

## **NIGERIAN AGIP OIL COMPANY'S COOPERATE SOCIAL RESPONSIBILITY (CSR) IN THE NIGER DELTA OF NIGERIA: AN ASSESSMENT OF AN UNUSUAL CSR PARADIGM IN BRASS ISLAND**

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### **Abstract**

Some multinationals like Nigerian Agip Oil Company (NAOC) operating in the Niger Delta (Nigeria) have stated taking the spirit and the letter of Corporate Social Responsibility (CSR) beyond the philosophical and material foundations that underscore the concept. This is done mostly through corporate social initiatives. This study analysed the novel community development paradigm of NAOC in Brass Island that has gone beyond the typical CSR principles. The main supposition of the study is that, the usual detached business-oriented raw implementation of CSR projects and programmes alone is not enough to develop the deprived crude oil producing communities because of the decades of decadence and the present dysfunctional governance institutions that characterised these areas. Therefore, the study concluded that, for real-peace and sustainable development to be re-introduced to the underdeveloped communities of the Niger Delta region, community supports efforts by transnational firms and others should adopt or shift to a new CSR paradigm and the NAOC's model of community development in Brass Island is not out of place.

**Key words:** Agip, Brass, Cooperate, Responsibility, Paradigm, and Niger-Delta

## **INTRODUCTION**

It appears the conflict in the Niger Delta has overwhelmed all the major stakeholders. All sorts of solutions have been thrown into the arena to solve the conflict. At present, amnesty programme seems to be doing the magic, but the magic has only reduced the physical violence, the structural or soft violence is still flourishing in form of crude oil theft commonly called illegal *bunkering*.

CSR is now the main instrument multi-nationals and even national oil companies: prospecting, exploiting and exploring crude oil in the Niger Delta has been using to help to develop communities they operate. But it is a fact that formalistic CSR is not bringing back the peace and the much needed infrastructural development as expected. Somehow there are very few companies that by commission or omission have gone outside textbook CSR principles to work with and help the local communities to develop to a benchmark that is enviable in this part of the globe. This study is to x-ray the community support paradigm of NAOC in Brass Island that have brought some form of peace and sustainable infrastructural improvement.

CSR is expressed in the Niger Delta through provision of Corporate Social Initiatives projects and programmes. Corporate social initiatives according to Kotler and Lee (2005:3) *are major activities undertaken by a corporation to support social causes and to fulfil commitments to corporate social responsibility*. The projects and programmes provided by the indigenous and multinational firms operating in the region through Corporate Social Initiatives are mostly tailored to address specific or sporadic needs or events of and in the communities.

Causes most often supported through Corporate Social Initiatives are those that contribute to community health (i.e., AIDS prevention, early detection for breast cancer, timely immunizations), safety (designated driver programs, crime prevention, use of car safety restraints), education (literacy, computers for schools, special needs education), and employment (job training, hiring practices, plant locations); the environment (recycling, elimination of the use of harmful chemicals, reduced packaging); community and economic development (low-interest housing loans); and other basic human needs and desires (hunger, homelessness, animal rights, voting privileges, antidiscrimination efforts (Kotler and Lee 2005:5).

## **THEORETICAL FRAMEWORK AND LITERATURE REVIEW**

### **Theoretical framework of the study**

The theoretical foundation of this work is situated in the Human Needs Theory. The debate is still on, the debate that whether human actions are influenced by the environment (nature) more than nurture. The nature/nurture debate continues. However, the fact that human needs influence the action of human beings strongly is not in contention. Human needs theorists like Abraham Maslow (A Theory of Human Motivation), John Burton (Conflict: Human Needs Theory), Marshall Rosenberg (Speak Peace in a World of Conflict) and Manfred Max-Neef (Human Scale Development: Conception, Application and Further Reflection) have severally and in different degrees and places made the point that:

