

Impact of Corporate Social Responsibility on Traditional Livelihoods in the Niger Delta Region of Nigeria

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Abstract

Business organizations are creations of society whose survival depends on the very society of which they are a part. Businesses need to respond to changing societal expectations by increasingly redefining and modifying their involvement in corporate social responsibility (CSR). The Nigerian economy depends on oil; approximately 90 percent of its earnings and 80 percent of federal revenue is derived from oil. This places the multinational oil companies at the forefront of business and makes them a focal point for the economic well-being of the nation as well as the welfare of the Nigerian society. Petroleum exploration and exploitation in the Niger delta region in recent decades has had major impacts on the oil producing communities. This paper considers one multi-national oil company and the impact of its operations on the traditional livelihoods of local communities and populations in the Niger Delta, Nigeria. Drawing on empirical data obtained through twenty-four in-depth face-to-face interviews and critical analysis, this paper argues that the failure to seek, understand and integrate community needs into CSR policies and practices results in the absence of an enabling environment for the firms' operation. The paper concludes that unless these gaps are addressed, by reducing the negative impact and replacing the livelihoods of the people through effective CSR activities, the Nigerian oil industry is likely to continue to fail in the attainment of its full potential.

Keywords: Corporate Social Responsibility, Livelihoods, Oil exploration, Host communities, Multinational oil companies, Stakeholder, Niger Delta.

1. Introduction

Over the last century, the concept of corporate social responsibility (CSR) has become an increasingly common term and inference in the political, academic and business domain. Though the term lacks a universally agreed definition, its underlying principles remain the same which is that corporations are expected to contribute to the welfare of the society. There have been many arguments presented over the years for and against the concept and its impact on business performance. In the views of Friedman (1970) and Logsdon (1996), companies who engage in CSR are misusing the resources entrusted to them by the shareholders. Corporations should therefore be more concerned with the returns from the investment of shareholders. Friedman also asserts that the primary purpose of business in society is to generate profit and not to be worried about other social matters or societal problems (Friedman, 1970). However, Bowen (1953) argues that businesses should be responsible for producing societal good as well as goods and services for sale. He also opines that every business has a commitment to give back to the communities that supported it (Bowen, 1953). This point of view is similar to that of Lewis (2003) who argues that being socially responsible would enhance corporate reputation and approval of the community where a company is operating. According to him, corporations that are socially responsible earn the goodwill of not just its customers but the community at large (Lewis, 2003). This suggests that corporation who engage in CSR stand a better chance to gain rather than lose.

CSR is no longer contested as a concept, but now a widely accepted concept by corporations and governments, non-governmental and individual consumers. The debates on CSR have grown beyond its relevance as a concept for business to how it can be practical because CSR has gradually become a crucial issue for most organizations. CSR is explained as the conscious efforts by a corporation to maximize its positive impact and minimize its negative impact on society (Dandago and Arugu, 2014). The idea of making CSR a deliberate and conscious act is interesting as most corporations in developing nations seem to be forced (indirectly) to engage in CSR activities and thus losing the goodwill of the people (Idemudia, 2007). CSR is also explained as an organisation's commitment to improve the well-being of the community through discretionary or voluntary business practices and contributions of its resources (Kotler and Lee, 2005). This perspective of CSR is more concerned with philanthropic responsibility through voluntary contributions to improve the standard of living of the people within the immediate community. The problem with considering CSR from this point of view is that the corporation who engage in such activities give the impression that they are doing the communities a favour rather than a requirement from them and so they ought to be commended for their efforts. Such corporation also feel that whatever they can offer (which is not mandatory) should be appreciated rather than questioned.

Regardless of increasing pressure for corporation to incorporate CSR into their business practices, CSR is not a universally accepted concept as it is understood differently. To most societies in developing countries, the idea captured within CSR is not new to them. Even though most businesses have a longstanding tradition in

which they are expected to meet certain social obligations, corporations are still having the challenge of initiating effective CSR programmes. In Nigeria, the multinational oil companies are at the forefront on issues of CSR. Despite the CSR activities by multinational corporations (MNC), oil exploration has also brought about negative impacts on the people of the Niger Delta region (NDR) (Ite, 2004). Research has shown that the process of delivering CSR programmes and activities by MNCs indicates that the negative outweighs the positive benefits CSR brings to the local communities (Tuodolo, 2009). Research has also shown that traditional means of livelihoods have been lost due to oil exploration activities in the NDR of Nigeria (Idemudia, 2009). The area that was once peaceful has turned to a place prone to conflicts. It is difficult to ascertain the main factors responsible for the conflict in this region due to its incessant nature.

