CORPORATE SOCIAL RESPONSIBILITY IN THE SUSTENANCE OF PEACE AND DEVELOPMENT IN RIVERS STATE: THE CASE OF UMUECHEM COMMUNITY IN ETCHE LOCAL GOVERNMENT AREA OF RIVERS STATE, NIGERIA

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ABSTRACT: *The paper x-rays the interplay of Corporate Social Responsibility (CSR) and peace on the overall development of Nigeria, using, of course, insights from the Niger Delta Region. The social disorder, youth restiveness, aggression and destructive agitations experienced in the Umuechem Community in recent times have their roots in environmental degradation suffered by the people and pitiably, the companies therein are not doing enough to cushion the effects of these degradations. Some shun their social responsibilities to the people and their society, leading to sharp reactions of destruction by the people especially the youth. The paper argues that under a tense atmosphere of anarchy, business cannot thrive and this has a direct implication for development. In such a situation, infrastructures are destroyed, businesses close down, foreigners and even nationals are afraid and skeptical, and above all, there is climate of insecurity and fear, as a result, the nation's development efforts are threatened. It is therefore the position of this paper that there is the need for organizations to undertake activities that significantly support the improvement and enhancement of the living standard of the people. Therefore, corporate organizations as they operate in society should embrace social responsibilities, for their worth and benefits derivable there from. The paper concludes that strategically investing in corporate social responsibility will maximize profits while satisfying the demands from multiple stakeholders and by so doing will usher in a climate of peace and order not only necessary for the healthy operations of the business but also for the overall development of the country.*

KEYWORDS: Corporate Social Responsibility; Peace; Stakeholder; Corporate Governance; Restiveness; Development.

INTRODUCTION

This paper is evidenced from the massacre in Umuechem Community in Etche Local Government Area of Rivers State. Between 31st October and 1st November 1990 where the 1st

class chief of the community - His Royal Highness A. A. Ordu and two of his sons were burnt alife in his palace. Equally, maternity wards, several other buildings, motor bikes and mass graves occasioned by youth protest over the neglect by Shell Development Corporation to live up to its social responsibility to their host community (Umuechem).The crisis triggered the invasion of the federal troops by the order of the then Governor-Brigadier General Godwin Abbe to the then commissioner of police Aliu Attah in the guise that some Shell Workers were killed in the field.

Therefore threat to order in human society easily elicits or evokes the notion of the centrality of order. This is the postulation of St. Augustine. In "The city of God written in 413 - 427, St. Augustine asserts that to live in society is natural to human beings, without society, they would not be able to realize their human potentialities. It then means that order and peace are key ideas. It behoves therefore the public and private institutions to take on roles that facilitate fairness in social responsibilities ie responsibilities that will usher in order and peace in the environment. The machinery of government and the private sector as well as the guiding hands of their policies should be directed at checking social disorder and inequities within all probability follow from the reign of injustice in society.

Social disorder, youth restiveness, aggression and destructive agitations experienced in Nigeria in recent times have their roots in environmental degradation, neglect and deprivation suffered by the people. In Umuechem Community in Etche Local Government Area, the people have woken up to the realities of the enormous wealth being made by the multinational corporations like Shell Petroleum Cooperation in the area and also the gravity of environmental degradation arising there from, but regrettably, without corresponding and complementary benefits to the people, at least commensurate to the social and environmental hazards to the people. Thus, the discomfiture of the people has manifested itself in disturbing aggression against oil and gas companies and workers in the Area, and in the later years, widening disturbances have been unleashed in that environment and indeed, the society as a whole and yet order and peace are highly required in the area if for stability in the entire Rivers State.

The implication and dimension of all the above subsisting and unquestionable ideas is that corporate organizations as they operate in society should embrace social responsibilities for their worth and benefits derivable there from. This in our opinion should enable governments and corporate world to realize, achieve or reach their full potentialities, and to achieve the desired peace and order which will promote both institutional activities and social well-being in organized human society. The paper therefore, is an attempt to prove that strategically investing in Corporate Social Responsibility (CSR) will maximize profits while satisfying the demands from multiple stakeholders and by so doing will usher in a climate of peace and order not only necessary for the health operations of the business organizations in the area, but also for the government to achieve the desired goodwill and stability.

