The degree of violence in Nigeria's Niger Delta has become endemic, characterized by 33 cases of kidnapping recorded between January 2006 and February 2007, with over 200 victims being mostly expatriate oil workers. There were also about 12, 770 cases of vandalism, particularly of oil pipelines and installations, recorded in Nigeria between 2000 and 2007 with most of them occurring in the Niger Delta. The implications of the Niger Delta crises are too far-reaching to be ignored: for the inhabitants of this area, there are constant environmental hazards and security threat, while for the Nigerian government, over N150.5bn in revenue was lost in eight years; there was also a drop of more than 20% in oil exports between April 2006 and October 2007. The concern of the research was why the escalation of conflicts rather than abatement between host communities and oil companies while the companies had in place community relations strategies to manage the conflicts in the communities?



Lanre Amodu

# Community Relations Strategies And Conflict Resolution In Niger Delta

A Study of Three Major Oil Companies



Lanre Amodu

Amodu Lanre Olaolu is a communication scholar whose area of research interest is public relations. His Master's degree focused on customer relations. He also obtained a Ph.D in public relations, with focus on community relations and conflict resolution. He currently lectures at Covenant University, Nigeria, in the Department of Mass Communication.



978-3-659-47113-1

# Lanre Amodu

Community Relations Strategies And Conflict Resolution In Niger Delta

# Lanre Amodu

# **Community Relations Strategies And Conflict Resolution In Niger Delta**

A Study of Three Major Oil Companies

**LAP LAMBERT Academic Publishing** 

### Impressum / Imprint

Bibliografische Information der Deutschen Nationalbibliothek: Die Deutsche Nationalbibliothek verzeichnet diese Publikation in der Deutschen Nationalbibliografie; detaillierte bibliografische Daten sind im Internet über http://dnb.d-nb.de abrufbar.

Alle in diesem Buch genannten Marken und Produktnamen unterliegen warenzeichen, marken- oder patentrechtlichem Schutz bzw. sind Warenzeichen oder eingetragene Warenzeichen der jeweiligen Inhaber. Die Wiedergabe von Marken, Produktnamen, Gebrauchsnamen, Handelsnamen, Warenbezeichnungen u.s.w. in diesem Werk berechtigt auch ohne besondere Kennzeichnung nicht zu der Annahme, dass solche Namen im Sinne der Warenzeichen- und Markenschutzgesetzgebung als frei zu betrachten wären und daher von jedermann benutzt werden dürften.

Bibliographic information published by the Deutsche Nationalbibliothek: The Deutsche Nationalbibliothek lists this publication in the Deutsche Nationalbibliografie; detailed bibliographic data are available in the Internet at http://dnb.d-nb.de.

Any brand names and product names mentioned in this book are subject to trademark, brand or patent protection and are trademarks or registered trademarks of their respective holders. The use of brand names, product names, common names, trade names, product descriptions etc. even without a particular marking in this works is in no way to be construed to mean that such names may be regarded as unrestricted in respect of trademark and brand protection legislation and could thus be used by anyone.

Coverbild / Cover image: www.ingimage.com

Verlag / Publisher: LAP LAMBERT Academic Publishing ist ein Imprint der / is a trademark of OmniScriptum GmbH & Co. KG Heinrich-Böcking-Str. 6-8, 66121 Saarbrücken, Deutschland / Germany Email: info@lap-publishing.com

Herstellung: siehe letzte Seite / Printed at: see last page ISBN: 978-3-659-47113-1

Zugl. / Approved by: Ota, Covenant University, 2012

Copyright © 2013 OmniScriptum GmbH & Co. KG Alle Rechte vorbehalten. / All rights reserved. Saarbrücken 2013

# COMMUNITY RELATIONS STRATEGIES AND CONFLICT RESOLUTION IN THE NIGER DELTA: A STUDY OF THREE MAJOR OIL COMPANIES

By

AMODU, LANRE OLAOLU

### DEDICATION

This thesis is dedicated, first of all, to the Almighty God for His favour and grace. I also dedicate this to the best parents in the world, Mr. and Dcns. E.O. Amodu, and to my darling wife, Taiwo Amodu... you are simply the best.

#### ACKNOWLEDGEMENTS

I am forever indebted to the Almighty God, my dear Father, for being the Beginning and the End of this work. The knowledge that this work has already been completed before the foundation of the world (Heb. 4:3) gave me rest during the most stressful periods of the work. I also wish to express my appreciation to the Chancellor of Covenant University, Bishop David Oyedepo, for creating the platform for this Ph.D programme and for his interest in my work. I am grateful to the Vice-Chancellor, Prof. Aize Obayan, for her interest, constant encouragement and confidence that I can complete the degree in record time. I also appreciate Pastor Yemi Nathaniel for his encouragement and interest in my work. I cannot but appreciate the interest and assistance of the Dean of the School of Postgraduate, Prof. Awonuga. Thanks you sir.

