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# **Effect of Corporate Social Responsibility on Environmental Conservation and Development in Nigeria's Niger Delta: A Case Study of Shell**

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## **Abstract**

Corporate social responsibility (CSR) has become an integral part of business all over the world. It is part of 'business ethic' to implement one CSR programme or the other. The issue of CSR has taken central stage in the business cycle as the whole world now grapples with the issue of ozone depletion leading to global warming and climate change. This brings environmental-friendly and related CSR to the fore 'which is key to achieving national development. While the protection of the environment becomes paramount in production activities of companies the world over, reverse is the case in Nigeria as exemplified in activities of oil companies in the Niger Delta. Shell Petroleum Development Company (SPDC) especially allows oil spills into the environment without taking the necessary precautions and does not do the clean-up of these spills in time. This study, therefore, examined the impact of CSR on conservation of environment and national development using the incidents of oil spillage in the Niger Delta using SPDC as a case study. The authors adopted secondary source of data collection as methodology. Through this method, explanatory and deductive analysis was made. The findings in this study showed that SPDC was not environmentally responsible. Oil exploration activities had caused an untold environmental damage to the Niger Delta, its people and their means of livelihood leading to high level of poverty among the people and indirectly affecting Nigeria's national development. In the whole issue, the Nigerian Government and its agencies could not be exonerated. Therefore, it was recommended that Government should adopt the US Government's strategy on how to make oil companies environmentally responsible. This would not only help in quick cleaning-up of oil spills but also lead to giving befitting compensation to victims of oil spillage in the Niger Delta and help quicken development in Nigeria.

## **Keywords**

Corporate Social Responsibility (CSR), Environmental Conservation, Shell Petroleum Development Company (SPDC), Oil Spillage in Niger Delta, National Development in Nigeria.

## **Introduction**

Government believes that responsible business underpins many of the much larger challenges that we are tackling today. It is essential in driving sustainable development, tackling climate change and in many cases preventing and resolving conflict. Only if governments, businesses and civil society groups working together, can we successfully tackle these key global issues (in Hohnen and Potts, 2007:14).

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The above quotation drives home the imperative of corporate social responsibility (CSR). Being a socially responsible business is not only economical and beneficial to the business but also impact positively in the lives of the host community. It helps in the drive for national development, especially in underdeveloped country like Nigeria. Implementing CSR policies especially becomes important in the world that is bedevilled with the challenges of climate change leading to global warming. Conserving the global environment and the ever-depleting ozone layers are, in part, the function of responsible businesses all over the globe. Responsible business therefore does not only help the host community but also help tackle the global warming that results mostly from unhealthy practices of corporations and businesses all over the world.

Unlike in the past, environmental issues have become one of the central focuses of CSR. While it is true that corporate executives have to grapple with so many issues and stakeholders on CSR, it can be argued that most of the stakeholders and interests to be considered as policies in CSR can only be sustained in a 'healthy' environment. It is the prosperity of the environment that guarantees the prosperity of any country and businesses run in it. Even if all stakeholders of business are considered and well taken care of through CSR but the environment is neglected, ultimately both the business and the welfare of stakeholders and the benefits accrued to them will perish in a contaminated environment.

To be sure, protecting and conserving the natural environment in Nigeria becomes imperative as corporate businesses formulate and implement CSR. More than any other industry in the country, the activities of oil multinationals and businesses are major threats to the natural environment in Nigeria. Gas flaring, oil spillage and other activities of these firms have not only affected the health and economic wellbeing of the majority of the host communities of oil multinationals but it has also impacted the environment negatively. Social irresponsible oil businesses in the Nigerian Niger Delta have led to a multiplier effect on the environment in the region.

One sector of business that makes strong claims to business ethics and or CSR - human rights, employee rights, stakeholder rights, environmental protection, community relations, transparency, corruption, product stewardship, principles and codes of practice is the oil and gas sector (Tuodolo. 2009:531). However, this is not the case in Nigeria. Instead of implementing CSR that enhances environmental protection, oil multinationals are only concerned about making profits in the country. While these oil multinationals are responsible companies in the developed world under vigilant governments, the government and these multinationals do not take the issue of oil spillage and its environmental effects serious in Nigeria. This brings to fore the importance of effective management of CSR on environment and national development; on the part of the Nigerian Government and the oil companies in Nigeria.

The disparity in the way environmental-related CSR policies are handled in Nigeria and elsewhere in the world raises many questions and form the focus of this study. One wonders and asks if the oil producing communities in Nigeria are inferior to those in the developed world. Who is to blame for the near absence of concern for environmental consequences of unhealthy activities of oil multinationals in Nigeria; the Government or oil firms? Does it mean that Nigeria lacks the capacity to make these corporate entities implement environmental-friendly CSR? Or is it that public institutions are accomplices of socially irresponsible oil firms in Nigeria? Answers to these questions are the focus of this study.