Crude Oil was discovered in commercial quantity at Umuechem Community in Etche Local Government in 1957. Since then, and the subsequent discovery of oil in the other areas in Rivers State in larger quantity turned the state into an economic hotbed and economic "holy land" of sort. Ever since, oil became the economic mainstay of Nigeria accounting for over 60% of

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National revenue. Expectedly, many oil companies (mostly foreign) saw the state as the economic haven and started participating in the mining and extractive activities. However, such activities did precipitate crisis as waste from such oil exploration and extraction causes environmental pollution in the area. The environmental degradation occasioned by the activities of these companies without corresponding input in form of social rectitude or reparation made the people very restive. This led to the "enactment" by the people of Ogoni in the Rivers State of the popular Ogoni Bill of Rights which was championed by the Ken Saro Wiwa led - Movement for the survival of Ogoni People (MOSOP). This was followed by agitations by the other areas in the region like the Ijaws under the auspices of the Ijaw Youth Congress (IYC). Unfortunately, the agitations metamorphosed into militancy with the attendant kidnapping of firstly oil workers and subsequently wealthy Nigerians for ransom.

The exploration activities of oil companies in the Niger Delta have had adverse effects on the environment, especially as the companies have not shown commitment in helping enough in the development of the region in the form of social rectitude.

LITERATURE/CONCEPTUAL FRAMEWORK

Recent years have seen the concept of social responsibility gain prominence among academics from a wide range of disciplines (Dentchev, 2005). Not long ago a maelstrom of debate existed on whether or not corporate establishments should participate, intervene, or be involved in solving some social problems in their areas of operation and in the society as a whole: The strategic challenge to businesses of today, however, is how to become socially and environmentally sustainable alongside immediate business issues of survival, competition and development (Crosbie and Knight 1995). One such strategy involves the business being socially responsible; which is believed to present an opportunity to build competitive advantage, increase market share, enjoy goodwill and overall, achieve people and order, worthwhile sustaining its goals.

Corporate Social Responsibility (CSR) has been defined as a business concern for the welfare of society as a whole (Nickels, et a! 2002) Jones and George (2003) opined that corporate social responsibility is a manager's duty or obligation to make decisions that nurture, protect, enhance, and promote the welfare and well being of stakeholders and society as a whole. Social responsibility in general terms is the voluntary consideration of public social goals alongside the private economic ones (Mintzberg and James, 1988).

Basically, corporate social responsibility concerns how companies manage their business processes to produce an overall positive impact on society. However, what constitutes corporate social responsibility varies from company to company, as there have been conflicting expectations of the nature of company's responsibility to society. This can be seen from the conception of corporate social responsibility by Barclays Bank Plc. through "responsible banking" thus: "Responsible banking means making informed, reasoned and ethnical decisions about how we conduct our business, how we treat our employees and how we have behaved towards our customers and clients" (Barclays, 2006). Tesco (2006) puts its corporate social responsibility policy to include using their strength to deliver unbeatable value, playing their part

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in local communities, working with their customers to help the environment and supporting good causes.

Corporate Social Responsibility involves the operation of businesses in the environment to achieve the goal of profit and "sowing seeds" in the environment by way of giving a portion of their profits back to the community either in form of community development projects embarked upon or by generally embarking on human resources development of the area. In all circumstances, the objective will be to uplift the standard of living of the people in their operational area.

THEORETICAL BASIS/APPROACHES

There are varied arguments about the need or otherwise for businesses or organizations to take up corporate social responsibilities. All the arguments find practical expression in the various theories/approaches which seek to give validity to individual arguments. Thus the neo-classical view of corporate social responsibility is that the social responsibility of any firm or organization is essentially the provision of employment and payment of taxes (Moir 2011). This is a belief that the organization has a basic responsibility only in the provision of employment to the people and pay the regulatory taxes to government and concentrate efforts or energy in making money for the shareholders. For those scholars who propound and adhere to the neo-classical theory, that corporate officials should accept any other form of social responsibility in whatever form other than to make much money for their shareholders as they possibly can, this theory believes that other forms of corporate social responsibility will task the profits of the company and will therefore be inimical to the growth of the company.