My profound appreciation goes to my supervisor, Prof. Idowu Sobowale, for his invaluable contribution to this work. I must be one of the most blessed people in the world to have his name associated with my work. I also appreciate his patience, fatherly concern and stern rebuke when necessary. Thanks for teaching me to be thorough and to aim for excellence at all times. I am a proud beneficiary of your wealth of experience. My deep gratitude also goes to my second supervisor, Dr. Alex Asakitikpi, for his help in shaping this work to the success that it is today. He has been

interested in this work from the very beginning and gave me the initial solid platform on which it was built. Thanks for serving as my catalyst and for also teaching me critical thinking. I also thank you for linking me up with contacts in the oil industry. I am proud to be associated with you. God has blessed me with the two greatest supervisors anyone can pray for.

I wish to appreciate the contributions of Prof. Salawu who was my initial supervisor until he relocated to South Africa. Thanks for your invaluable contribution to the work. My thanks also go to Dr. Taiwo Abioye for reading drafts of this work both officially and unofficially. Thanks for being there throughout the entire work and for your motherly care and concern. I appreciate Prof. Kwofie who also read this work from the first draft of the proposal up till the final draft. Thanks for your meticulous corrections. I appreciate Prof. Fadayomi for reading this work and for making valuable corrections. I am privileged to have the input of a seasoned academic as you in my work. I acknowledge Dr. Rotimi Olatunji for the brainstorming session we had at the formative stage of the work. I also acknowledge the Late Prof. Segun Odukomaiya for his suggestions. I appreciate Prof. Daniel Omoweh for critiquing the work.

My thanks also go to members of staff of the Department of Mass Communication. I deeply appreciate Dr. Stella Aririguzoh for her encouragements, suggestions and prayer. Thanks for always being there and for being a good sister. I appreciate my brother and friend, Dr. Olusola Oyero for his contributions to this work. Thanks for being ever ready to offer assistance whenever such was needed and thanks for making your printer available to me. I also wish to appreciate Dr. Ekeanyanwu, Dr. Omojola, Dr. Aretha Asakitikpi and Dr. Obono for their consistent interest in this work, for making materials available to me and for offering valuable suggestions. I also thank Dr. Stanley Ngoa for his keen interest in my work. I appreciate Nelson Okorie for his assistance during all my presentations; thanks for designing, printing and pasting my posters and thanks for assisting me with the public address system. I thank Suleiman Useini, Tunji Oyedepo, Ada Obanua, Angela Igbinoba and Toyin Bisiriyu for their contributions in one way or the other.

To all my senior colleagues and friends in other departments who have made invaluable contributions to this work, I say thank you. Dr. Adekeye was always there anytime I had challenges with my analysis. Dr. Adejumo assisted me during the preparation of my questionnaire. Mrs Adeusi, Dr. Ovia and Mrs Ajayi were constantly supportive during this work. Mr. Jegede and Mr

Ahmadu also assisted with materials and were supportive. Dr. George too was full of encouragements. I deeply appreciate all of you because God used your various contributions to make this work a success.

I thank God for the people he provided to assist me within the oil industry. I appreciate Prof. Ogunkoya of SPDC for going out of his way to make sure that I conducted my interviews. He was also helpful in providing supporting materials for the study. I appreciate Dr. Jide Biobaku for his eagerness to assist me and also link me up with relevant Chevron personnel without even meeting me in person. I appreciate Prof. Fawehinmi of Chevron for granting my interview and for also providing supporting materials.

I cannot but appreciate the people the Lord used to assist me during my field work. I appreciate Mr. Okiti for calling ahead and for providing me with an escort throughout my work in Eruemukohwarien, his home town. I will forever be grateful to Late Dcn. Awolowo for sheltering me throughout my stay in Warri. Not only did he provide assistance, he also provided me with a police escort when he felt I needed one. I appreciate Mummy Awolowo and the entire family for accepting and treating me as a member of the family throughout my protracted stay in their home.

I appreciate bro. Tunde Ajiboye and his family for accepting me into their home at Port-Harcourt. Thanks for your great effort to follow up my Agip appointment, which eventually did not work out. I also appreciate bro Jenyo who sheltered and took good care of me during my second visit. I wish to appreciate Aldulfus, an exstudent of the Department of Sociology in Covenant University for abandoning his schedule to take me to Omoku and Obrikom. Belema, Adolphus' friend, sheltered me during my stay in Omoku and left his schedule to escort me everywhere, even to Obrikom. I appreciate the Eze-Ogba Nwadei Ogbuehi in Omoku for granting my interview and for making arrangements for my visit to Obrikom. The Living Faith Church, Omoku, also assisted in this work and I thank God for the pastor and congregation.

The transcription of my interviews and coding of my questionnaire were facilitated by some of my students in the Department of Mass Communication and I deeply appreciate them. I also appreciate my 2009/2010 set of supervisees for their assistance. I appreciate Amara Chucks-Eboka and Blessing Etidiakaba for assisting me in getting valuable information about the oil companies and communities used for this study. I cannot but acknowledge my Pastor, Rev. Taiye Adeola, the Associate Pastor of Emmanuel Baptist Church, Ilorin, for his prayer and interest in this work. He

has been there for me since my undergraduate days. May God bless him and his family.

My heart goes out in deep appreciation to my wonderful parents, Mr. and Dcn. E.O. Amodu. You are the greatest parents in the whole wide world and I bless God that I have you. Thanks for your prayer, encouragements, calls.... There is no way I can possibly mention all your contributions to my life. I thank my siblings; Rev. & Mrs. Jide Amodu and family, Arch. & Mrs. Rotimi Amodu and family, Mr. & Mrs Olumide Oniyanda and Olajumoke Amodu. You guys are simply the best. This is your success because you were with me all the way. I love you all. I appreciate the wonderful Olutekunbi family. You are such great in-laws. Thanks for your prayers.