### **Methodology and Theoretical Framework**

The methodology employed is secondary method of data collection. Data are collected from documentary sources such as books, magazines, newspapers, reports from international agencies and organisations, statistics from government, and so on. Therefore, investigative and deductive approach is adopted in analysing the data collected to achieve the objective of this study. The elite theory is adopted in this study. This theory was advanced in the early twentieth century by three famous sociologists: Vilfredo Pareto,

Gaetano Mosca and Robert Michels. According to Gauba (2003:258) the term 'elite' as a category of sociological analysis was introduced by Pareto while the idea associated with this theory was floated earlier by Mosca. Pareto, in his book *The Mind and Society* (1915-19), used the term to indicate a group of people who show highest ability in their field of activity whatever its nature might be. However, to Mosca in his work *The Ruling Class* (1896), the people (the society or a political system) are divided into two groups: the rulers and the ruled (Gauba, 2003:259). The rulers are the elite and they control most of the wealth, power and prestige in the society. The ruled are who Pareto referred to as the masses and are said not to be able to replace the elite, the ruling class. In its classical formulation, elite theory is a theory of the state which seeks to describe and explain the power relationships in contemporary society. The theory posits that a small minority, consisting of members of the economic elite and policy-planning networks, holds the most power and that this power is independent of a state's democratic elections process. It was developed as an alternative paradigm to pluralism. It rejects the pluralist view concerning the distribution of power in society. It is based on this that Mosca argued that it is a minority group, as against the pluralist perspective, which performs all political functions, monopolizes power and enjoys the advantages that power brings (Sambo, 1999:293). As a minority group within the society, the elite have so many manipulative devices that they use against the masses, the majority. They use their manipulative skills, including oratory, persuasion and playing upon the sentiments of the people in order to perpetuate themselves in power (according to Robert Michels in his 'Iron Law of Oligarchy', Gauba, and 2003:259). As a result of this, power is concentrated in the hands of the few.

Therefore, these few:

Occupy the strategic command posts within the social structure. Power elites constitute a self-conscious class whose members help each other on the basis of mutual understanding, tolerance and cooperation in order to strengthen each other's power and position (Gauba, 2003:261).

Using elite theory and as argued above, CSR and its non-implementation in the Niger Delta are collaborative schemes among Nigerian political elites, both at the national and state level (Niger Deltan States). Because of the strategic positions that these political elites occupy they connive with the oil multinationals in diverting the benefits of the CSR to themselves and leaving the people (ordinary Niger Deltans) suffering. Even when compensations are paid as damage for environmental degradation caused by the Shell, for instance, it is always "lacking in transparency in terms of the identity of the beneficiaries, amounts paid and how levels of payment are determined" (ECCR. 2010:24). And when people protest against this injustice, SPDC has periodically requested help from the Nigerian authorities to protect its economic interests, resulting in heavy-handed action by the security forces. In 2002 Amnesty International highlighted numerous human rights violations carried out by the Nigerian police and armed forces, ranging from extra-judicial executions to deaths in custody, torture and other ill treatment of suspects (ECCR, 2010:63). Instead of the survival and well-being of the people and the environment to be the primary concern of the Nigerian political elites, oil cabal appears to have taken over, they have pillaged state resources and feeding fat on the loose regulatory framework of the government in the oil industry (Akhakpe, 2012:82) to subvert the development of the oil industry and people's welfare in the country. This is how elitism works against the people of the region and proper implementation of CSR in oil producing states.

### **Conceptual Analysis**

CSR has been conceptualised in various ways. While some concentrate on the benefits of CSR to the business, others see it in terms of its importance to the host community. It should be noted that CSR does not have universally acceptable definition. This is why Hohnen and Potts (2007:1) argue that it must be recognised up front that CSR still creates a degree of confusion and controversy. According to these scholars, the confusion and controversy stem from defining what CSR is. As they submit:

In part, the problem stems from definitional issues and a perception in some quarters that CSR is more about philanthropy, rather than "doing business" and responding to shareholder interests (Hohnen and Potts, 2007:1).

This is why CSR is known by a number of other names. These include corporate responsibility, corporate accountability, corporate ethics, corporate citizenship or stewardship, responsible entrepreneurship, and "triple bottom line." to name just a few (Hohnen and Potts, 2007:4). It is triple bottom line because CSR it has economic, environmental and social aspect. The economic aspect takes care of the business, the environmental aspect deals with the protection of the environment while the social aspect has to do with the provision of social amenities or something beneficial to the society in which the business is sited.