The behavioural theory on the other hand holds that corporate social activity examines the political aspects and non-economic influence on managerial behavior. Inclusive here, according to Holmes (1976), is the examination of personal idiosyncrasy, the motivations, such as the chairman's personal preferences are ultimately some of the critical perspectives associated with the exercise of power. The behavioural approach to CSR has two identifiable strands of development (Odemilin et al, 2010). The first is associated with some form of moral or ethical imperative as opined by Enyioko, (2012). This is to maintain that because business has resources; it is the duty or role of business to assist in solving social problems. The hue and cry of the above is that business should, in addition to making profit, help to solve social problems whether or not business contributes to creating those problems not minding profit potentials in such action. Therefore, it is in the self interest of business to undertake various forms of CSR. Thus, involvement in community or society is a way to maintain trust, support and legitimacy with the community, government and employees. Behaviouralists believe that business benefits from being more socially responsible and that this can help to build sales, the workforce and trust in the company as a whole. According to Moir (2001), the objective is to build sustainable growth for business in a responsible manner.

Another approach is the obstructionist approach. This is a low social responsibility and in this approach, corporate establishments and managers are not inclined to adopt socially responsible behavior. Where they could, thy act unethically and illegally in suppressing adverse information

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about their operations. (This is the case of Umuechem Community) Why many companies adopt this method or approach in hiding their activities especially when such activities are hazardous like oil spillages and the danger of gas flaring on the environment, etc. The defensive approach is another in the series. The defensive approach follows ethical order as strictly provided by the law regulations. Like the neo-classical theorists, no effort is made to advance the causes of ethical behaviour beyond the law. Here, the manager's view is that public problem should be solved by public intervention or action. In effect, it is not the business responsibility to slight profit maximize as legitimate in paying prescribed tax to government.

The accommodative approach tends to give more support for social responsibility and for corporate employees and management to conform to legal and ethical behavior. Within this domain, management would want staff to take steps and act in a manner that is capable and would put the organization in good and reputable stead in the society. This means that the company will strive to accommodate the interests of the society and its operational environment in particular.

The proactive approach to corporate social responsibility encourages organizations and their staff to embrace socially responsible ways of behaviour and equally shun socially irresponsible ways of behavior. By so doing, it encourages the embracing of good ethical organization and culture, (Enyioko, 2012). This approach and its proponents are convinced that there is the dire need to undertake activities that significantly support the improvements and enhancement of the living standard of the people at least within the operational environment of companies. The adherents of the proactive approach try to go beyond the ordinary provisions of the law, rules and regulations to make choices that promote good and favourable relations and reputation in its area of operation and by extension, the society as a whole.

Corporate Social Responsibility, Peace and Development
Peace is generally defined as the absence of war, fear, conflict, anxiety, suffering and violence, and about peaceful co-existence (Best 2007). Best asserts that it is primarily concerned with creating and maintaining a just order in society and the resolution of conflict by non-violent means. Peace is a precious state of affairs that ushers in tranquility and development in a given environment. This is why Best (2007) gives one meaning of peace as justice and development, ie. Absence of structural violence. It is also seen as respect and tolerance between people and also a balance in and with the ecosphere.

It is observed that violent conflicts (absence of peace) is a major hindrance to the development of Nigeria and other African Countries. Violence inflicts human uprising. Adetula (2007) asserts that violent conflict is responsible for perpetuating misery and underdevelopment in the African Continent. The relationship between conflicts and development is discernable in the fact that conflicts have the capacity to severely constrain development endeavours. It destroys infrastructure, discourage foreign investors, interrupts the production process and diverts resources away from productive uses. Violent conflicts are not only inimical to development in the economic spheres but also affects state-and social structures. In the presence of conflicts and eventual wars, famine becomes endemic, the state of health and education becomes abysmally poor. The situation is always worse because the resources that would have been used to better the

lots of the people are diverted away from development, and channeled regrettably towards conflict management and peace keeping activities (E.g the case of boko haram in the North East of Nigeria). The relationship between all of these-peace and development and corporate social responsibility can be seen from the factors that have erupted conflicts in the Niger Delta of Nigeria where the people's disillusionment over the activities of multinational oil companies have elicited sharp reactions leading to violent conflicts, and armed robbery, arson, kidnapping and destruction of oil pipelines among so many other vices.