Finally, my deep appreciation and love goes to my darling wife, Taiyelolu Adenike Precious Amodu. Thanks for giving me the love, support and rest I need to do this work. Thanks for staying up with me late at night while I was working. You had been calling me Dr. long before we got married. I am the most blessed man to have you. This is your success.

# TABLE OF CONTENTS

	Page
Title Page	1
Dedication	2
Acknowledgements	3
CHAPTER ONE: INTRODUCTION	
1.1 Introduction	13
1.2 Background to the Study	14
1.3 Statement of the Problem	23
1.4 Objectives	25
1.5 Research Questions	26
1.6 Scope of the Study	27
1.7 Justification of the Study	28
1.8 Limitation of the Study	30
1.9 Operational Definition of Terms	32
CHAPTER TWO: LITERATURE REVIEW	
2.1 Introduction	35
2.2 Conceptualization of Conflict	36
2.3 The History of Crises in Niger Delta	44
2.3.1 The Political Dimension of the Niger Delta Cris	is 48

2.3.2 Oil dimension of the Crisis		
2.3.3 Critical Issues on the Niger Delta Crises		
2.3.4 Amnesty in the Niger Delta		
2.4 Multinational Corporations		
2.4.1 Major Multinational Oil Corporations in the Niger Delta		
	69	
2.4.1.1 Shell Nigeria (SPDC)	69	
2.4.1.2 Nigerian Agip Oil Company (NAOC)	71	
2.4.1.3 Chevron Nigeria Limited (CNL)	72	
2.4.2 Multinationals and Corporate Social Responsibility		
2.5 Public Relations and Relationship Building		
2.6 Conflict Resolution and Public Relations	85	
2.6.1 What is an Issue?	87	
2.6.2 Issue Management	87	
2.6.3 Managing a Crisis	89	
2.6.4 Community Relations and the Niger Delta Crises	91	
2.7 Gap in the Literature		
2.8 Theoretical Framework	98	
2.8.1 Conflict Theory	98	
2.8.2 Situational Theory	103	
2.8.3 Stakeholder Theory	105	

CHAPTER THREE: METHOD OF RESEARCH				
3.1 Introduction				
3.2 Study Design				
3.3 Study Population				
3.4 Sample size	123			
3.5 Sampling Technique	126			
3.6 Instrument of Data Collection				
3.7 Measurable Variables				
3.8 Data Management and Analysis				
3.9 Reliability	132			
3.10 Validity	133			
CHAPTER FOUR: DATA ANALYSIS AND DISCUSSION				
4.1 Introduction	134			
4.2 Quantitative Data Analysis	134			
4.3 Qualitative Data Analysis				
4.3.1 The Community Relations Structure of the Oil Companies				
	162			
4.3.2 The Internal Structures of the Companies	174			
4.3.2.1 Leadership Problems in the Communities	186			
<ul> <li>4.3.3 Communities' Perception of the Direction of Relationship with the Oil Companies</li> <li>4.3.4 Factors Responsible for Crises or Non-Crises Communities</li> </ul>	194			
4.3.5 Effects of Crises on Host Communities and Oil Com	panies			

:	234		
4.3.5.1 Effects of Crises on Communities			
4.3.5.2 The Perceived Effects of Crises on the Oil Companies			
	245		
4.3.6 Oil Companies' Community Relations Strategy Conflict Resolution	ies for 248		
4.3.7 Assessment of the Effectiveness of the Oil Companie Community Relations Strategies	es' 274		
4.3.8 Communities' Preference for Community Res	elations 283		
4.4 Discussion of Results	302		
4.4.1 Introduction	302		
4.4.2 Discussion	302		
CHAPTER FIVE: SUMMARY, CONCLUTION	AND		
RECOMMENDATION			
5.1 Introduction	362		
5.2 Summary	364		
5.3 Conclusion	368		
5.4 Recommendations	369		
5.5 Suggestions for Further Studies	374		
5.6 Contribution to Knowledge	375		
RERENCES			

# CHAPTER ONE INTRODUCTION

### 1.1 INTRODUCTION

The "Niger Delta" in Nigeria has attracted a great deal of attention over the years. Among the major reasons for this is the rich natural endowment of the region. The Niger Delta is reputed to be one of the world's largest wetlands, having ecosystems comparable to the Sundarbans in Bangladesh, Malaysia, and India (Osagie, Ibaba & Watts, 2009, p. 13). More importantly, it is also rich in crude oil, which has become the mainstay of Nigeria's economy.

Another major reason for the popularity of the Niger Delta, unfortunately, is the frequent conflicts associated with oil production in the region. Osagie, Ibaba & Watts (2009, p. 9) observe that though it is rare for Nigeria to be emblazoned on the front page of the Wall Street Journal, the 9<sup>th</sup> September 2009 issue featured a story titled "Delta Farce: Nigeria's oil mess." This chapter, therefore, provides a background to this study and also conceptualises the research problem. Research objectives and questions are also presented to define the focus of the study.