Idemudia and Ite (2006) attribute the conflicts to political (quest for power and marginalization), economic (oil revenue allocation), environmental (oil spill, pollution and gas flaring) and social (unemployment) factors. They argue that political and economic factors are the root cause while the environmental and social factors are the trigger causes. The Niger delta crises have not been resolved despite efforts by oil multinationals through community development activities and initiatives for local communities because the root causes have not been addressed (Idemudia and Ite, 2006). It is therefore pertinent to address some of the causes identified as regards to livelihoods. This paper therefore sets out to assess the impact of oil extractive activities by the MNC on traditional livelihoods of local communities and populations in the Niger Delta, Nigeria.

Against the above background, this paper seeks to answer the following research questions:

- (a) What is the impact of oil exploitation and exploitation on traditional livelihoods of the host communities?
- (b) How are CSR initiatives used to replace those livelihoods?
- (c) How are the needs of the host communities accommodated in CSR practices by the MNC?

2. The concept of corporate social responsibility

Corporate social responsibility (CSR) is an important global issue that has gained reasonable attention in local, international and multinational corporations. CSR is described as modifying corporate behaviour to accommodate society's values and expectations (Griseri and Seppala, 2010). This definition presupposes that corporations need to change their initial values or priority of profit maximization to consider the expectations of the society to promote a good working environment. It is an understanding that corporate organizations should cease to cause societal problems and start to participate in solving them (Afinotan and Ojajorotu, 2009). It has also been described as the obligation of firms to be responsible for the environment and for their stakeholders in a manner that goes beyond economic goals (Gössling and Vocht, 2007). CSR could be described as good citizenship or being a good company that is helpful to its shareholders as well as society (Sana-ur-Rehman and Beise-Zee, 2011). While the shareholder's interests are debatably the corporation's priority, the interest of host communities are a close second (Ako et al., 2009). Accommodating the interest of the stakeholders is pertinent in the successful accomplishment of organizational goals. The interest of the host communities as stakeholders in the Nigerian context is the focal point of this study.

Literature has shown that oil exploration and exploitation has brought wealth to the country as a whole, however, it has also brought untold hardship, poverty, conflict and insecurity to the NDR (Ejumudo et al., 2012). The discovery of oil in 1956 has transformed the political economy of Nigeria and has provided approximately 90 percent of its earnings and 80 percent of federal revenue. Instead of turning Nigeria into one of the richest countries in Africa, the natural resources have enriched only a small minority and the huge majority are gradually poorer (Evuleocha, 2005). Idemudia and Ite (2006) assert that CSR by MNCs like Shell in Nigeria has been remarkable. This is so because, in the NDR, most of the services and infrastructure provided by Shell were either previously absent, insufficient or dysfunctional in the local communities (Tuodolo, 2009). These may be understood as some of the benefits, but they certainly have their costs.

The negative impact of oil discovery and exploitation include; economic deprivation, social exclusion and environmental injustice, which have resulted in poverty amid rich natural resources (Ako, 2012). George and Kuye (2012) are of the view that constant oil spillage in the NDR has polluted the rivers and the farmlands which have in turn brought about very little employment for young people and consequently in youth restiveness. Tuodolo (2009) argues that most of the benefits local communities enjoy from the CSR programme of MNCs come at an incalculable cost to them. This has therefore triggered crude oil theft, kidnapping, inter-communal conflicts, destruction of oil pipelines and general insecurity. Nigerian government derives its overwhelming revenue from the export of crude oil in the world market, yet indigenes of the oil rich region maintain that they have been marginalized, economically and politically and subjected to neglect, plagued by environmental degradation and brutal military occupation of their homeland as a result of perceived collusion and complicity between the Nigerian Government and the multinational oil corporations (Orogun, 2010).

