:

Identification of the Participants Social Expectations and the Rationale for Engaging in Social Responsibility Activities:

Participants in the exploration and marketing of petroleum product within the Niger Delta region are the Nigerian National Petroleum Company as principal; representing the government of Nigeria and the multi-national oil companies who operate in partnership with NNPC under production sharing contract (PSCs)- Nordic Partnership (2013). These relationships make the NNPC the concessionaire and the multinationals –operators; a system that is also obtainable in other developing countries.

Based on decree No 33 of 1977, NNPC took over the duties of NNOC; thus, was mandated to participate in all aspects of petroleum operations made up of exploration, production, refining, marketing, transportation and distribution” inclusive are the tasks of training indigenous workers, managing oil lease over large areas of the country, encouraging indigenous participants in the development of infrastructure for the industry, managing refineries, participating in marketing and ensuring price uniformity across the domestic market, developing national tanker fleets; constructing pipelines and investigating allied industries such as fertilizers–Ogunmupe-(2012).

Given the above, the regulatory functions in the oil industry were and are the direct responsibilities of the Department of Petroleum Resources –Nordic Partnership 2013. However, the government’s social responsibility through NNPC (the concessionaire) in petroleum exploration and marketing activities include the establishment and enforcement of environmental regulations, formulation and execution of policies aimed at achieving and sustaining environmental sustainability, devising and executing programmes and activities aimed at making the people of Niger Delta employable as a means of reducing poverty within the area; provision of basic infrastructural facilities of good road network, electricity and good sources of domestic water supply, provision of good quality health care system and establishment of rapid response body that will have the duty of mediating between the trans-multinational companies and their host communities.

These as much as they are expected of any reasonable government to its citizens as tax payers are expected of the government of Nigeria to the Niger Delta region as the principal source of over 80% of the nations national revenue. This is because the oil exploration in the Niger Delta area is the principal business of the government of Nigeria.

The trans-multinational companies are only expected to compliment government efforts at satisfying their host communities in these areas of social responsibility.

The government as a matter of obligation is expected to provide these social responsibility services to ensure conducive operational environment for the TMNCs while the TMNC’s must compliment government efforts as a means of securing social license of operation.

Identification the Social Responsibility Causes (Activities) that are Consistence with These Participants’ Mission

Prior to the inception of the Late President Yaradua Administration, the government made little or no effort at employing and training indigenous workers in the oil sector of Nigeria.

Hence creation of employment as governmental social responsibility functions to the Niger Delta region has and had in the oil exploration sector remained below expectation especially as the concessionaire –NNPC has and had failed in the management of oil lease in Nigeria and in encouraging indigenous participation in the development of infrastructure for the petroleum industry. It has also failed in the management of refineries

The relative low level of NNPC performance accounts for its inability to lead up to its expected level of social responsibility. Hence the incidence of social responsibility to the Niger Delta region is shifted to the TMNCs.

Though the TMNCs argue that they have no statutory obligation to embark on expensive provision of infrastructure to the Niger Delta region as it is the function of government to ensure that life in the oil producing areas is improved-Ogbuma (1987), they have created room for employment of qualified Nigerians, provided pipe borne water, electricity, scholarships, sport centers and improved the immediate environment in which they are located. Funds have also been provided for community members' agricultural activities, TMNCs public relations activities in the Niger Delta area therefore include the following – Enyinna (2010):

- Provision of social buildings, educational and training programmes, medical facilities and economic development.
- Payment of certain percentage of land right directly to the communities in which they explore for oil and gas.
- Provision of specific percentage of corporate work force for indigenous Nigerians.
- Re-investment of corporate income in the host communities through the provision of institutional and infrastructure facilities.
- Consideration of the host communities as special development region thus institute development assisted programmes like the United States Agency for International Development (UNAID).

It is important to point out that some of these projects related social responsibility activities did not and does not address the direct needs of the people, even at this, they were poorly funded and monitored, hence could not create desired impact –Zabbey (2009) and Guardian (2010).

Showcase these Participants Objectives and Priorities for Actions and Activities Undertaken in their Desire to Actualize Corporate Objectives

The social responsibility objectives of government through the concessionaire (NNPC) is to ensure a conducive work environment for the TNCs as a means of maximizing the revenue accruable to it based on petroleum exploration and marketing activities of the companies. To the TNCs, it is to maintain good community relations as strategies to obtaining social license to have hitch free-operations.