### 1.2 BACKGROUND TO THE STUDY

There have been several attempts to define the characteristics of the Niger Delta over the years. Asakitikpi & Oyelaran (1999) observe that it is a densely populated area in Nigeria. Its boundaries, as defined by the Nigerian government, extend over 70,000 km. The area makes up 7.5% of Nigeria's land mass. It stretches in an East-West direction and extends from South-West Cameroun to the Okitipupa ridge, forming an apex at the South-East of the Rivers Niger and Benue confluence.

According to the Niger Delta Development Commission (NDDC), the Niger Delta includes all the nine oil producing States of Nigeria: Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo, and Rivers States (NDDC, 2006). The UNDP (2006) agrees with this definition of the area. The reasons for this grouping were largely political and they include administrative convenience, political expedience, and development objectives (UNDP, 2006). Ibaba (2005), however, observes that the inclusion of Abia, Imo, and Ondo States in the definition is wrong because the scope of the region should be defined not by politics, but by geography.

Ibaba (2005) goes on to say that the definition given by the defunct Oil Minerals Producing Areas Development Commission

(OMPADEC) and the Willink Commission Report, which states that there are only 6 Niger Delta States, better captures the make-up of the area. He, nevertheless, notes that with states creation, it is probable that some Niger Delta communities may have now been placed in States other than the six widely accepted Niger Delta States. This current study adopts Ibaba's description of the Niger Delta because the focus is on communities with resident oil activities and shared geographical characteristics.

The communities in the Niger Delta have settled in the area for several centuries (Alagoa, 2005). It is inhabited by over 7 million Nigerians from 20 ethnic groups in about 800 communities (Ibaba, 2005). According to Atakiti (2004) (as cited in Saiyou, 2006), the Niger Delta consisted mostly of agrarian communities before the 15<sup>th</sup> century. Those communities produced commodities such as oil palm, rubber, sugarcane and fruit trees like mango, banana, plantain, and pawpaw. They also engaged in fishing, handicraft and trading.

Oil exploration started in Nigeria between 1908 and 1914. The process was initiated when the German Nigerian Bitumen Corporation and the British Colonial Petroleum Company began drilling from the heavy oil seeps in the cretaceous Abeokuta formation (Nwaobi, 1980; Saiyou, 2006). Consequent on the

discovery of only dry holes and particularly the break-out of World War I, the venture was abandoned. However, interest in oil exploration was resuscitated from 1937 to 1940 when preliminary investigation was undertaken by Shell D'Arcy Petroleum Development Company. This effort also was aborted due to the Second World War.

In 1946, the Royal Dutch Shell Group and British Company replaced Shell D'Arcy, and jointly financed the Shell-BP Development Company of Nigeria. Exploration continued in the northern part of the Niger Delta. In 1953, the first evidence of oil was found at Shell D'Arcy's Atata-1 well; however, oil was not discovered in commercial quantity until late 1955 when Shell-BP made a find in the Tertiary Agbada formation at Oloibiri. More discoveries were made at Ughelli (Nwaobi, 1980). The first oil cargo from Nigeria was exported from Oloibiri oilfield in 1958 at the initial rate of 5,100 barrels a day.

Nwaobi (1980) notes that the Nigerian government, in 1961, granted 10 oil exploration licences to these five companies: Shell-BP, Mobil Exploration Nigeria Incorporated, Amosea, Texaco and Nigerian Gulf Oil. The government also commenced discussions that same year with the Royal Dutch Shell Group and Shell-BP on the establishment of Nigeria's first oil refinery. The refinery was

commissioned in 1965 and was located at Port Harcourt. It is interesting to note that before the civil war of 1967, Nigeria's oil production had already exceeded 152 million barrels a year.

The Nigerian National Oil Corporation (NNOC) was set up in May 1971 to be involved in all the phases of the oil industry ranging from exploration to marketing. Nigeria became the 11<sup>th</sup> member of the Organization of Petroleum Exporting Countries (OPEC) in July 1971. In 1977, the NNOC and the Ministry of Petroleum were merged after the role of the government in oil management was rationalized and the Nigerian National Petroleum Corporation (NNPC) was formed.

Owing to the demands of the oil industry in Nigeria, NNPC was re-organized in 1985 into six sectors. This was done to encourage innovation, efficiency and positive aggressiveness. It is noteworthy, however, that 25 years after the re-organization, the objectives are yet to be achieved since oil refineries in Nigeria are in poor state and the price of the refined product constantly increases. In 1988, the Nigerian oil exploration and exploitation business was opened to private entrepreneurs by the Federal Government.

Saiyou (2006) notes that the initial disposition of the host communities to the advent of oil companies in the Niger Delta was positive. The discovery of oil in the region and the influx of transnational oil corporations raised the hopes of the indigenes in respect of the long awaited development that suddenly seemed apparent. The author further points out that the discovery of oil was a welcome development. This was consequent on the general impression of most Nigerians that the Niger Delta, particularly the Ijaw territory, was one of the world's vast wasted wetlands. Hence, the host communities readily accepted the oil companies, seeing them as an opportunity to address long overdue developmental issues.