Events in the Niger Delta have revealed that failure to accommodate the interests of host communities would significantly hinder business operations of the corporations (Ako et al., 2009). Research has shown that traditional livelihoods of the host communities have been lost due to oil exploitation. Incessant oil spill has

caused pollution of the water and land (Idemudia, 2007). The issue is that the local communities bear almost all the cost of oil exploration (in terms of destruction of their lives and habitat) and receive little or no benefits accruing from oil to improve the quality of their lives. Though the MNCs have been involved in some form of intervention or the other through CSR, it seems the cost outweighs the benefits.

This study is based on the stakeholder theory of Edward Freeman. Freeman describes a stakeholder as any individual or group that can affect, or is affected by the achievement of the organisation's goals (Freeman, 1984). The stakeholder approach therefore examines the other important stakeholder groups that businesses have to be responsible towards. Freeman understands stakeholders as those groups who have a stake in or claim on the firm which include; employees, customers, stockholders, suppliers and the local community (Garriga and Melé, 2004). He was one of the first academics to reject Friedman (1970)'s opinion that a company only has social responsibilities towards its shareholders and to maximize its earnings. In this regard, the host communities are considered as stakeholders to the MNC. The crises instigated by the host communities have directly affected the operations of the MNC. The fact that the host communities can prevent the MNC from continuous operations cannot be denied. This may seem irrational but is evidence that the MNCs cannot operate in isolation.

Freeman asserts that stakeholders are not to be treated merely as a means to an end but must be able to participate in the direction of the firm in which they hold a stake (Freeman, 2004). Freeman emphasizes the importance of stakeholders and that business and the executives who manage them should create value for their stakeholders because they have legally binding contracts with the corporation. The perspective of this study is also in line with Crane and Matten (2010) who identify a stakeholder as an individual or a group which either benefits or is harmed and whose right is violated or respected by the corporation. This idea is important in this study because we are considering the host communities who are benefiting or being harmed by the activities of the MNC. Oil exploitation has brought about both positive and negative impact on the host communities; the positive impacts being the infrastructural facilities provided by the MNCs, while the negative impact is the toll on their livelihoods. The host communities have therefore benefitted and are equally harmed by oil extractive processes. The objectives of this study can be achieved by considering it from a stakeholders' perspective.

3. The study area and methodology

The Niger Delta region comprises nine states which are Nigeria's oil producing states comprising Abia, Edo, Ondo, Delta, Bayelsa, Imo, Rivers, Cross River and Akwa Ibom states (Afinotan and Ojakorotu, 2009). The Niger Delta is located in the central part of Southern Nigeria. It covers a total land area of 70,000 square km and is the Africa's largest Delta. The region has a population of 27 million people, of which 75 per cent live in rural areas (NDDC, 2004). About one third of the land area in wetland contains the third largest mangrove swamp forest in the world (see figure 1). Petroleum production in Nigeria began from discovery of petroleum in commercial quantities in 1956 at Oloibiri (Rivers State), with an average production of 5,000 barrels per day (bpd) in 1958 and reached a peak of 2.3 million barrels per day in 1979 (Ajibade and Awomuti, 2009). Akwa Ibom state was selected for this study because it is one of the major oil producing state, eighty five (85) percent of the population live in rural areas and the unemployment rate is the highest among the Niger Delta states in both rural and urban centre (Idemudia, 2007). Three communities (Atabong, Edo and Mkpnanak) were selected for this study from Eket, Esit Eket and Ibena LGAs respectively (See figure 2). The selection of these communities is based on their proximity to the location of the facilities of the selected MNC therefore they have direct links with the MNC. They are also located at the coastal region of the country and the state close to water bodies. This is significant because most of the oil exploitation activities in Akwa Ibom state are carried out off-shore.

This study adopts exploratory approach to discover why traditional livelihoods have been lost by the host communities and what the MNCs have done about it. The aim of exploratory studies are to find out what is happening in the study area and clarification of the nature of a phenomenon (Saunders et al., 2009) which can be done through interviews. Using a case study will furnish the researcher with sufficient details on the constructions and a better understanding of the situation on ground. The advantage of the case study approach is that it is being analysed from a holistic view rather than being based on isolated factors (Yin, 1994). Case studies can also be used to evaluate variations in opinion and view-points depending on the perspective of the different actors (Yin, 1994). It gives room for discussion and dialogue.