This is why, according to Carroll (1991:3), CSR has come to be known as 'corporate social performance (CSP) which embraces corporate social responsibility, responsiveness, and the entire spectrum of socially beneficial activities of businesses to the society or the host community. This goes to show that the scope of CSR is wide including everything a company does to socially benefit itself, the environment and the country at large. With this in view, what is CSR?

While Keith Davis sees, CSR as businesses' "decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest", Eells and Walton argued that CSR refers to the "problems that arise when corporate enterprise casts its shadow on the social scene, and the ethical principles that ought to govern the relationship between the corporation and society" (cited in Carroll, 1991:2). In these conceptions, the decision of a company to protect the environment as it operates in a community or society is not directly economical. But to preserve the environment, it is important to note, leads to mutual, win-win relationship between the corporation and the natural environment which the host community is the custodian.

Consequent upon the above, CSR is the responsibility shown by a company (or other organisations) for matters of general concern to the society in which it operates such as protection of the environment, health and safety, and social welfare (Busari, 2012:2). This connotes that the issue of conservation of the environment is not peculiar and beneficial to the host community alone but also to the company. It is that obligation of companies and other business organizations which make them increase their positive influence and reduce their negative activity toward society. Reducing negative activities include the way firms integrate social, environmental and economic concerns into their values, culture, decision making, strategy and operations in a transparent and accountable manner and thereby establish better practices within the firm, create wealth and improve society (Dordevic and Bogetic, 2008:152). This connotes that CSR that improve and increase the positive influence and impact of a business must not only integrate the conservation of the environment into it but also social and economic dimensions which will improve the living condition of the host community.

The goal of CSR, therefore, is to make a company embrace responsibility for its actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders (Busari, 2012:2). It is a way by which corporations embrace responsibilities toward a broader group of stakeholders (customers, employees and the community at large) in addition to their customary financial obligations to stockholders (Herndandez-Mnrillo and Martinek, 2009:4). A socially responsible business, therefore, has concern for the entire society as well as the usual welfare of the stockholders.

Be that as it may, it is important to point out that environmental CSR is a unique kind of responsibility of a company. It has to do with all environmentally friendly actions not required by law. It is seen as going beyond compliance, the private provision of public goods or voluntarily internalizing externalities (Lyon and Maxwell, 2008:1, 2). The implication of this is that every decision of a company that helps

preserve the environment is environmental CSR and this might not be included in the law governing the operation of business organisation in such a country.

Protecting the environment is imperative nowadays that the effect of pollution felt everywhere in the globe. In every nook and cranny of the world, the campaign is on "green world". In fact, Lyon and Maxwell (2008:2) argue that a new generation of "green" consumers is willing to pay higher prices for clean products, and firms are simply responding to this shift. Toyota and Bank of America have new buildings that are Gold-certified by the US Green Building Council. Dell Computer allows customers to buy carbon offsets when they purchase a new computer. Corporations are making efforts to appear environmental-friendly because this "improves the firm(s)' public image" (Busari, 2012:2). This is also in agreement with Milton Friedman's view that a firm's manager may engage in actions that serve the long-run interest of the firms' owners and that also have indirectly a positive social impact (cited in Hernandez-Murillo and Martinek, 2009:4). Therefore, implementing environmental CSR helps guarantee national development for it has positive impact on majority of the citizens.

This is why national development is all about the exploitation of resources, the direction of technological development and institutional change which are all in harmony and enhance (human capacity) to meet human needs and aspiration (Nlekerem, 2009:20). It is all about enhancing the capacity of people to demand social and economic justice. This social justice may be in making the company operating in their community to be socially responsible by protecting the environment and 'give back to the society' through provision of social amenities.

National development is the gradual manifestation of positive changes in the economic, industrial, political, social-cultural and administrative life of a country (Ojo and Ojo, 2012:6). It involves large quantity and high quality of productive resources. This means that national development leads to progress in all sectors of the economy of a nation. It deals with human endowments, natural/physical, psychological and other factors (Ogai, 2003:4). It is arguably correct to say that this has a lot to do with human development. This is because national development must enhance human development and the ability of the citizenry to manipulate their environment for quality standard of living and this may be through companies or businesses (indigenous or foreign) operating in their community.

Therefore, human development approach is one that calls for a simultaneous treatment of economic and social aspects of development. It is the only form of national development that is sustainable. It generates economic growth but distributes its benefits equitably; that regenerates the environment rather than destroying it; that empowers people rather than marginalizing them (UNDP, 2013:19). It gives priority to the poor, enlarging their choices and opportunities and providing for their participation in decisions affecting them. It is development that is pro-poor, pro-nature, pro-jobs, pro-women and pro-children. Human aspect of economic development does not deny the importance of economic growth and wealth accumulation for the welfare of society. It claims, however, that economic growth is a necessary but not sufficient condition of human development (UNDP, 2013:11). Even before great wealth is accumulated, major improvements in the quality of life are possible. It can be said summarily that national development:

Goes beyond having plenty of money; it embraces all aspects of social behaviour such as the establishment of law and order, resourcefulness in business dealings, honesty in business relations, sophistication, broadmindedness, familiarity with science, modern technology and mechanical gadgets and overall positive national outlook (Ojo and Ojo, 2012:6).