One of the primary causes of protracted or intractable conflict is people's unyielding drive to meet their unmet needs on the individual, group, and societal level... Human needs theorists argue that conflict and violent conflicts are caused by unmet human needs. Violence occurs when certain individuals or groups do not see any other way to meet their need, or when they need understanding, respect and consideration for their needs (Havva, 2007:1)

To human needs theory, basic human needs are universal in nature and consequently, their satisfaction is an obligation of the state or the community or concerned stakeholders if violence and conflict are to be avoided or resolved in a win-win situation. One of the main theorists (John Burton, 1998) of the concept according to Daibas (2007:7) put it thus in one of his seminal pieces: *Conflict Resolution: the Human Dimension*,

If conflict resolution is to be taken seriously, if it is to be more than just introducing altered perceptions and good will into some specific situations, it has to be assumed that societies must adjust to the needs of people, and not the other way around. Workers must be given recognition as persons if social and domestic violence is to be contained, young people must be given a role in society if street gangs are to vanish and teenage pregnancies are to decrease, ethnic minorities must be given an autonomous status if violence is to be avoided, decision-making systems must be non-adversarial if leadership roles are to be collaborative (Daibas, 2007:7),

The table below summarised the fundamental human needs the different theorists have presented that must be satisfied for conflict/violence to be minimised and resolved.

**Table 1: Human Needs, as presented by various theorists**

<b>Maslow</b>	<b>Burton</b>	<b>Rosenberg</b>	<b>Max Neef</b>
Food, water, shelter (1)	Distributive justice	Physical Nurturance	Subsistence
Safety and security (2)	Safety, Security	Interdependence	Protection
Belonging or love (3)	Belongingness, Love	Integrity	Affection
Self-esteem (4)	Self-esteem	Autonomy	Understanding
Personal fulfilment (5)	Personal fulfilment	Play	Creation
	Identity	Celebration and mourning	Identity
	Cultural security	Spiritual Communion	Leisure, Idleness
	Freedom		Freedom
	Participation		Participation

Sourced: Danielsen (2005: 5)

CSR is designed to satisfy the needs of communities that host multinationals in diverse ways. Human needs theory explains and underscores the philosophical direction and thematic focus of this study because community development through CSR is an instrument to meet the needs of communities.

The criticisms levelled against Human needs theory of conflict are of three dimensions. The first criticism is that human needs are not uniform, they are also too many and therefore cannot be prioritized. The second one is that human needs theorists place too much emphasis on dialogue; critics believe that dialogue alone cannot solve all human conflicts. And lastly critics of human needs theory disagree with its postulation of over emphasizing on human needs as against other factors that cause conflict. However, this does not in any way limit the advantages human needs theory has in explaining the major foci of this study.

This is because in the Niger Delta, the basic human needs are still lacking in a very high proportion and on various occasions both the local actors and the international stakeholders including the multinationals have pointed out that one of the major justifications for the conflict is the endemic poverty that include all physical, psychological and physiological needs of the crude oil producing communities.

### **Cooperate Social Responsibility**

The idea that, limited liability companies must give back a part of their profits to develop their host communities is to a certain extent a new phenomenon especially in Africa. In the pre-colonial and colonial times, corporate entities like the Royal Niger Company (RNC) and the United African Company (UAC) gave back nothing to the communities where they operated. Rather than giving back a little of their huge profits to the local communities, the pre and the immediate post-colonial firms extremely appropriated and exploited their host communities' resources with impunity and vengeance (Toyin, and Mathew 2008).

To most neo-liberal economists like Friedman and Hayek according to Marinetto (2006) the crucial function of any business enterprise is to generate enough profit; its central responsibility is to first satisfy its stakeholders, what is now generally called, shareholders. To neo-liberalists therefore, the idea that business owners should dole out a part of their profits to engage in community development activities is a blunder. To Stephen (2011:27) CSR is an amorphous term that some have interpreted as a culture; an alternative to government and state failure; and as a generic term that addresses the role of business in society.