The oil exploration and exploitation processes have, however, brought with them the degradation of the environment, thereby impoverishing the host communities and endangering lives. Asakitikpi & Oyelaran (1999) observe that tapping into the oil reserves requires the construction of rigs, industrial facilities and power plants; it also involves prospecting, exploring and drilling of crude mineral oil. They state that all these result in the degradation and destruction of life-supporting ecological systems and natural resources.

Apart from the destruction of vegetation during the exploration and production phases, the flaring of associated gas in the process of extracting the crude oil poses a threat to human life (Asakitikpi & Oyelaran, 1999). Unburned carbon is often transported into the homes and working areas of the Niger Delta inhabitants. Also, whenever it rains, thick soot is washed off roofs and other surfaces, causing water pollution, which is believed to contain harmful chemicals that affect the fertility of the soil. According to Alao (2005), some gas flaring sites in the Niger Delta have been in existence for more than 30 years running 24 hours a day. Hence, about 35 million tons of carbon dioxide and 12 million tons of methane are released in a year (Alao, 2005).

About 52 years after oil was first discovered at Oloibiri, the Niger Delta communities have declared war on the oil companies they once so readily welcomed. This development is due to the extent of damage suffered by those communities as a result of the oil exploration processes. They also consider there to be inadequate compensation by the oil companies and/or gross neglect of the region by successive Nigerian governments.

In 2005, the Niger Delta communities sued NNPC, Shell, Exxon, Chevron, Total and Agip joint venture companies for failure to stop gas flaring. According to Environmental Rights Action

(ERA), though gas flaring had been prohibited under environmental regulations since 1984, Nigeria still has more gas flared than anywhere else in the world (F.O.E., 2005). According to Rizvi (2005), environmentalists estimated the amount of gas associated with crude oil that is wasted daily at about two million cubic feet. They stress that the wasted gas contains a mix of toxins that pose severe health risks to human populations. The author further notes that child respiratory diseases, asthma, cancer, and premature deaths are increasingly becoming the lot of a vast majority of Niger Delta residents, due to the massive gas flaring.

Hinman (1993), based on the case of the Oil Spill Intelligence Report commissioned by Greenpeace, an international organization for environmental conservation and the preservation of endangered species, states that Shell's major spills in Nigeria total 7.4 million litres. It was also revealed in the 10-year spill record that of the major spills from Shell's operations in over 100 countries worldwide, 40% occurred in Nigeria. Hinman also explains that since the Niger Delta is a catchment area for over 20 river systems, six million people depend on its fertile fishing grounds and agricultural land. Consequently, the spills constantly flow into nearby streams costing communities their farmland and water supply.

In 1999, the Shell Company was accused of allegedly injecting a million litres of waste into an abandoned oil well in Erovies. According to Ofehe (2008), investigations later revealed that several people who consumed crops or drank water obtained from swamps in the area displayed symptoms such as stomach ache, cough, vomiting and dizziness. Ninety-three people died from the illness within two months. The results of independent researches conducted by three laboratories and two Nigerian universities a year after the health problem was detected revealed a poisonous concentration of lead, zinc and mercury in the dumped substance (Ofehe, 2008).

Consequent on the complex nature of the problems in the Niger Delta, members of the community have embraced violence as a means of curbing the excesses of oil companies, getting at the government and attracting international attention amongst others. According to Ogbogbo (2004), the various joint venture agreements entered into by the Federal Government and transnational oil companies indicate an increase in the parties involved in the crises. The government is perceived to have abandoned its responsibility to its citizens while the oil companies are believed to have failed to demonstrate corporate commitment to the welfare of their host communities.

Hence, the oil companies have been categorized as foes, thereby increasing the number of parties to the conflicts. This view was corroborated by Ron Van den Berg, the Chairman and MD of Anglo Dutch Shell Petroleum Development Company of Nigeria when he remarked that since the communities could not attack the government, they attacked the oil companies instead ("Niger Delta Situation," 1999). In 2002, an international observation team declared the Niger Delta as one of the most volatile regions in the world (Alao, 2005). Since a higher percentage of the violence in the area is against the oil companies, it becomes imperative for the companies to re-evaluate their relationships with their host communities, that is, re-engineer their community relations strategies.

Basking, Aronoff and Lattimore (1997) explain that the community relations of an organization may be affected by a variety of factors, ranging from recruitment methods to waste disposal and energy use. This means that an organization's community relations is a function, not only of those things it does to compensate and placate the community, but also of its ethical execution of business. For instance, why spend lots of money building health centers for communities while still poisoning their air and water?

According to Peak (1991, p. 117), "Today, no matter how large, small, or important an institution may be, it can be undermined if its community relations are haphazard". In an empirical study carried out by Rim-Rukeh, Ogbemi and Imide (2008, p. 645-657) in 10 Niger Delta communities, it was discovered that the community in which there was the highest record of crises, also had 95% vote that the resident oil company was a bad corporate organization, owing to environmental degradation occasioned by incessant oil spillages and poor community relations.

This appears to establish a clear relationship between the community relations practice of an organization and its level of exposure to crises. Ironically, huge sums of money are usually quoted to have been spent on such communities by oil companies in the Niger Delta. The study also revealed that some communities with infrastructure provided by oil companies still had some degree of crises. This, therefore, brings to the fore the question of *how* community relations is practised, rather than whether or not it is practised at all.