Therefore, it can be seen from the argument above that decision to implement CSR that protects and preserves the environment is embedded in national development as it "regenerates the environment rather than destroying it". It focuses not only on the poor but on the community at large. It enhances the

prosperity of the society in general. This is what the activities of the Shell Petroleum Development Company (SPDC) simply referred to as Shell are supposed to guarantee. However, reverse is always the case as the oil exploration activities of Shell has led to environmental degradation in the Niger Delta. To this we now turn in the next section.

### Crude Oil, Nigerian Economy and National Development

Before Nigeria joined the league of oil producing nations on 3 August 1956 when oil was discovered in commercial quantities in the Niger Delta in Oloibiri in present-day Bayelsa State (Ecumenical Council for Corporate Responsibility (ECCR) (2010:15), agriculture was the mainstay of the Nigerian economy. Agriculture played significant role in the economic development of the country. Agricultural production in Nigeria in the 1950s included palm oil, sesame, soya beans, cocoa, palm-kernels, cotton and groundnut (Ake, 1981:54). Agriculture was developed to the extent that each region of Nigeria had agricultural produce that it was known for. It was groundnut in the north, Palm oil in the East and cocoa in the West.

It is pertinent to point out that agriculture even led to the development of colonial economy of Nigeria in the 1950s and on it colonial administration depended for survival. According to the Economic Survey of Nigeria of 1959, of a total development expenditure of 33.9 million required for the period of 1955 to 1962, \$264 million or 78% was to come from internal sources (cited in Ake, 1981:65). The internal sources are the incomes to be derived from agriculture. The prosperity of the country during the time up till post-independent era was based on the agricultural sector. Through it, Cocoa House in Ibadan was built and free education was provided in the West. The Northern region successfully ran the North without being bankrupt and in the East; administrative expenditure did not become a burden as it is becoming a frequent thing nowadays by the Government.

Before 1962, crude oil (which latter displaced agriculture as the mainstay of Nigeria's economy) exports constituted only 10.2 percent of total Nigerian exports. However, by 1970 it (crude oil exports) had increased to 58 percent. It accounted for 90% of exports in the 1974-75 (Ake, 1996:48). Petroleum's share of total domestic exports rose to a record level of 93.7 percent in 1976 and then slightly to 90 percent in 1978 (Angaye, 1986:57). Later it rose to 96.1% in 1980 (Ake, 1996:49). Today, revenue from crude oil export accounts for over 80% of Government revenue and 95% of foreign exchange earnings (Tuodolo, 2009:535; Arogie, 2013:1). This has made Nigeria a mono-culture economy totally dependent on oil.

The aftermath of the above has not augured well for Nigeria. The country now bank on oil rent derived from oil multinationals that have come to use their technology to help Nigeria exploit the large deposit of crude oil in the Nigeria's Niger Delta. These oil multinational corporations (MNCs) become strategic in Nigerian economy because the country lacks the technical know-how to fully tap into this (crude oil) free gift of nature. As a result, oil MNCs; especially the Shell has been treated like the untouchable by the Government. This makes the Shell, more often than not, less concern about the effect of its exploration activities have caused in the Niger Delta. Oil spills are common and gas flaring is going on unabated. How this has negatively affected the people of Niger Delta and national development of Nigeria will be discussed later.

### Shell Exploration Activities and Environmental Degradation in the Niger Delta

Niger Delta is a peculiar region in Nigeria. It is located in the Atlantic coast of Southern Nigeria and is the world's second largest delta with a coastline of about 450km which ends at Imo River entrance. The region is about 20,000sq/km as it is the largest wetland in Africa and among the third largest in the world. The Niger Delta consists of the following states Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Ondo, Imo and Rivers respectively. It should be noted that about 25% of the entire Nigerian population lives within the Niger Delta region (Kadafa, 2012:39).

This oil-rich part of the country has the largest mangrove forests in Africa and the third largest in the world. This affords the region a wide range of natural resources including herbal medicine, fish, timber and vital ecosystem services like stable soil and a flourishing habitat for a variety of wildlife, such as several endangered species like delta elephant, the white-crested monkey and the river hippopotamus (Anegbode and Alonge, 2011:352). The discovery of crude oil, however, has led to 'resource curse' in the region. Exploration of oil with less care about the environment has led to environmental degradation arising from "drill cuttings, drilling mud, fluids used in production, chemical injected to control corrosion or to separate oil from water, and general industrial waste" (Anegbode and Alonge, 2011:352). While these activities are necessary in oil production, the environment becomes endangered because "most of oil delivery infrastructure (used in production) is obsolete and inadequate" (Anegbode and Onakalu, 2011:97). This shows how the Shell and other oil MNCs care about the conservation of the environment and the general well-being of Nigeria and its development.