Kotler and Lee (2005:4) defined corporate social responsibility, *as a commitment to improve community well-being through discretionary business practices and contributions of corporate resources*. To World Business Council for Sustainable Development, CSR is *a business' commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life*. The organization, Business for Social Responsibility defined CSR as, *operating a business in a manner that meets or exceeds the ethical, legal, commercial, and public expectations that society has of business*. Besides the above meanings of CSR one of the most comprehensive descriptions of CSR that is in consonance to this study is the one given by the Indian Environment Management Centre. According to the Centre (2004):

Corporate Social Responsibility (CSR) is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organization—wherever the organization does business—and includes responsibility for current and past actions as well as future impacts. CSR involves addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders. Effective CSR aims at “achieving commercial success in ways that honour ethical values and respect people, communities, and the natural environment.” Simply put it means “what you do, how you do it, and when and what you say.” (Indian Environmental management Centre, 2004:1).

### **Nigerian Agip Oil Company (NAOC)**

The truth is that comprehensive profiles and real commercial engagements of most crude oil multinationals operating in Nigeria in particular and Africa in general are shrouded in mystery. Literature sources usually provide rather conflicting and in most cases sketchy information about their operations and others. The following is taken with slight modifications from the 2012 Dairy of the company (NAOC) in focus:

Eni E & P Division commenced activities in Nigeria in 1962 through a wholly owned subsidiary, Nigerian Agip Oil Company Limited, with the offer of participation in its operation by Federal Government in case of commercial discovery. This option was subsequently exercised in 1973. Activities of Eni in Nigeria have grown over the years resulting in the establishment of other companies.

These companies include Agip Energy and Natural Resources (Nigerian) Limited which operates in the shallow waters offshore and Nigerian Agip Exploration Limited, which concentrate on the deep-water frontier region. Eni also holds 5% participating interest in the SPDC joint venture being operated by Shell and 10.4% equity participation in Nigerian LNG Limited. In addition, Eni is a key partner in Brass LNG Limited.

Nigerian Agip Oil Company (NAOC) Limited operates in the land and swamp areas of the Niger Delta, under a joint venture arrangement with NNPC (60%), NAOC (20%), and ConcoPhillips (20%), with concessions lying within Bayelsa, Delta, Imo, and Rivers States.

The concession covers a total area of 5,313sq.km comprising four blocks-OML 60; 61; 62 and 63. NAOC’s production asset includes 8 flow stations, 2 Gas Plants and 1 Export Terminal of 3,558,000 barrels storage capacity with single point mooring-bouys for loading tankers. The flow stations and Gas Plants are connected to the Terminal in Twon-Brass, the headquarters of Brass Local Government Area of Bayelsa State through a 460km pipeline network, while an additional 180km pipeline carries NGL and fuel gas to Eleme Petrochemical Company (Indorama). NAOC also have a gas gathering pipeline linking kwale (in Delta State) through Akri Ob-Ob (in Rivers State) to N-LNG (in Bonny) which spans 170Km.

Most of the flow stations have been expanded and retrofitted to take care of growth in operation and support gas gathering effort, as well as improve efficiencies (resulting from installation of latest technology) towards achieving the flare down agenda of the company.

### *The Niger Delta*

The Niger Delta (region) of Nigeria is one of the most blessed deltas in the world, both in human and material resources. The Niger Delta is estimated to have approximately more than 32 billion barrels of oil reserve and about 104.7 million cubic feet of gas deposit but the most undeveloped region in Nigeria with widespread and entrenched poverty (Ayodele, 2010:3). In the 1970s petroleum became Nigeria's major export and it single-handedly made the country the wealthiest nation in Africa then (Toyin and Mathew, 2008:181). Oil money was used to support decolonization movements in Africa in a very large scale that the country became a Father Christmas to and for liberation movements in the 60s and 70s (Toyin and Mathew, 2008:245). The **Historical Dictionary of Civil War in Africa**, by Guy (2008) describes the Niger Delta thus:

The Niger Delta is Africa's largest floodplain. It consists of dense rainforest, sand ridges, mangrove forests, and swamps and is criss-crossed by tidal channels, streams, rivers, and creeks. It is rich in resources consisting of timber, coal, palm oil and, above all, natural gas and oil (an estimated 35 billion barrels of oil). It is densely populated and as one of the largest wetlands in the world, it is almost impossible to patrol with any success,... One fifth of U.S. oil imports come from the Delta and Great Britain expects to obtain 10 per cent of its gas requirements from the region in the near future (Historical Dictionary of Civil War in Africa, 2008:269).

The geographical features of the Niger Delta can be classified into four, according to the Popoola Report of 1999, these features are:

- Upper Flood Plain-bounded to the East and West by bluffs, 60-120m above sea level;
- Lower-Flood Plain-which is underlain near the surface by a thick layer of fine sand, silt and clay and is less than 5 meters above the sea level covering, 4,40km<sup>2</sup>
- Vegetated Tidal Flats-found less than one meters above sea level with mangrove *Rhizophora*, and *Racemosa*, covering about 10,240km; and
- Barrier Islands-which fringe the coastline from Benin River in the West to the Andoni River in the East. The Islands range in length between 5 and 37km and width from few meters to more than 10km, with a maximum elevation range of 2-4 meters above sea level.

The crisis in the region pre-dated the idea of the Nigerian state. The descriptions of the people and the region by the special Committee Reports set up by the pre and post-independence governments of Nigeria showed and confirmed the problems and the complexities of the zone. The following are what some of the major Committee Reports said about the region and its people. The Willink Commission that was established in 26<sup>th</sup> September, 1957 to look into the fears of the minorities and the develop the means of allaying them was headed by Henry Willink, with Gordon Hadow, Philip Mason and J.B Shearer as members. The report of the Commission was submitted to Rt Hon Allen Lennox-Boyd, M.P; Secretary of State for Colonies on July 1958. The moderately voluminous report described a good section and the people of the Niger Delta thus:

They are said to be a people who have lived in the area now called Nigeria than any other of the large tribes and where probably pushed down into the Delta area in times of which no record has survived. The country in which they live is divided by creeks and inlets of the sea and of the Niger into many islands which nowhere rise far above the highest tides and floods; their transport is by water and the construction of roads or railways would be prohibitively expensive. There is a country which, though no fault of men, has been neglected and which is unlikely ever to be highly developed; they are distinct in their language and customs from either the Edo speakers or Yorubas. Benin claimed over-lordship of them but they show no desire to return to it (Willink Commission Report, 1958:15)

The Nigeria (constitution) Order in Council, 1954 to 1959, Proclamation of the Area of the Niger Delta by J. B. Robertson asserted that:

The area of the Niger Delta for the purpose of the Niger Delta Development Board established in accordance with that section shall be,...the Western Ijaw Division of Delta Province..., Yenagoa Province, Degema Province and Ogoni Division of Port-Harcourt Province (Nigeria Order in Council, 1954 to 1959).

According to the Popoola Report of 1999:

The Niger Delta is multi ethnic with diverse cultural traits,..., the settlement pattern is characterized by scattered rural settlements occupying isolated dry sites within the swamp areas..., it is the home to Nigeria's oil industry, as a result the people and the environment bear the burden of oil exploration and production activities. It should be noted that the problem of the underdevelopment in the Niger Delta is a long standing issue, even before oil was discovered in the area (Popoola Report, 1999:6).