### 1.3 STATEMENT OF THE PROBLEM

The degree of violence in the Niger Delta has become endemic, characterized by 33 cases of kidnapping recorded between January 2006 and February 2007, with over 200 victims being mostly

expatriate oil workers (Africa Masterweb, 2007). There were also about 12, 770 cases of vandalism, particularly of oil pipelines and installations, recorded in Nigeria between 2000 and 2007 with most of them occurring in the Niger Delta (Nwankwo & Ezeobi, 2008).

The implications of the Niger Delta crises are too far-reaching to be ignored: for the inhabitants of this area, there are constant environmental hazards and security threat, while for the Nigerian government, over №150.5bn in revenue was lost in eight years (Nwankwo & Ezeobi, 2008); there was also a drop of more than 20% in oil exports between April 2006 and October 2007 (BBC News, 2007). The global community is not excluded from the effect of the crises; the crude oil price on the world market was raised to \$100 per barrel in January 2008 (Arowolo, 2008 as cited in Alabi, 2008) and later to about \$120 a barrel in April 2008.

The worst hit of all the victims of vandalism and kidnapping, however, are the oil companies. More than 95% of the kidnap cases mentioned above involved oil workers, and the installations of oil companies were the target of most of the vandalism. It is noteworthy, however, that the degree of these occurrences varies across different oil companies (Aaron & Patrick, 2008). Onua

(2007) describes it as a sort of revenge on the multinational oil companies.

While the oil companies claim to be practising community relations and to have invested a lot in the development of their host communities, the communities, on the other hand, either claim that enough has not been done, or that the efforts have been made without due consultations with them. The concern of this study is why the escalation of conflicts rather than abatement between host communities and oil companies while the companies have in place community relations strategies to manage the conflicts in the communities? This question forms the basis for this study.

#### 1.4 OBJECTIVES

The purpose of this study is to examine the community relations strategies used by oil companies in managing the crises in the Niger Delta. Considering that most attacks are carried out by community members, it is plausible that a proper community relations scheme should be able to nip any conflict in the bud. This study, therefore, investigates the efforts by oil companies to use community relations in crises management in the Niger Delta. It also considers the perception of the communities concerning such efforts

The specific objectives of this study are therefore to:

- Examine the extent to which conflict has occurred in selected Niger Delta communities in relation to oil exploration by Shell, Agip and Chevron and the causes.
- Assess the consequences of the conflicts in the Niger Delta on the communities and the oil companies.
- Identify the community relations strategies used by the oil companies in conflict resolution in the selected communities.
- 4) Compare the form of community relations strategies adopted by the selected oil companies.
- Evaluate the host communities' perceptions of the community relations strategies adopted by the oil companies.
- 6) Investigate the community relations strategies preference by the host communities for conflict resolution.

### 1.5 RESEARCH QUESTIONS

In the light of the above, the following research questions were raised:

- How often have conflicts occurred in the Niger Delta involving Shell, Agip and Chevron and what are the causes?
- 2) What are the consequences of the conflicts in the Niger Delta on host communities and oil companies?
- 3) What are the community relations strategies employed by oil companies to avoid/resolve conflicts with host communities?
- 4) What structural differences are inherent in the community relations strategies adopted by the selected oil companies in the Niger Delta?
- 5) How do the host communities perceive oil companies' community relations strategies?
- 6) What community relations strategies would host communities prefer in their relationship with oil companies?

### 1.6 SCOPE OF THE STUDY

This study is on community relations strategies used by oil companies to resolve crises in the Niger Delta. It focuses on the specific techniques involved in building a good relationship with host communities. The oil companies under consideration in this

study are Shell Petroleum Development Company (SPDC), Chevron and Agip. The study population is restricted to Omoku and Obrikom communities in Rivers State and Eruemukohwarien, Tisun and Kolokolo communities in Delta State.

### 1.7 JUSTIFICATION OF THE STUDY

Although several studies have been carried out on Niger Delta conflicts and the roles of the oil companies, there is inadequate information on the specific community relations strategies employed by oil companies and the preference of host communities. Community relations is germane to the peaceful coexistence of the companies and the communities. Failure to give it its due attention engenders consequences such as the following:

- Distrust: one of the major causes of conflicts in the Niger
  Delta is host communities' distrust for oil companies.
  Consequent on the poor relationship between the two
  parties, host communities believe that oil companies exploit
  them by extracting oil from their environment thereby
  destroying their natural habitat; but the companies fail to
  adequately compensate them. Hence, any advance from the
  companies is seen as placating the communities instead of
  dealing with the developmental challenges of the people.
- 2. Restiveness: among the causes of the restiveness being witnessed in the Niger Delta is the ineffective community

relations of oil companies. The youths who attack the installations of oil companies and abduct their staff are members of the communities. A favourable relationship with host communities would have forestalled this undesirable situation. This further underscores the importance of community relations.

3. Revenue loss: it cannot be overemphasized that oil companies and the Federal Government have lost a great amount of revenue as a result of the Niger Delta conflicts. While most of the communities remain inhabitable because of clashes between the youths and military forces, business also becomes impossible for multinational companies for fear of attacks.