In the Niger Delta Region of Nigeria, the resentment over the activities of the oil companies has drawn the people against the companies who are always accused of environmental degradation, yet shun their social responsibility to the people. In this region, the struggle for self-determination is fueled by a different political dynamic, which over time has led to the transformation of ethnic minority consciousness, (Egwu 2007). Here it is essentially determined by the structure of political domination in post-colonial Nigeria and in particular, the alliance between the Nigerian state and oil transnational companies, Egwu (2007) posits.

METHODOLOGY

This paper is a theoretical and exploratory study on Corporate Social Responsibility (CSR) and peace on the overall development of Nigeria, using, of course, insights from the Niger Delta Region and it employed the secondary source of data collection by making use of available literature on the subject matter.

RESULTS/FINDINGS

This paper reveals that in recent times, there is a re-examination of the nature of the relationship between business, society, and government. The traditional contract between business and society has changed over the years because of the addition of new social value responsibility placed upon business (Odemilin, et al 2010). According to Odemilin et al (2010,) the Harvard Business Review on corporate responsibility, gathers the latest thinking on significance of corporate social responsibility and concentrate on a concept of "corporate philanthropy". According to them also, companies like AT & T, IBM and Levi Strauss, have joined forces to develop strategies that increase their name recognition among customers, boost employee productivity, reduce Research and Development (R&D) Costs, overcome regulatory obstacles and promote synergy among business units. It is understandable that according to HBR (2003), the strategic use of philanthropy has begun to give companies a powerful competitive edge. In general terms, there is an ethical requirement for corporations to disclose the impact their actions have on society. There is no gain say the fact that business thrives best under certain strategic and structural conditions (Mcltoshetal, 1998). This gave rise to the concept of corporate Governance, which is the system of laws, rules, and factors that control the operations of a company (Fisher and Lovell 2006).

The paper also found that there are many forms of social responsibility as there are many forms of socially responsible behavior. This is because what constitutes social responsibility varies from company to company and also depends upon the economic perspective that is adopted by

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the firm (Cozens 1995). In general, however, social responsibility can be grouped into broader categories, namely legal, moral, ethical and philanthropically. Under any of these three categories, actions that can pass for social responsibilities can be discernable. Thus, compliance with local, state, Federal laws; solving social problems; contribution towards enhancing education, human values, healthcare, pollution; quality of life; employment opportunities; sexual harassment; poverty alleviation or elimination; childcare and elderly care; support of arts; urban renewals, welfare programmes for the disadvantaged in society, contribution to charity (Corporate philanthropy); support civic project, aid local security, manpower training, providing safe work environment, etc. are parts and parcel of social responsibilities. Umuechem community was not socially and responsibly by Shell Development Corporation, the study has revealed.

The paper identified many forms of socially responsible behaviour that can be located in either of three broad categories just like Enyioko, (2012) and Ogbuagu (2006) adapted from Jones and George (2003), thus:
*Provide severance payments to help laid-off workers' make ends meet until they find other jobs.
* Provide workers with opportunities to enhance their skills and acquire additional education so that they can remain productive and do not become obsolete because of changes in technology.
* Allow employees to take time off when they need to, and provide health care and pension benefits for employees.
* Contribute to charity or support various civic-minded activities in the cities or towns in which they are located.
* Decide to keep open a factory whose closure would devastate the local community.
* Decide to keep a company's operations to protect the jobs of workers rather than close it or move to somewhere else.
* Decide to spend money to improve a new factory so that it will not pollute the environment.
* Decline to invest in societies that have poor human rights records.
* Choose to help poor societies develop an economic base to improve living standards.