The semi-structured interviews involved 21 members of the host communities (chiefs, women and youth) and 3 employees of the MNC. The sampling strategy for respondent interviewed was largely purposive. Most of the participants were selected based on their direct involvement in dealing with the MNC on behalf of the communities by virtue of their position in the community. The case study will draw largely on literature, primary data and the author's personal experience with the residents of the Niger Delta. The interviews were prearranged and with the consent of the respondents, all interviews were audio tape-recorded and full transcripts were made.



Fig 1 Niger Delta Region of Nigeria
Source: Idemudia and Ite, 2006 pp.392



Fig 2 Map of Akwa Ibom state showing LGAs
Source: <https://www.google.co.uk/url>

4. Research findings

Traditional livelihoods and oil exploration in the Niger delta region

Before the creation of the Nigerian state, economic activities of the Niger Delta in pre-colonial days involved mainly export of salt and fish to its hinterland (Okpo and Eze, 2012). Traditionally, rural dwellers in this region engaged in farming, fishing and trading. Others are palm wine tappers and raffia product makers. With the advent of MNCs in this area, some community members had the opportunity to be employed in the oil companies. The number of those employed by the MNCs is relatively small compared to the population of employable adults in the host communities. It is expected that petroleum exploitation would have some effects on the social and cultural life of the people in the oil producing communities (Ajibade and Awomuti, 2009).

The rural dwellers had envisaged a situation whereby their socio-economic lives would be better than it was and more benefits than harm being expected. However the negative effects especially from oil spills are far beyond what was originally imagined because it has gradually become impossible to continue with their traditional livelihood activities. Farmers and Fishermen who are unable to adjust usually migrate to nearby urban centres subsequently increasing the problem of unemployment (Aghalino, 2009). The damage caused by oil spillage is quite devastating. This assertion is supported by evidence from the research for this paper in the region where an interviewee demonstrates in the following quote:

“ ...Now we cannot do the fishing because of the oil operation, the incessant oil spills, killing the aquatic lives and so on[...]The people realize that the fishermen, farmers and others who depend on forest and sea products as means of livelihood are seriously damaged both the land and the sea has been polluted and the forest destroyed [...] They could not fish again because if there is oil spill [...] when fishes in the water do not see food to eat, they will eat the oil and they will die, that is why we don't have fish. If you are fortunate enough to get fish, you cannot get the taste again because of the oil’ (PA, 27 Oct, 2014, Mkpanak)

It can be understood that oil spill is a regular occurrence within this region and seems to be the major problem of the host communities. Judging from this assertion, one can imagine the extent to which the host communities could react in order to protect their interest assuming they are so badly affected by the oil exploration activities. This explains why the relationship of the host communities to the MNC seems to be far from cordial. It could be difficult to expect a cordial relationship between the two groups when one perceives the other as not doing the right thing. This argument is supported by Eweje (2006) who says that that there has been a sudden rise in the awareness amongst host communities of how businesses can harm the environment – triggered by oil spills and pollution, and how these can affect their health and lives. This has caused them to mount pressure on the MNCs to do more for their host communities in order to justify their continued operations (Eweje, 2006). The respondent below states specifically the exact date of one of the worst oil spills they recorded. He states that:

‘... to be precise, [...] on 12th January 1998 there was a very serious spill from Edoho platform, the pipe just burst and that spillage was the talk of the town, [...] in fact after 8 days the effect of that spill was experienced in Lagos area all the water bodies there were affected [...] You can imagine what that will do to the aquatic organisms, the fishes [...] everything was affected. [...] Another one I can remember was in 2008. But one funny thing we have noticed with Mobil is that at times they will not own up to this spill. They will [...] mount a kind of defence to protect themselves [...] at times they deny that this is not from us until maybe very serious struggle..’ (HU, 9 Oct, 2014, Edo)

This suggests that apart from the oil being spill, the company does not own up to the spill and so they do not respond to salvage the situation. The company is seen as always seeking ways to defend themselves instead of owning up and finding solutions to the problem. The host communities expressed concern over the attitude of the company and how this has affected their relationship. The main issue is about the loss of livelihood and the

failure to replace them or make available a suitable alternative. This has over the years resulted in disputed and confrontational attitude in order to attract the attention of the MNCs and force them to accept their responsibility of mopping up the spilled oil as well as paying compensation. Though the confrontational attitude may not be seen as the ideal solution, it seems to be the only option that compels the oil company to attend to the needs of the host communities. These disputes occur in forms of blocking the roads, peaceful demonstrations through the use of placards and sometimes serious violent act which could result in the loss of lives and properties.