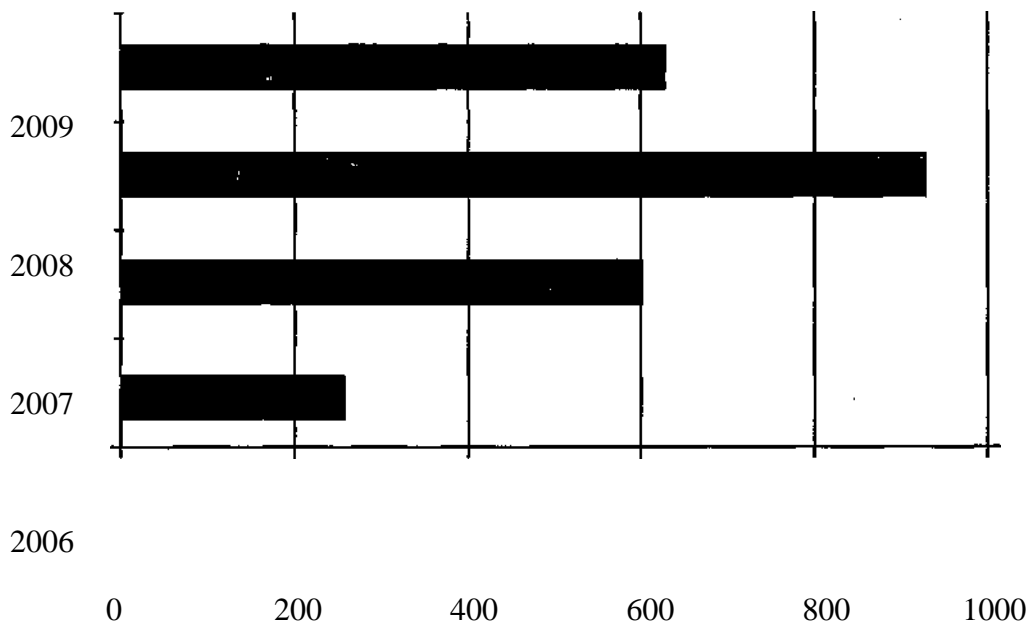
It should be noted that oil companies in the Niger Delta care more of oil exploration and meeting oil demands in the international market than protecting the environment. Government agencies like the National Oil Spill Detention and Response Agency (NOSDRA) that is expected to make these oil companies be environment conscious are turning the blind eyes to most of the negative activities of these companies. This is due to the general pervasiveness of corruption in Nigeria. Consequently, this has led to a situation where "all the oil companies in Nigeria have become embroiled in a policy breakdown that is exploited by corrupt actors inside and outside the companies" (ECCR, 2010:43). As a result of this, oil spillages especially from SPDC, continue in the Niger Delta unabated. The examination of some of these oil spillages as exemplified by those emanated from oil exploration of the SPDC will suffice to explain the near-absence of environmental CSR by oil multinationals in Nigeria.

To begin with, oil spills in the Niger Delta have -been estimated as equivalent in volume to the Exxon Valdesse (oil spill in Alaska 1989) disaster every year (ECCR, 2010:43; Kadafa, 2012:41) and more than 1,000 spill cases have been filed against SPDC alone (Obeche, 2010:41). Majority of these spills are from Shell oil pipelines and operation failures. While the 2010 Gulf of Mexico spill disaster made headlines across the globe, reports have shown that more oil is spilled from the network of terminals, pipelines, pumping stations and oil platforms in Niger Delta every year.

SPDC since 1989 recorded an average of 221 spills per year in its operational area involving 7,350 barrels annually. From 1976-1996 a total of 4647 oil spill incidences spilling approximately 2,369,470 barrels of oil into the environment of which 1,820,410.5 (77%) were not recovered. This included three million barrels of oil lost to oil spill incidents up till 2001 of which over 70% of the spilt oil was not recovered. Most of these oil spill incidences in the Niger Delta occur on land, swamp and the offshore environment. Nigerian National Petroleum Corporation (NNPC) estimates 2,300 cubic meters of oil has spilled in 300 separate incidences annually between 1976-1996 (UNDP,2006:1; Kadafa, 2012:42). This has led to untold hardship in the region as the water, farmlands and the means of livelihood of the people have been destroyed.