DISCUSSIONS

It is noted that social responsibility is the voluntary consideration of public social goals alongside the private economic ones. One recurring question is how business can realize the above objective and also the proper mix or balance between solving public problems and at the same time achieving its primary interest which is profit making, (Ogbuagu 2006). There is equally a growing perception among enterprises that sustainable business success and shareholder value cannot be achieved exclusively through maximizing short-term profits, but instead through market-oriented but also responsible behaviour. Companies are aware that they can contribute to sustainable development by managing their operations in such a way as to enhance economic growth and increase competitiveness whilst ensuring environmental protection and promotion of social responsibility, including consumer interests. Thus, Kotler and Lee (2005) said that evidence of a relationship between strategic corporate social responsibility and a firm's business success or its ability to take advantage of a good reputation for a going concern is a significant issue for corporate management. Strategically speaking, businesses neither exist in isolation from

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society nor does a healthy corporate system exist in an unfavorable or enfeebled environment. As a result, there is the necessity for corporate bodies to be involved meeting their social responsibilities. This paper is of the view that the early prevailing social and economic culture that companies should conduct their business "life" on pure basis (profit maximization) does not hold water any longer. This is because there is presently a wide acceptance of broadened and diversified perspective on business considerations and activities which in concept and practice lie beyond traditional or classical economic objective. Simply put, a contemporary organization should be norm mindful of the entire social milieu of its enterprise including attending to the multifaceted social responsibilities. It is therefore the argument of this paper-that acceptance of social responsibility enhances public acceptance and confidence in business and facilitates the achievement of favorable economic system by corporate executives who act in socially acceptable and desirable manner. This follows that there is also the need to balance the power - responsibility equation in business along the line of the idiom that "those who do not take responsibility for their power ultimately lose it" (Davis, 1975). It then follows, that while profit making is important for business, it in itself cannot guarantee the survival of business. This is because no business can survive in an environment of restiveness and anarchy. Avoidance of social responsibility has been known to have elicited such reactions as protests, riots, violence, etc in the volatile areas of the Niger Delta. Under such intense atmosphere as described above, business can never move, neither can they achieve the intended objectives.

In general terms, corporate social responsibility is an examination of corporations obligation to work for social betterment (Frederick 1986 and 1994). This, Frederick refers to as Corporate Social Responsibility (CSR). According to him, the move to corporate social responsiveness started from 1970 which he now calls CSR. He defined corporate social responsiveness as the capacity of a corporation to respond to social pressures (Frederick 1994). The rationale behind Frederick postulation is the ability to move business action from a philosophical approach to one that focuses on managerial action i.e CSRI-CSR1I. The analysis above was further developed by Frederick (1994) to CSRIII. To arrive at CSRIII, Frederick included in the analysis a more ethical base to managerial decision taking in the form of corporate social rectitude. This of course stems from the fact that study of business and society (of course we cannot study business in isolation of society) needs an ethical anchor to permit a systematic critique of business impact upon human consciousness, human community and of course, human continuity. Our argument here, is that there should be a moral basis in business and this provides the normative foundation for the actions of managers in their decision-making and in their organization towards corporate social responsibility. This makes it imperative for managers to consider albeit voluntarily public social goals alongside the private economic ones. It is also very necessary to ascertain how a business can realize the above objective and the proper balance between solving public problems and at the same time achieving profit making which is its primary objective. The above question has been resolved in favour of strong contention that businesses survive and make even more profit in an atmosphere of peaceful co-existence with the society or environment of their operations. Such co-existence enhances the society's confidence in the organization and this makes it grow stronger. Today, the management orientation that is widely accepted is that business should adopt a broader outlook in its operation given the fact that avoidance of social responsibility may weaken the life of the enterprise (Ogbuagu, 2006).

CONCLUSIONS AND RECOMMENDATIONS

From the foregoing, there seems to be growing perception among enterprises that sustainable business success and shareholder value cannot be achieved exclusively through maintaining short-term profits, but instead through market- oriented but also responsible behaviour (Halabi, et al 2006). Corporate social responsibility must address the core areas of need of the people within the business environment of the company. Corporations that are socially responsible obtain internal benefits that influence financial performance, goodwill, atmosphere of peace, sustainable investment and therefore development. There is therefore a relationship between corporate social responsibility, peace and development.

There is the dire need to reinforce the relevant regulatory agencies in Nigeria and laws establishing them. The machinery of government and the private sector as well as the guiding hands of their policies should be directed as checking social disorder and inequities which in all probability follow from the reign of injustice in the society. Corporate organizations should be made to contribute meaningfully to the welfare of the society, especially their host communities. Their activities must be monitored to ensure strict compliance. They should be made to give account of their social responsible activities through a process of social reporting.

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