The spills on water also affects their daily lives due to absence of good water for cooking, drinking and other domestic activities. Inhabitants from this region used to fetch water from the stream for their domestic use. This has been polluted by the oil spill with crude oil floating on the surface of the water. Similarly, the oil spill on land affects the plants as no crop or weed grows on the area where there is concentration of the spill. This suggests that the spill affects the cultivation of crops for the farmers. Oil spillage has caused a great deal of harm to the water and the land which were hitherto used for fishing and farming. Being an area surrounded by water bodies, oil spill has had a toll on their livelihoods. Apart from the farmers and fishermen, those who were involved in trading especially in fish and aquatic product have not been exempted from the effect of oil spills. Their businesses are affected by the quantity of fish caught by the fishermen each day. The spill therefore affects the young and older fishermen, the women who trade on fish and other aquatic products, as well as the children who depend on their parents to provide their basic needs through fishing, farming or/and trading. The result of this is increased poverty and other social vices such as theft, prostitution, robbery, kidnapping and the likes. It may be argued that poverty is a general problem in Nigeria which is not predominantly in the NDR. However, poverty amidst of plenty may not be acceptable.

It is also established that apart from the infertility of the soil resulting from oil spills, the pollution caused by it does not end with mopping up of the spilled oil but has a multiplier effect. Some of the fishes and animals that escape instant death from pollution, taken in some of the toxic substances, which in turn get into human beings that eat them therefore causing complicated health problems. The host communities are not even sure of the quality of fish they consume or sell. The women have equally been affected as most of them used to be involved in trading on fish and other aquatic products for survival. They have complained of poor catch by the fishermen which has affected their business. A woman leader from Mkpanak village says;

‘.What we do as women is selling of fish and crayfish. In the evening you will see our women go to the beach area when the men will come back from their fishing, they will buy the fish, dry them and take them to the market the next day, [...]. But since they started this their oil production we don't do such anymore because the catch is very poor. In fact like day before yesterday, those who went for fishing came back, the boat that used to catch about ten to fifteen basins of crayfish came back with 2, some 3, some 1 and some don't even have.. According to the fisher men they say it's because of the oil, the oil production off shores that has really affected the sea food, [...]. So [...] that is the business of Ibeno women what we are doing to survive’. (GA, 27 Oct, 2014, Mkpanak)

This suggests that trading on fish and other aquatic products is the main livelihood activities of the women. The women trade on freshly harvested fish or in its dried state. These livelihoods have adversely been affected by the oil spills. The evidence above indicates that oil spill is still a problem in this region. Referring to an incidence that took place a couple of days back indicates that it a recurrent issue. It could be argued that there may be other factors responsible for the poor catch other than oil spill. However, this cannot be denied. It is better to solve a problem by starting from the suspected factors before considering other factors that may be unidentified. Despite these assertions from the host community, the issues of oil spill in Akwa Ibom state has been argued by the MNC that;

‘.. All our warehouses are in the sea, we don't operate on land, you will not see any of our pipelines crossing anybody's water, anybody's land, anybody's farmland that is why you've not heard [...]It can't be because if we have a spill on water [...]. So that is the challenge[...] we don't have any of our facility on land, onshore, we don't operate any onshore, that is where we are, in the sea, that is what they call Akwa Ibom territorial water’ (AS, 4 Aug, 2014)

Coming from the MNC, the impression above suggests that the MNCs are more concerned about protecting their interest rather than looking for solution to the problem of oil spills. The fact that the company's facilities are off-shore does not mean that oil spill does not occur. This statement places the MNC on the defence and as such indirectly exonerating themselves from the blame for the spills. As good as this may seem to the company, it does not in any way solve the problem. However, this view is argued by Edoho who opines that 60% of total spills occur offshore, 25 % in swamp and 16% on land (Edoho, 2008). Therefore having ones facilities off-shore does not guarantee a spill free operation. As a major multinational oil company in the state, there is a limit to what can be said to exonerate them from blame. Apart from the above statement the same participant from the MNC also states that:

‘..I'm not saying that we don't spill oil, there is no way you will do operations [...] we are human company [...] anything can happen in any business, [...] if we have any such problem, we can take

responsibility and will clean it up [...] we are in the industry''. (AS, 4 Aug, 2014)