To the Ogomudia Report of 2001, the Niger Delta is the:

Oil producing area that is currently located in 9 states,...representing a multiplicity of ethnic groups and about more than 3000 communities. The land consist of mostly upland rain forest areas with the bulk being riverine fresh and brackish water mangrove swamps wetland, hemmed in by sandy coastal ridge barriers. The main occupation of the people are fishing and farming. Except for the oil sector, the industrial base is small or non-existent....the Niger Delta was recognized as a region for special development initiative and attention in the Independence Constitution of 1960 (Ogomudia Report, 2001:8)

The most recent report—Ladum Mittee Technical Committee Report on the Niger Delta of 2008, gave the following details about the region:

The Niger Delta consists of 25, 900 square kilometers of mangrove forest, fresh water swamp, coastal ridges, forest and fertile dry land. Seasonal flooding and sediments of thousands of years have made the land fertile....The abundance of rain and fertility of the land has set the conditions for the Niger Delta to have one of the highest rural population densities in the world (Ladum Mittee Technical Committee Report, 2008:14)

Currently the region is synonymous with crude oil production and conflict of various degrees and dimensions. Kidnapping and hostage taking, illegal crude oil bunkering, pipeline vandalization, and intra and inter-communal crises are typical, almost daily features in the region.

Nigeria, Africa largest oil producing nation, *first* discovered crude oil in commercial quantities in the Niger Delta in 1958, the production of the crude oil has risen from 5,100 barrels of oil per day (bpd) in 1958 to over 417,000 bpd in 1966 which was on the eve of the civil war. By 1970 the country was producing 400,000 bpd. From the early 2005 production rose to over 2.5million bpd (Toyin and Mathew, 2008:176; Ayodele, 2010:3).

At present, the Nigerian crude oil is being explored and exploited through over 5200 oil wells and 275 flow stations and ten crude oil terminals (Ayodele, 2010:3). Revenue from oil accounts for 80 per cent of Nigeria's Gross Domestic Product (GDP), 85 per cent of the national budget and 90 per cent of the foreign exchange earnings, Nigerian has earned \$236 billion from crude oil sales between 1999 to 2010 (Sun Newspaper, May 29, 2011, p.62).

In the addition to the crude oil in the region, trillions of gas in cubic feet has been discovered in the region, which has catapulted the Niger Delta (Nigeria) to the 10<sup>th</sup> largest producer of gas in the whole world (Etekpe, 2007:23). Apart from the natural resources of the region, the local people still depend on the aquatic resources to survive; this is why fishing/farming are the commonest occupations of the people in the region. Assessing the level of poverty among and within the geo-political zones in Nigeria in the year 2006, the Central Bank of Nigeria, stated that the south-south geopolitical zone, which the Niger Delta is part of, is the poorest in the country. The Ladum Mittee 2008 Technical Report on the Niger Delta also alluded to the material backwardness of the region. Besides crude oil, the region is also blessed with other natural resources such as manganese, clay, iron ore, timber, bauxite and others.

### **Brass Island**

Besides the palm produce trade in the pre-colonial era, the Akassa Raid/War that was fought between the Brassman (Nembe man) and the British in December 29, 1894; is one singular event that has made the Brassman or the Brass Island known or famous all over the world (Toyin and Mathew, 2008).



At present Brass Island is about ninety per cent of the land mass area of the present Brass Local Government Area of Bayelsa State. The headquarters of the local government is in Brass Island in a community called Twon-Brass. More than half of the land mass of Brass Local Government is under water, a good part of the remaining half is made up of mangrove forest or swamp.

Brass Island by all standards is a water-log mangrove forest with pockets of islands that are divided into the following major communities courtesy of natural canals, tributaries, rivers and sand-banks. These major communities are:

- Twon-Brass;
- Okpoama;
- Ewoama;
- Beletiana;
- Opu-orubo;
- Kala-orubo; and
- Diama.

Twon-Brass is the headquarters of the Brass Local Government Area, it is the principal community in the Island and it is also the community that is hosting the Nigerian Agip Oil Company's largest crude oil exporting terminal. All the other communities mentioned above have footprints of the oil industry in various capacities.