Based on this, the governments for the period over thirty years (1970 till date) have tried to meet with the development demands of the Niger Delta region based on the activities of different bodies, such as PTDF, OMPADEC, and NNDC. Unfortunately these bodies like others in Nigeria were and are inefficiently managed, thus show wide spread inefficiency in their oversight functions; as management have often been accused of large scale corruption. In addition to these, the overhead expenditures of these organizations are considered at par or greater than the capital expenditure budget for the provision of social services for the Niger Delta region periodically. Based on the above, these organizations have not exerted desired influence on the people of the Niger Delta. These organizations in their relationships with oil

exploration host communities and TNCs have depended on the services of elected or appointed community leaders. These leaders have been found to be interested in personal gains rather than community welfare.

Following the inadequacy of the corporate social responsibility activities of the TNCs based on the lack of adequate impacts of government social responsibility activities in the area, the TNCs in some cases as compliment to their social responsibility activities, paid compensation to owners of land, and in other cases, compensation is preferred to social services-Enyinna (2010). These compensations are often either inadequate or not paid, as partners to the land in use by the TNCs do not often have harmony in opinion.

Research reports on this compensation scheme of TNCs show that it is not often adequate thus are not equipped to create needed fundamental changes in the living conditions of people of the host communities.

Organizations periodically make budget for specific period operations. These include those of the Federal, States and Local Government Councils, as well as those of the Ministries. The TNCs also have budgets for activities. These budgets define, identify and focus on corporate activities.

Corporate budget for social responsibility especially for the Niger Delta region ought to be statutory and tied to the needs of the areas, rather than based on derivation. This is because derivation fluctuates periodically while needs have always showed increase, given deterioration and obsolete state in exploration equipment and technology and their impacts in the environment; especially given the need for decommission of the on and off shores oil platforms in Nigeria-Adedayo (2011).

Budgeting provision for these communities for social responsibility activities thus should be based on periodic impact assessment of petroleum exploration activities within the area as basis for projection into the future.

Appraisal of the Social Responsibility Programmes and Activities Executed by these Participants as Basis for Projection into the Future

Investigations and reports on the social responsibility programmes of the government and its agencies as well as of those of the TNCs show that they are more of palliative- Zabbey (2005 and 2008), Wifa (2013) and Ogunmpe (2012). Thus do not have curative power.

Oil exploration and exploitation in the Niger Delta area has deleterious effects on the ecosystem's stability and local biodiversity, which constitute the basic source of the livelihood of the people-Zabbey (2005), thus the impact of the debasement of the ecosystem and biodiversity of the area according to UNEP 2006 are:

- High mortality of aquatic life especially animals
- Impairment of human health
- Loss of biodiversity in breeding grounds
- Vegetation hazards
- Loss of portable and industrial water resources
- Reduction in fishing and farming activities
- Poverty, rural under-development and bitterness.

Zabbey –(2009), adds that the extensive mangrove area of in the Niger Delta have been converted for one form of oil facility or the other, or degraded by oil pollution, thus the communities have been denied their basic source of revenue.

Based on the foregoing, it is difficult to equate the social responsibility programmes of these participants in oil exploration in Nigeria with the solution to this mass debasement and destabilization of the ecosystem and biodiversity of the Niger Delta area.

Based on this analysis, the opinions of this work are:

- The government is unwilling to sacrifice convenience as exhibited in its desire for high returns on petroleum exploration to pay potentially higher prices to protect the environment of the Niger Delta region.
- The government lack the knowledge or and the will power to make informed decisions dealing with the management of its agencies' activities and TNCs involved in the exploration of petroleum in Nigeria.

Given this scenario, it is difficult to reverse the trend of gradual but consistent shift from the age-long sustainable methods of resources exploitation to the present short term unsustainable means of livelihoods where available resources are over exploited at the expense of the survival of future generations-Zabbey (2009). Hence illegal businesses of blast fishing, cutting of immature mangroves as firewood and bunkering and local refining of petroleum products and their corresponding negative effects on the ecological structure will continue. Based on the above, abating the hazards to human and aquatic lives, plants and the environment will continue to be an elusive task. Community conflicts following land and mangrove encroachment, theft and other criminal activities as fallouts of unemployment will remain evident.