This therefore affirms that oil spillage occurs in this region. The above attitude shows the extent to which the MNC have been insensitive to the problem of oil spill. To say that anything can happen in business means it cannot be prevented, which does not agree with the tenet of CSR of ceasing to cause societal problems. Trying to identify the facility from where the spills sounds unreasonable, considering the nature of oil which floats on water. It could be difficult to control the extent to which the oil could float and the extent of damage it could cause. The question then is how can this be reduced or completely stopped? Whether the spill is from the facilities owned by this particular MNC or from other companies in the industry, there is need for all the MNCs to come together to find a lasting solution to the problem of oil spillage in this region. This research also reveals that abandoning their traditional livelihoods has resulted in incessant disputes and restiveness of youth due to joblessness. They feel that having taken what rightly belongs to local communities, the MNC has an obligation to provide something in return. Accordingly, a participant states that;

'The livelihood has been abandoned, the young men are now on the road with sticks and nails to block any company coming and company workers from going to work [...] they even block Mobil airstrip in order to get what to eat because they cannot fish again''. (HU, 9 Oct, 2014, Edo)

This explains recurring issues of sabotage, acts of destruction and some level of violence from the host communities in protest to the MNCs. They see themselves as stakeholders in the affairs of the MNC. This is similar to the idea of Crane and Matten (2010) who identify a stakeholder as an individual or a group which either is harmed or benefits and whose right is respected or violated by the corporation. The host communities feel that their right has been violated and the best approach is to prevent the company workers from going to work. This may not seem right, but it confirms the fact that as stakeholders, their action could affect the activities of the company. However, the MNC attribute the disputes to inability of the company to meet high expectations of the host communities and their constant demands. Though this may not be disputed, the fact still remains that the host communities feel that the MNCs have to live up to their expectations in carrying out their CSR if they want to continue their operations in a peaceful environment. Idemudia (2009) opines that the persistent incidences of blocking of roads, oil-worker hostage taking, blockage of oil facilities and human right violation have had a negative impact on both corporate profit and government revenue. As regards high expectations, another staff of the MNC states that;

'The issue of cordiality here does not arise because the expectations form the communities are far higher than we can meet and so they feel we have not done anything. No matter what Mobil does, they will always say Mobil has not done anything for us' (MA, 10 Aug, 2014)

Irrespective of the demands from the host communities which are considered by the MNC as irrational, callous and unrealistic, to continue in an unfriendly relationship may not be healthy for the firm's operation. The study also revealed that the host communities perceive the MNC as unfair, irresponsible and denying them of their right as stakeholders. They have clearly stated that the MNC had been asked to pay some money as compensation for oil spillage for several years, but this has not been done and is still being debated upon. This has resulted in a strenuous relationship and lack of trust. It is important for the MNC to have a good working relationship with the host communities, it is far more important because their ability to generate profit indirectly depends on it. There is therefore an urgent need for the MNC to restore the original lifestyle of the host communities.

In as much as the host communities require a better life through the provision of modern infrastructure, they also prefer that their traditional livelihoods should be maintained. This can only be possible through the prevention of further oil spills and a considerable attempt to recover the livelihoods of the people. This assertion is confirmed by Edoho (2008) who is of the view that 90% of oil spills are preventable. Most of the oil spills are caused by old pipelines which were laid in the 1970s and have not been properly maintained or replaced in a timely manner. The replacement of such old pipes with new ones will stop the problem of oil spills (Edoho, 2008). This therefore implies that the MNC should make deliberate efforts to stop the oil spills. Unless these gaps are adequately filled, it may be difficult to gain and retain the support of the host communities. Furthermore, alternative livelihood programmes could be initiated in order to create more jobs. These could be in form of fish farming and improved methods of agriculture. However, this does not seem to be the focal point of the MNC which could explain why they have had several conflicts with the host communities. A member of the MNC asserts that the company had given this a trial but could not succeed. He states that;

'We've tried things in agriculture, we haven't succeeded, we haven't got the right mix, again that is not our area of strength, we came here to produce oil and we are doing it very well, so we try agriculture with effect to help develop rice farm in Onna, one of the immediate communities here, it didn't work out, not for want of effort, not for want of commitment, not for want of resources, but we just didn't get the right place. We try a fish programme [...] so we try fish farming, both in Ibeno here, Ibeno, Eket as well as Nsit Ubium [...] but it also didn't click...' (AS, 4 Aug, 2014).