#### Map of the Niger Delta showing Brass



source: *Urhobo Historical Society (2012)*

## CSR in Crude oil Producing Community

All over the world the cost of CSR is increasing tremendously, According to *Giving USA*, charitable giving by for-profit corporations has risen from an estimated US\$9.6 billion in 1999 to US\$12.19 billion in 2002 (Kotler and Lee 2005:5). Global spending by oil, gas and mining companies on community development programmes in 2001 was over US\$500 million (Frynas, 2005:581). In Africa, specifically in the Niger Delta it is a truism that virtually all the companies operating in the region have doubled their CSR budgets. National legislations to back issues of CSR is in the front burner in the UK, France, Belgium, Germany, Netherland and even Nigeria (William and Aguilera (20007:5 and Uba, 2009:1)

For instance in 2002 SPDC in Nigeria spent US\$67 million on community development in the Niger Delta, this was far more than the paltry US\$1.4 million that was spent in eleven years between 1980 and 1991 (Groves (2009:8). In 2012 however, SPDC and SNEPCo funds to the Niger Delta Development Commission (NDDC) was \$178.3 million (Shell share was \$68.2 million). Besides the contribution to the NDDC, SPDC spent \$103.2 million in the same year on community development projects (Shell 2012, Sustainability Report). Oando Plc in 2011 spent N72.3 million (\$446,434). MRS Oil Nigeria Plc supported host communities with N7.4 million (\$46,000), while Mobil Oil Nigeria Plc doled out N4.4 million about \$27,168 (Venture, 2012).

To impute that CSR with massive funds as mentioned above as a community development tool is a new phenomenon in the Niger Delta in general and in the crude oil producing communities in particular is not out of place. This is because until recently, companies operating in the Niger Delta like their pre-colonial predecessors were only after their shareholders interests vis-à-vis profit maximization through even wars and other backhand methods, Saro-Wiwa (1989); Ola (1977 and 2001); and Alagoa, (2004). There were no concrete plans whatsoever for any company operating in the region to consciously as a matter of duty and CSR re-invest a part of its profit to develop any community.

Actually, in the Niger Delta, CSR became pronounced after the dead of the “Ogoni 13”. Groves (2009) summarised a part of the above assertion thus:

The hanging of Ken Saro-Wiwa and the controversy surrounding ‘Brent Spa’ represented public relations disasters for Shell. The company responded by joining-indeed leading-a growing movement of corporations in embracing Corporate Social Responsibility (CSR). By consciously distancing itself from the repressive policies of the Nigerian state, and instead engaging with local civil society and international NGOs, Shell aimed not only to recover its international brand, but also to gain a social licence to operate in the Delta (Groves (2009:7)

The extra-judicial murder of Ken Saro-Wiwa opened the floodgate of Memoranda of Understanding (MoUs) between the multinationals and the crude oil producing communities for basically community development reasons. At present CSR projects and programmes are done through a rather community-friendly model called, **Global Memoranda of Understanding (GMoU)** in SPDC, Chevron, and other transnational firms like Statoil operating in the region. Besides the community development programmes and projects through the GMoUs models the companies operating in the region still provide other forms of communities’ supports programmes and projects through Corporate Social Initiatives.

This actually explains why at present Corporate Social Initiatives projects and programmes dot every part of the region. However, the impact of these projects and programmes are not yet ushering the much needed peace, because the philosophy and principles of CSR alone is not enough to satisfy the local communities because of their levels of dysfunctional underdevelopment in all ramifications as a result of globalization and other challenges (Gary, 2010 and Gary and Ann, 2010). Crude oil has not only helped to pollute the physical and social environments of the local communities, it has tremendously also helped and still aiding to instigate and prolong conflicts in the communities and the country as a whole. Chinue Achebe in his new controversial book entitled: **There was a Country: A Personal History of Biafra**, highlighted the trigger and the prolong sways crude oil had on the Nigerian Civil War. And up till now, crude oil is still having a great underdevelopment effects on the communities through the triggering of conflicts and other anti-under development tendencies like *elite-capturing* of development projects and programmes. This perhaps also explains why CSR induced projects and programmes only cannot help to bring out the local communities from their deprived conditions.