In 2006, 2007, 2008 and 2009. There were 252, 598, 927 and 628 oil spillage incidents (Obeche, 2010:41) respectively in the Niger Delta. This could be represented as shown in the bar chart below.

## OIL SPILLAGE INCIDENTS IN THE NIGER DELTA FROM 2006-2009



Source: Obeche, 2010:41

As presented above, the bar chart indicates that year 2008 saw the highest oil spillage in Nigeria. This indicates that in the year, more than 2 incidents of oil spillage were experienced in a day. This was unfortunate in an underdeveloped country like Nigeria. This has had negative impact on the livelihood of the Niger Delta people. In this direction, it was reported by the Economist (April 3, 2008) that life expectancy, once just below 70 years in the Niger Delta, is now around 45. It was formerly a net food exporter; the Delta now reportedly imports 80 per cent of its food. Its indicators of poverty have deteriorated markedly since 1980 and its health and educational facilities are in a deplorable state (cited in ECCR, 2010:10). This has had a multiplier effect on Nigeria's development. As quarters of Nigerians (the Niger Deltans) are negatively affected in these ways, achieving national development becomes herculean task. Concrete communal cases in the region where CSR is needed as related to oil spills and environmental degradation will suffice to explain this.

In January 1998, 40,000 barrels of light crude oil (or 1.6 million gallons) were spilled into the Atlantic Ocean in Eket, Akwa Ibom State (Ukpeh, 2013:5). In 1999, a tragedy befell the citizens of Erovie, a community in the Niger delta who were poisoned by toxic waste from Shell Oil's operations. This graphic example was a clear case of environmental racism: the disproportionate impacts of pollution borne by communities of colour around the world. Local residents began to experience health problems soon after Shell Oil Company injected a million litres of a waste into an abandoned oil well in Erovie. Many who consumed crops or drank water from swamps in the area complained of vomiting, dizziness, stomach ache and cough. Within two months 93 people had died from this mysterious illness. Independent tests by two Nigerian universities and three other laboratories, conducted in the year after the health problems emerged, indicate that the substance was toxic. All the tests confirmed poisonous concentrations of lead, zinc and mercury in the dumped substance. But Shell refused to respond to the community's appeal to clean up the toxic mess. Rather, the oil company and the Nigerian government claim the substance is harmless. The Nigerian government even ran a newspaper ad saying its own test showed that "the substance had no obvious significant harmful impact on human and the immediate environment" (Hope for Niger Delta Campaign, HNDC, 2014:1). How pitiable!



In 2002, the Ubeji community in the Warri area of the Nigerian Delta State claimed to have been viciously affected by more than a decade of oil production in their fragile mangrove habitat. Waste disposal and pollution have spoiled fishing and reportedly has caused a number of poisoning deaths among the Itsekiri people (related to the Yoruba) inhabiting these marginal areas between water and earth (HNDC, 2014:1). However, this structurally poor area has not received significant revenues from the large recourses taken off the Itsekiri's ancestral lands. Their plea for environmental care was ignored for years.

The water samples taken from boreholes, wells, lagoons and beaches in Olomoro, Okpe. Abraka. Afiesere. Uvwiamuge, Ekakpamre and Oleh communities in Delta State. as well as Siokolo community in Rivers State showed a high concentration of a chemical, benzo (a) pyrene, an alternate polynuclear hydrocarbon, ranging from 0.43 to 4ug, far above the stipulated 0.7ug/l for benzo (a) pyrene in drinking water by the World Health organisation (WHO) (HNDC, 2014:2). This has not only affected the well-being of the people, it has also affected their means of livelihood.

On June 26, 2005, an oil spill at Shell's facility in Oruma killed game and destroyed fishing ponds, farms, and trees. Shell first appeared in the community four days after the spill to begin a cleanup, but it quickly outsourced the responsibility to a contractor who dug pits near the polluted spots and buried the dark and sticky oil, leaving the by-products to leach into the groundwater at the first rain (Allen, 2014:1). This crude method of cleanup damages local agriculture and lead to fatal illnesses.

On April 12, 2009, in the K Dere communities of Ogoniland, a massive Shell oil spill destroyed cassava and plantain farms, swamps, and marine life in the river that irrigates the whole region. The spill, from an unmaintained manifold and faulty valve, touched off an inferno that lasted two days before it was finally sealed. According to Bariaria Kpalap, spokesman for the K Dere community, Shell failed to respond to community warnings about a leaking valve before the massive spill (cited in Allen, 2014:2). It should be noted that since 2009, as Fidelis Allen charges, Shell has failed to perform any effective clean up. These are areas that serious CSR is needed but nothing has been done.