The fact that the MNC had tried in the past to carry out the programmes mentioned above and could not

succeed does not mean they should give up. The company should find out the reasons why it such efforts failed and look for other ways to make such programme successful. To achieve effective CSR of a good company that is helpful to its stakeholders as well as the society, MNCs must go back to the drawing board and reconsider investment in CSR programmes that seek to replace traditional livelihoods as well as create alternative livelihood programmes. With these, poverty could be alleviated, jobs would be created and they would gain the commitment of the host communities. This will in turn create an enabling environment for their operation and peaceful coexistence and subsequently be beneficial to the country.

The research has also revealed that the host communities are not keen about demanding for compensations for oil spills but want to ensure that the existing livelihoods are not destroyed due to the operations of the MNC. There is no amount of money or road construction, provision of electricity of bridge construction that can compensate for the loss of livelihood (Idemudia, 2009). What is needed is sustainability; oil is limited in quantity and so may dry up at any time. One cannot imagine what will happen in the nearest future to the host communities if the oil is no more without their traditional livelihoods and no alternative source of livelihood for the indigenes. The host community may have benefited from the MNC in one way or the other but the most valuable benefit would be the MNCs' CSR programme for sustainable livelihood to cater for them now and in the future after the oil is finished.

5. Conclusion

Corporate social responsibility covers a broad variety of a company's activities and includes every aspect of a firm's impact on society. Oil exploration and exploitation has brought wealth to the country, but it has also brought about serious negative impact on the immediate host communities. The oil extraction processes have affected the traditional livelihoods of the people and has resulted in untold hardship, conflict, poverty and insecurity in the Niger Delta region of Nigeria. This has invariably increased the expectations on the multinational oil companies regarding their role and involvement in CSR programmes and activities. Engagement in CSR is a specific social issue that needs to be addressed in order to enhance the public's receptiveness to a firm's public relations efforts. No matter the community investment efforts of MNC in Akwa Ibom state, the host communities are still not happy with them.

Evidence has shown that oil exploitation has had negative impact on traditional livelihoods of the host communities. The frequent nature of oil spill has affected the fishes in the water and the crops planted by farmers. It has also affected their daily living as the pollution of the water has deprived the community of good drinking water. Oil spillage has caused infertility of the soil giving rise to poor yield. These have resulted in increased level of poverty and unemployment. Despite the efforts by the MNCs to invest in CSR through projects like school renovations, road construction, provision of hospital equipment, drilling boreholes and the likes, they have not yielded positive results. This suggests that the MNC should consider other CSR initiatives to replace the original livelihoods of the people as well as provide alternative livelihood activities. Replacing the traditional livelihoods seems to be more sustainable than providing alternative livelihoods as the people may not be used to alternative livelihoods activities. However, this could bridge the gap by providing immediate sources of income. It may not also be possible for the MNC to hire all the youths of the host communities therefore the livelihoods of the people should not be destroyed any longer.

In as much as the host communities would desire a better life through the provision of infrastructural facilities and paid jobs from the MNC, they would also be happy to continue with their traditional livelihoods. Furthermore, the needs of the host communities should be accommodated in CSR practices by the MNC. Implementing CSR programmes and projects that are not in line with the needs of the communities would make the entire process ineffective. As one of the stakeholders in the activities of the oil company, the host communities have directly or indirectly affected their operations through incessant protests, blocking of roads and prevention of the company's employees from going to work which sometimes last for months. The perception of corporations' negative effects on various aspects of their lives has changed the host communities' attitude towards the MNC which has consequently affected their profit as well as the revenue of the Nigerian nation. In order to gain the trust and cooperation of its host community, firms therefore need to build-in community participation in their CSR and strategic management policies without which CSR by the Nigerian oil industry may not achieve its full potential. This is a demonstration of the interdependence between business and the society. This paper contributes that Job creation through, replacing traditional livelihoods and providing alternative livelihood programme could be a reliable tool for bridging the gap of poverty and unemployment. Therefore, community perceptions and needs have to be considered for CSR activities by MNCs in the NDR to strive and achieve its desired positive outcome for both the host communities and the MNC.

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