There is a grave controversy surrounding the effectiveness of CSR through corporate social initiatives and other mediums to develop the Niger Delta. Experts such as Frynas, (2005:582); Kiiikpoye, (2011 and 2012); Olawari, & Fidelis, (2011); and Alabi & Ntukekpo (2012:1) have pooh-poohed the idea that CSR can be a veritable tool to develop the Niger Delta region. Frynas, (2005:582) in his study discovered that the general industry views of the efficacy of CSR as a means of community development in the Niger Delta in particular overlaps in the following statements from major stakeholders in the oil business:

- *CSR is a waste of time;*
- *CSR is about managing perceptions and making people inside and outside the company feel good about themselves;*  
*and*
- *CSR is a red herring in terms of development projects.*

These notions from the major players in the oil and gas industry perhaps explain why NAOC decided to take CSR beyond the ordinary and the usual principles and philosophical foundations underpinning its emergency as a tool of community development.

### **NAOC and Brass Island: A Synergy beyond CSR**

It is a fact that before 2000 the relationship between NAOC and the communities that made up the Brass Island was very frosty. For instance, in the 1990s Twon-Brass, the biggest community in the island had more than fifteen conflicts (some very deadly) with NAOC even when the community had more than five subsisting Memoranda of Understandings (MoUs) and other working documents with the company. However, all these community development focussed documents and agreements did not ushered in the much needed development and peace until the company decided to be realistic by going beyond the prevailing CSR foci.

The fact of the matter is that, because of the present comprehensive backward nature of almost all the crude oil producing communities, raw and formalistic CSR generated projects and programmes alone cannot help to create the trust and social acceptance the oil firms need to operate freely in these communities. This may have pushed NAOC to correctly decide to

immerse itself into the socio-economic fabric of the communities hosting it in the Brass Island. At present the economy and the happiness of the people of the Island to a large and scope depend on NAOC. Also the peace and the *Social Licence* all multinationals need now to operate is giving freely to the company by the people because NAOC is doing more than what is spelt out in the best of CSR textbooks.

This however, does not in any way mean that there are no grey areas, but crude oil production-stopping violent/destructive demonstrations are now very rare in the Island. The fact is that, the constitutional responsibilities (as regards the provision of social amenities) of the local government and that of even the state government to a large degree have been taken over by the company in the Island.

Through the provision of environmentally friendly and easily sustainable and absolutely free 24 hours electricity; adequate and yearly employment of youths; (mostly children of major stakeholders such as kings and head chiefs); labour and supply contracts for chiefs and elders and other opinion leaders; a good number of scholarships opportunities annually for primary schools pupils, secondary schools students and for undergraduates and post-graduates; maintenance and building of new and old roads; the provision of clean drinking water for most of the major communities; renovations of schools; re-planting of deforested lands; support for the local health facilities; training of local manpower base and others; Agip has endeared itself to the people of the Island.

The current CSR activities of the company is also tremendously helping and sustaining the environment and development because the CSR projects and programmes being provided are preventing the local people from engaging in environmentally unfriendly economic activities such as deforestation and bush burning. The CSR programmes and projects are also helping the local people to become abreast with modern sustainable practices through the training the company is providing.

The company do attend too to chiefs and kings that have health problems in the communities. For instance the company on several occasion has provided special health care services to communities members during emergencies, It has also convey with it helicopters sick leaders of the communities to Port Harcourt, the nearest major city, for treatments. NAOC also usually help private sector business such as nursery, primary and secondary schools and clinics by providing equipment and other infrastructure for them to serve the people better. The commercial banks (First and Eco Banks) in the Island are not left out, NAOC help the banks to operate exceedingly satisfactorily by helping them to ferry their cash from Port Harcourt to Brass Island (Twon-Brass) very frequently.