Furthermore, the Amnesty International (2012a) and in its special report on an oil spill in Bodo River State, Amnesty International (2012b), one reads the gory story of the environmental damage that SPDC exploration activities have done in Batan (Delta State) Oil Spill in 2002, Ikarama (Bayelsa State) Spill in 22 July 2007, Bodo (River State) Spill August November 2008. Bodo Spill November 2008 and Bodo Spill June/July 2012. In all these cases. Shell failed to respond to the needs of the people. However, what can be said to be the causes of these spills? Is it sabotage or environmental social irresponsibility of SPDC?

Shell initially claimed to the media that 85 per cent of oil spilt in the Niger Delta, especially in 2008, was caused by sabotage (Okonji, 2012:2). However, 73 per cent of all pipelines there are more than a decade overdue for replacement. In many cases, pipelines with a technical life of 15 years are still in use thirty years after installation (Amnesty International, 2012a:7). It is a well-known fact, according to Professor Terisa Turner, to any petroleum engineer or high-pressure fluid technologist that should the pipelines not be replaced within 20 years or even sooner, inevitably they will leak, they may explode any day (in Obeche, 2010:41). Therefore, since SPDC has many petroleum engineers and technologists and still refuses to replace old pipelines, then the issue of oil spillage in the Niger Delta is more than what meets the eye.

It then follows that any explanation given by SPDC as to the cause of oil spillage in Niger Delta is an excuse. They are lies, distractions and shrinking of responsibilities. It is a perfect explanation of lack of total regard for the safety of the people, their health, their means of livelihood, sustainable environment and humanity in general. Even when SPDC implement CSR, "either by omission or commission, the activities of Shell and its processes of delivering its CSR programmes impact negatively on local

communities, often outweighing the positive benefits" (Tuodolo, 2009:537). This has caught the attention of international community. As at the last week of April, 22nd to 27th:

Thousands of activists in more than fourteen countries from Japan to Sweden. Senegal to the USA, as well as in Shell's home countries the Netherlands and the United Kingdom - are taking part in events and pretests, including outside Shell's offices and petrol stations, calling on Shell to clean up its act in the Niger Delta (Okonji, 2012:3).

There is no better evidence of the lack of concern for the environment by the SPDC than this. It now becomes the TIGHT' of international community because Nigerian Government and its agencies are not managing the issue of oil spillage well in the country. It is the outcome of ineffective and inefficient management as well as poor governance emanating from corruption in Nigeria. This is why the regulators of oil sector have not been able to deal with incidents of oil spillage as seen in the way US dealt with the Gulf of Mexico oil spillage in 2010.

As Nigeria is unable to manage its oil sector by making sure the Niger Delta environment is adequately preserved, as exemplified in the activities of SPDC, to execute CSR that would guarantee safe environment, then the fault lies with the Government. It is actually the manifestation of poor governance in Nigeria. If what happened in the Gulf of Mexico in 2010 were to be in this country, Nigeria would not have been able to hold British Petroleum (BP) responsible as US did. It should be noted that the BP as at April 30th, 2013 has paid the total of \$10,928,298,057 out of \$20 billion as compensation for the 2010 Gulf of Mexico oil spillage incident in the US (in [http://www.bp.com/content/dam/bp/pdf/gulf-of-mexico/Public\\_Report\\_April\\_2013.pdf](http://www.bp.com/content/dam/bp/pdf/gulf-of-mexico/Public_Report_April_2013.pdf)). In fact, the company would have gone scot-free without paying the necessary compensation and do the necessary clean-up. It is the duty of the Nigerian Government to be proactive and make the Shell to be environmentally and socially responsible.

Therefore, because SPDC has been finding 'a way around' not doing the necessary precautionary measures to prevent frequent oil spillages in the Niger Delta, the impact of the activities of the company on the natural environment in the region has been enormous. Although this is directly affecting the Niger Delta, it is having multiplier effect on Nigeria as a whole. If care is not taking and precise actions are not taken, the time is coming that Government ineptitude to the ecological damage that the activities of the oil companies are doing would make the Niger Delta inhabitable for people any longer. If this happens, it would not only cause refugee problem but also lead to escalation of environment degradation to other parts of the country. This can only leave Nigeria economy underdeveloped and national development halted.

Therefore, based on the devastation that oil spillage has caused in the Niger Delta due to the near-absence of lack of concern for the environment by the shell, the authors will like to summarize the whole issue with the findings made in 2006 by a joint mission of Nigerian, UK (United Kingdom) and US environmental scientists as presented in the report of the ECCR (2010:10) that:

- i. The Niger Delta has become one of the most petroleum-polluted environments in the world; i
- ii. An estimated 9 to 13 million barrels (1.5 million tons) of oil have been spilled in the Delta during the past 50 years, equivalent to the full volume of oil spilled from the Exxon Valdez in Alaska in 1989 every year;
- iii. The cost of environmental damage resulting from five decades of oil and gas activities including habitat degradation, pollution from gas flaring and operational discharges, and increased population pressure from immigration runs to tens of billions of dollars;

iv. Impacts of operations are cumulative and have acted synergistically with other environmental stresses to impair ecosystems and severely compromise human livelihoods and health; and

v. Oil companies have not used best available technology in the Delta or followed practices they employ elsewhere in the world.