From the foregoing, it becomes pertinent to conduct a study that provides a clear analysis of the community relations strategies engaged by oil companies and how they can be effectively employed for conflict resolution. Hence, it is hoped that this study will expand the frontiers of knowledge in respect to community relations strategies and also serve as a launching pad for other researchers in public relations.

### 1.8 LIMITATIONS OF THE STUDY

In the course of this study, some challenges were encountered that imposed some limitations on this study. One of the major challenges encountered was the population of Tisun and Kolokolo communities. A crisis occurred in the communities in 2004, which led to the death of several indigenes and the displacement of others. The entire villages were razed down and deserted; and up to the time of conducting this study, only a few of the natives had returned home. Hence, only a small sample could be used in the communities. This problem was, however, managed by using about 80% of the available population to arrive at a considerable sample and to ensure a formidable representation of their perception.

Also, the study was to include the comparison of the community relations strategies of Shell, Agip and Chevron. While Shell and Chevron granted interviews for the sake of this study, Agip declined. All efforts made to secure an appointment with the company's representative, including a letter of introduction from the Department of Petroleum Resources, NNPC, were stonewalled. Hence, the analyses made on the strategies of the oil companies excluded Agip. Considering that the information on Agip's website was inadequate for the in-depth investigation required for

this study, only the survey data were used to avoid presenting misleading information.

Consequent on the volatility of the Niger Delta at the time this study was conducted, some initially selected communities (Ogulaha, Ashaka-Ashimoke and Okpai communities in Delta State) had to be substituted. This was after due consultation with both supervisors of this work and advice from some resident Niger Delta indigenes. The substitution was done systematically by randomly selecting replacements for the affected communities to preserve the integrity of the study.

Due to the tensed situation and the air of suspicion it created, some of the respondents were reluctant to fill the questionnaire. Some also insisted on being paid before responding because they were under the impression that the study was sponsored by the government or the oil companies. In Tisun and Kolokolo communities, the women were reluctant to participate in the Focus group discussions (FGDs) and also to give their names for the record. This was because they claimed that several people, governments, agencies, and even their leaders had come to interview them and to collect their names without any benefit resulting from such contacts. This problem was resolved by presenting proper identification to prove that the study was

unconnected with any of the suspected sources. The help of indigenous research assistants was also enlisted to help enlighten the participants on the purpose of the study. Consequent on the systematic approach adopted in managing the limitations of this study, it is believed that the overall quality of the study would not be undermined.

## 1.9 OPERATIONAL DEFINITION OF TERMS

Agip: it is an Italian company with the original Italian name Azienda Generale Italiana Petroli, which means General Italian Oil Agency. It operates in Nigeria as the Nigerian Agip Oil Company Limited (NAOC). The NAOC is a joint venture operated by Agip in which NNPC has the larger share (60%).

**CDB:** the Cluster Development Board is the administrative body representing each cluster under Shell's design of the GMoU. A cluster is a group of communities that have been categorized based on specific shared characteristics, and which can jointly decide on their preferred development direction.

**Chevron:** it is an American company which operates in Nigeria under the joint venture name, Chevron Nigeria Limited (CNL). In this case also, NNPC has the larger share of the venture.

**Communication:** in this study, communication refers to the exchange of relevant information between the oil companies and the host communities.

**Community Relations:** it is a specialized arm of public relations that focuses on building mutual and profitable relationships between an organization and its host communities.

**Conflict:** it is a situation that occurs when the goals, objectives or values of competing groups- in this case oil companies and host communities in the Niger Delta- clash and result in aggression, which may not necessarily be violent (Cunningham, 1998).

**Cordial Relationship:** this is a polite display of friendliness towards another party. It is based on mutual respect. Cordial relationship is not one that is necessarily void of conflict, but one in which provision is made for proper settlement that is acceptable to all the parties involved.

**Crisis:** it is a situation that has degenerated into a critical stage in which extraordinary intervention is needed to remedy.

**GMoU:** the Global Memorandum of Understanding (GMoU) was originated by Chevron in 2005 and was adopted by Shell in 2006.

It is an agreement that allows the communities to determine their own development priorities while the oil companies provide the funding.

**IRDC:** the Itsekiri Rural Development Council represents the clusters in relating with Chevron in accordance with the company's GMoU.

**Issue:** It is a matter or an event that has the potential of far reaching consequences for a public or the publics of an organization or institution (Folarin, 1998).

**Niger Delta:** in this study, Niger Delta refers to the part of Nigeria's land mass that stretches in an East-West direction and extends from South West Cameroon to the Okitipupa ridge, forming an apex at the South East of the Rivers Niger and Benue confluence (Asakitikpi and Oyelaran, 2000). It includes states such as Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers.

**Oil Producing States:** this refers to all the states in which oil is produced in Nigeria. They include the six states that are known as the Niger Delta states with the inclusion of Abia, Imo and Ondo States, making nine states in all.

**Public Relations:** The British Institute of Public Relations' (BIPR) definition was adopted for this work which says that public relations is the "deliberate, planned and sustained effort to establish and maintain mutual understanding between an organization and its publics," (Daramola, 2003).

**Shell Petroleum Development Company (SPDC):** it is the subsidiary of Royal Dutch Shell, a British/Dutch company, and it operates in Nigeria. The company is simply known as Shell Nigeria and is in joint venture with the Nigerian National Petroleum Corporation (NNPC) and other oil companies.