The relationship between the company and for instance the Twon-Brass community, has reached a point where NAOC has virtually taken over the major constitutional functions (the provision and maintenance of social amenities) of the Brass Local Government Council. It appears, to NAOC in the Brass Island, CSR is synonymous with the major tasks of the local government council. And this is what is needed in the local crude oil producing communities at present because of the aged-long neglect and the current shameful sleaze bedevilling the governments and the communities' institutions in the region in particular and the whole country in general.

The argument of Burchell and Cook (2004) according to Olawari and Fidelis (2011:4) also supported NAOC's chosen relationship pathway with the people of Brass Island:

Consumers and employees are now well informed about the challenges facing the world, they have little faith in governments' ability to change things, they acknowledge the corporation as the most powerful social construct of the present era and, most importantly, they are willing to reward corporations who are responsive to their concerns. Such expectations are not out of place as communities and citizens of nations place less and less trust in the government ability to provide basic essential services.

## CONCLUSION AND RECOMMENDATIONS

We are aware that the development of the local crude oil producing communities is not the sole responsibility of the multinationals operating in the region, however, because the multinationals are the closest entities to the communities, the mostly angry and hungry communities' members usually swoop on them. Therefore, to maintain peace and order to facilitate and enable their business operations, oil companies and their allies such as the oil servicing companies should go generally beyond CSR philosophy and principles (Frynas, 2005:582).

The view (that multi-national companies operating in the Niger Delta should go beyond CSR) is also in conformity with [some] neo-liberal socialist scholars of the Niger Delta such as Kiikpoye (2011 and 2012) that are strongly of the opinion that business entities like the multinationals should go beyond the detached business oriented CSR philosophy and dynamism. According to him:

In the Niger Delta, it has been argued that given the enormity of the development challenge, exemplified by pervasive poverty and the poor state of indicators of well-being, corporations cannot, even with the best of intentions, make meaningful impact on host communities, because of structural constraints arising from the profit-seeking ethos which drives corporate behaviour... (Kiikpoye, 2011:787).

The NAOC new brand of CSR is also in line with the present psyche of the local communities people. At present the mind-set of the local communities' people has been directed to believe that the oil companies are better in terms of listening and understanding their real felt-needs than the *absentee* federal, state and local governments. It is also a fact that the interface between the multinationals and the central (federal) or the regional (states) governments is stronger than the local crude oil producing communities' people and these governments. The multinationals in most developing countries in all honesty are *shadow* governments; they have a strong grip of most national governments (in Africa, etc) and the politicians. At the same time, however, the multinationals have overtime developed some

sorts of soft spots for their host communities and therefore, CSR should be synonymous now with the functions of the local government areas in the Niger Delta.

It is time they (the multinationals) take over the full responsibilities of the provision and maintenance of everything basically needed in the crude oil producing communities. From what NAOC has done in Brass Island and with what SPDC is doing in some of its host communities like Bonny Island with the full conscionable implantation of the Global Memorandum of Understanding (GMoU) paradigm of sustainable development, it is therefore now not out of place to recommend that, CSR should be over-stretched to include the responsibilities of the local government councils in the Niger Delta.

The now stale argument that the multinationals and other firms operating in the local communities are business entities and that they are paying taxes, royalties, etc to the central, state and local governments and therefore, they should not stomach and shoulder the full responsibilities of making the host communities decent places to operate should be fully thrown overboard. This is mainly because, while the multinationals can wrestle the federal and state governments to a standstill, the crude oil communities cannot for obvious reasons. Secondly, what the host communities need to come up to speed with modern civilization is very minimal in terms of cash, if the multinationals can separate, *stakeholders' compensation* from real community development projects and programmes.

In essence therefore, if the total developments of the crude oil producing communities are squarely handed over to the transnational firms, they will do well because that they will have free hands to bring in proven contractors and service providers such as Julius Berger Construction Company and UNESCO to build or implement their development projects and programmes. Nigeria is a frail state on her knees, therefore the earlier we help the crude oil producing communities the quicker we help the country to stand up.

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