The consequence of this situation is continuous excessive patronage of the limited medical facilities in the area.

10. Conclusion:

The situation in the Niger Delta area as problem is not insurmountable given well articulated plan of budgeting; budget implementation, control and monitoring that is based on good public awareness creation of the expectations of government, the TNCs and the host communities as interested parties in the drive to sustain corporate social responsibility for the Niger Delta region.

11. Recommendations:

This work recommends as follows:

- The Nigeria government must see itself as the “firm” involved in oil exploration in the Niger Delta area, thus should consider the states and local governments in the area as well as the oil companies as its departments and units of operations. Hence should work out an acceptable vertical and horizontal work relationship with those departments and units for possible synergy of action.
- Activities of government in relation to these departments and units as cost centers must be based on the philosophies of Total Quality Control and Open Book Management and Management by Objective; however creating room for growth and development of Quality circle activities intra and inter states and local governments as well as oil companies-Oko and Agbaeze (2013) and Oko and Udensi (2013). These will reasonably curb the incidence of corrupt practices common in NNPC and other agencies of government, as participants in the oil sector management in Nigeria, as well as associated double standards and disrespect for human rights in Nigeria.

- Government direct involvement in corporate social responsibility activities in the Niger Delta area is vital as it will evoke a synergy relationship between the government and the local communities thus will encourage the direct beneficiaries of social responsibility projects to full participation in the identification and selection as well as budgeting, planning, execution, monitoring and evaluation of projects. This will ensure that the desired impact of these projects is directly felt at the grass root communities.
- It will be important for the government as major player in the Niger Delta corporate social responsibility project to develop and maintain a good quality vertical and horizontal communication network inter and intra with its subsidiary organs (states and local governments) and oil companies as well as the local communities) as a means of enhancing and enlightening the different stakeholders on their obligations vis-a-vis the expectations of other participants in the project as a means to efficiency in conflict management.
- The people of the local communities as project sites should be involved as workers in the execution of projects as means of community engagement building and project ownership invocation on the people. This will create employment for the people as it will enhance their earning and standard of living. This relationship will ensure that the economic and aesthetic values of the forest are restored through this collaboration with the communities, local governments that have the legal mandate to develop agricultural and natural resources-NDEREF (2012), these un-authorized exploitation of minerals will be checked and local governments positioned to active role of supervising the environment in order to achieve sustainable natural resources management plan-NDEREF (2012).
- This 'people' involvement would have satisfied Shell Petroleum Development Corporation Community Development concepts of two pillars of the use of participatory development technique and focus on building community capacity to manage their own development-SPDC (2008).
- Interview remarks by community leaders show that over 60% of the social responsibility projects were either abandoned or not initiated at all, these projects were however paid for. Records also show that most projects were not in consonance with the needs and aspirations of the people. This account collaborates the remarks of Zabbey (2009 b), on project execution. Community leaders are of the view that contracts were mostly awarded based on some political considerations which favoured payments to contractors without recourse to projects implementation and service delivery. To cushion this mis-norma, this work recommends that all corporate social responsibility payment for the Niger Delta area should be executed based on community development principles and programmes that are applicable to global standards of practices; and contractors should be persons approved by the beneficiary communities.
- The threat to the environmental peace and security in the Niger Delta area is traced to unemployment as it has its arrow head as bunkering, illegal fishing and fishing methods; and unauthorized deforestation-Guardian (2010), Zabbey (2005, 2008 and 2009) and NIDEREF (2012). It is expected that corporate responsibility activities should address these issues, by providing alternative sources of income for the larger number of the unemployed with its greater number as youths. It is an accepted assertion among the people (Interview Suney 2013), that poverty and general lack of job opportunities are basic roots of illegal bunkering activities and fishing. To addresses these, corporate social responsibility activities should empower the local government authorities and community based associations in collaboration to

environmental safety and sustainable developmental projects whose hubs -Zabbey in NIDERER (2013) are:

- Initiation of school programmes such as conservation clubs and tree planting campaigns.
- Strengthening of community leadership to enforce community driven environmental protection initiatives.
- Establishment of skills acquisition programmes in order to empower the local residents.
- The provision of small scale research grants for collaboration and documentation of baseline biodiversity data.
- Enforcement of existing laws and regulation against environmental unfriendly activities such as unregulated sand mining and logging.
- Promotion of tree planting especially economic trees by establishing accessible tree seedling buds.
- Youth capacity building programmes to include bio-resources propagation techniques such as fish breeding and farming.
- Local councils should improve on birth and death registration, family planning and birth control in order to avoid the increase in demography over the carrying capacity of the environment and
- The local government councils should support the efforts of other stakeholders in mounting pressure on the concerned governments and organizations for the implementation of UNEP recommendations.
- This work advocates that stakeholders in the oil exploration business in Nigeria both as reactive and pro-active devices, should keep records of spillage prone areas and actual spillage areas as basis of planning and executing compensation and or remediation programmes for victims of environmental degradation. Such compensation must be adequate and properly administered from intervention fund whose participatory units should be the Federal, State and Local government organization as well as oil companies. This programme has the capacity of addressing the economic and psychological in-balance of victim and to reduce or eliminate the incidence of conflict among oil exploration stakeholders down to the grass root.
- The principal partner in oil exploration in Nigeria-the Federal government as part of its social responsibility functions should be able to spur the minor parties-the state and local governments and communities to participates in effective environmental protection either based on empowered pollution programme or self -help based approach-Zabbey (2009a), Wordu, in NIDEREF (2012) and Guardian (2010). At the community-based approach level, considered vital are-
- Community environmental education,
- Community environmental organizations whose activity base should include steering communities and neighborhood action parties that can make rules, design programmes and projects as well as monitor environmental activities.

- Community environment communication
- Community environmental alert and,
- Community environment entrepreneurship

The community environment entrepreneurship has the propensity to creating employment thus, reduces the rate and level of un-employment while aiding the protections of the environment.

- Government in collaboration with others (oil companies and non-governmental organizations) agencies as major and minor participants in the oil exploration business in Nigeria must objectively initiate and execute projects in the areas of:
 - Provision of basic infrastructure such as roads, electricity, water and sanitation;
 - Provision of good quality health care support that will address health care needs such as drugs supplies and health centers and
 - Execution of clearly defined programmes aimed at human capital development and employment.
- This research exercise based on field survey found that the establishment of illegal refineries in the Niger Delta Area was and is as a result of inadequacy of supply of petroleum products in the area, as a result demand rose and rise above supply and consequently price rose and rise, making the product unaffordable.

As part of corporate social responsibility functions, government should ensure that petroleum products are made available to the Niger Delta people. Nigeria National Petroleum Corporation should be directed to establish and run her mega filling station projects at strategic places in the Niger Delta area. Other tactical plans should also be made to serve the petroleum products needs of the people in the “very rural areas”.

One of the people interviewed lamented as follows:

“The area which prides itself as the treasure base of the country by virtue of her abundant oil and gas, and is honouring the nation’s first and largest refinery does not have supply of petroleum products and small scale business entrepreneurs even motocyclist are staying without fuel for almost one year”.

- Corporate social responsibility projects of the government of Nigeria as a matter of importance must be reported on and cost assigned to the activities compared with the actual work for possible variance analysis and control. Government must show itself as responsible and must be ready to admit and address its short comings, and must not shift blame of failure to her agencies. “Blames associated with failure to identify and correct errors in project by a student must not be shifted to the typist”.

Transparency by government in the execution of her social responsibility programmes to the people of Niger Delta will invoke the interest and participation of charitable organizations and individuals-Hayness (2010) and Kalinda (2001).

It is also important that the social responsibility activities of government and its agencies as well as oil companies be guarded by the statement in national policy by the research and policy committee for economic development that gives a run down of some activities which business organizations are expected to go into as means to abating pollution. These include-CEO (1971):

- Installation of modern equipment
- Engineering new facilities for minimum environmental effects;
- Research and technological development;
- Cooperation with local, state, regional and Federal agencies in developing improved systems of environmental management; and
- Development of more effective programme for recycling and re-using disposable materials

Firms in the oil exploration business in Nigeria unlike those in some other countries of the world do not have laid down policies on environment risk management especially in the areas of pollution control management and decommissioning of on and offshore oil platforms. Thus obsolete installations at the end of assets working life are not removed nor disposed-Adedayo (2012). These obsolete technologies constitute risk as they deface the physical environment. Government has a social responsibility (over sight) function to ensure that these obsolete technologies are either recycled for re-use or are properly disposed.

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