### Conclusion and Recommendations

Oil production is very important in Nigerian economy. Although this was not the case prior to independence, post-independence era in Nigerian economy has witnessed over dependence on oil naira. Instead of focusing on agriculture, Nigeria has allowed the discovery of crude oil to take away the glorious days of agricultural production in the country. This, therefore, has made the Niger Delta region and its people the endanger species as oil MNCs, especially the SPDC care less about the effect of their activities in the region. They manipulate their way to escape the responsibility of oil spillages they frequently caused as they produce oil in the region.

However, being socially responsible business would have lessened the effect of oil exploration activities in the Delta. With this, oil MNCs and the Shell would have being more socially acceptable in their host community. Although it costs business ventures money to execute CSR policies and programmes, being socially responsible is not only economically beneficial to a company but also enhance the reputation of such a company. This is especially the case as the world goes green. Any company whose activities are seen and assumed anti-environmental loses its reputations and this affects its profitability. This brings to fore the importance of environmental-related CSR. As discovered in the study, the impact of CSR on environment cannot be overemphasised. While environmentally responsible company impacts positively on the environment, the irresponsible one causes untold harm to the environment. This describes the activities of oil companies in the Nigeria. Majority of them, especially SPDC, are socially irresponsible. Apart from the fact that the CSR they provide are inadequate and not commensurate with the profits they make in the Niger Delta, they have caused environmental degradation in the region.

However, SPDC and other oil companies in the Niger Delta cannot be blame totally. The way CSR, especially as it relates to the environment, is managed by the Government and its agencies are the reason for the abuse of the natural environment in the Niger Delta. If SPDC were to do this in the US, for instance, they would have paid huge compensation to the victims of oil spills and made all efforts not to let the incident occur again (the 2010 Gulf of Mexico is a case in point). This suggests that the problem is not the oil companies but the way oil industry is being managed generally in Nigeria.

Therefore, it is arguably correct to say that public institutions in Nigeria cannot be exonerated in the persistent oil spillage incidents in the Niger Delta. While they do not directly make oil spillage occur, they contribute to its persistent occurrence by not taking practical steps when it occurs. The attitude of these agencies and or public institutions to the degraded environment in the Niger Delta makes one to wonder if Nigerians' lives are less-human than that of the Americans.

Consequently, upon the above, the following recommendations are put forward:

Government should adopt the US Government's strategy on how to make oil companies environmentally responsible. This would not only help in quick cleaning-up of oil spills but also lead to giving befitting compensation to victims of oil spillage in the Niger Delta and help quicken development in Nigeria.

- The National Assembly should make all efforts to pass the Petroleum Industry Bill (PIB) into law. This would go a long way to curtail the excesses of oil companies in the Niger Delta and also help to reduce the incidents of oil spillage in Nigeria.

- All efforts should be made to curb corruption in the oil industry. This is because, as pointed out in the study, corruption is one of the banes of persistent and delayed clean-up of oil spills in Niger Delta. For this to be attained, Nigerians with records of integrity should be appointed as heads and members of staff of agencies responsible for monitoring the activities of oil companies like National Environmental Standards and Regulations Enforcement Agency (NESREA) and NOSDRA among others.
- NESREA and especially NOSDRA should not just exist by name; they should be proactive government agencies that put practical measures in place to check oil spillage in oil producing communities and make SPDC and other oil MNCs to clean them up in time and pay the necessary compensation to the victims.
- Oil companies in Nigeria should, as a matter of urgency, replace all their old pipelines and installations. This would not only reduce incidents of oil spillage; it would also serve as effort towards implementing environmental CSR.
- Oil companies should focus more on implementing CSR that would lead to human development and sustained environment in the Niger Delta. More efforts should be made to develop the human persons of the Niger Deltans but not the giving of only 'consumables' as CSR which cannot help reduce poverty that degraded environment has caused through oil spillage in the region.
- Since oil sabotage has been identified as one of the causes of oil spillage in Niger Delta, Nigeria Security and Civil Defence Corps (NSCDC) which has the protection of oil pipelines and installations as one of its main functions should be provided with the necessary incentives and equipment to do their job well. This would also go a long way to reduce oil spills and bring culprits to book.

## Notes

Dr. Kim Howells, British Foreign Office Minister, speaking at the launch of the Web site for the U.K. Network of the UN Global Compact 6 Dec ember 2006.

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