**Strategies:** in this study, they refer to elaborate and systematic plans that are put in place by the oil companies to resolve conflicts with their host communities.

# CHAPTER TWO REVIEW OF LITERATURE

#### 2.1 INTRODUCTION

Several studies have been carried out on Nigeria's Niger Delta and the nature of conflicts devastating the region. The activities of multinational oil companies have also been examined with special consideration given to the underdevelopment of Niger Delta communities (Omoweh, 2005; Omoweh, 2010; Akinola, 2008; Watts, 2009). This chapter presents a review of relevant literature and the theoretical framework that are germane to this study. The literature and theories presented here form the bases for the discussion of findings later in this work.

#### 2.2 CONCEPTUALISATION OF CONFLICT

Conflict may be seen as a result of a dynamic relationship between interested parties, struggling to gain control of valuable resources. According to Otite (2001), conflict arises when individuals or groups in a defined environment pursue divergent goals, interests and ambitions. When there is a change in the social environment, for instance, the discovery of new resources from development in the physical environment, a fertile ground for conflict is created.

The ensuing conflict usually involves individuals and groups who are interested in using the new resources to achieve their goals. He further observes that conflict is a conscious act in which personal or group contact and communication are involved.

The term conflict has been variously defined over the years. Among the most common definitions is the one proposed by Coser (1956, p. 8), which views the term as "A struggle over values or claims to status, power, and scarce resources, in which the aims of the opponents are to neutralize, injure, or eliminate their rivals". Schelling (1960) also states that "Conflict occurs when competing groups, goals, objectives, need, or value clash, and aggression, although not necessarily violence, is a result" (as cited in Cunningham, 1998, p. 5). Whereas, Zartman (1991, p. 370) conceives conflict as "An unavoidable concomitant of choices and decisions and an expression of the basic fact of human interdependence."

Park & Burgess (1921) argue that conflict is devised to resolve divergent dualism, and to achieve some sort of unity, notwithstanding its propensity to eliminate one of the conflicting parties. However, conflict should not be perceived as being only a negative, dysfunctional, or disjunctive process, and a communication breakdown, as some scholars tend to suggest.

Folarin (1998) agrees with the above by stating that conflict is not necessarily a bad thing; rather, it can be both functional and dysfunctional. According to him, there is general agreement among scholars that development is hardly conceivable in the absence of some form and measure of conflict. He submits by noting that what matters is the way and manner in which the conflict is handled.

Though conflict is distinct from competition, struggle, and contest, it is similar to them in that it is a normal process of interaction, more so in complex societies in which essential resources are scarce. Donohue & Kolt (1992) explain that when interdependent people express their differences in the process of achieving their needs and goals, conflict may arise. The co-existence of the differences becomes impossible without some adjustment, yet, neither of the parties may want to shift ground.

Sandole (1993) identifies the stages of conflict as initiation, escalation, controlled maintenance, abatement and termination/resolution. He explains that the stages together form a process, and in that process, peace is the ultimate target of conflict or perhaps violence. However, the individuals or groups may not necessarily achieve the initial objective; the conflict may subdue it through negotiated settlement. It is noteworthy, here, that Sandole's view of conflict seems to be influenced by

functionalism. Functionalists believe that all the parties in a society are interdependent, therefore, in the case of conflict, the society evolves a means to resolve it (Wallace & Wolf, 2006). This is, however, not always true as can be seen in the case of the Niger Delta. The conflict seems to be taking the communities farther from peace.

Folarin (1998, p. 49) also identifies the following as sources of conflict:

- 1) Competition over goals and interests that cannot be shared. In this context, conflict arises when individuals or groups compete for interests that are indivisible. For instance, the struggle to gain control of power may lead to conflict. Nigeria operates a multi-party political system and the various parties contest for positions that are indivisible. Major crises arise when one or more of the parties engage in malpractices or when they refuse to accept another party as the winner of an election.
- 2) Usurpation or attempt to usurp the goals of one component by another component of a society. Here, the stronger or more privileged component violates or denies the rights of the other component in a bid to achieve its own aim. When this happens, the deprived party usually attempts to re-establish its position either forcefully or otherwise. A good example of this

is the series of military coup in Nigeria. From the first coup in 1966, which installed Major-General Johnson Aguiyi-Ironsi as the Head of State, to the last official one in 1985, which brought in Major-General Ibrahim Babangida, the military used its superior power to usurp the goals of the civilian government. Nigerians agitated for a return to civilian government and that led to varying degrees of conflicts.

- 3) Inconsistencies in goals. While allowance may be made for pockets of indeterminacies in all human goals, too many unjustifiable inconsistencies in the goals set by individuals or groups in a society may become a source of conflict. One of the major dimensions of the crises in the Niger Delta is the failure of the government and multinationals to remain committed to their various promises of development in the area.
- 4) Increasing desire for autonomy or authority by the different individuals or groups in the community. Conflict ensues when a former subordinate individual or group attempts to secede or exert authority over a wider range of issues. Any effort by the erstwhile dominant party to maintain the status quo may lead to conflict. In Nigeria for instance, this cannot be better exemplified than by referring to the civil war. In 1967, the Southeastern province of Nigeria attempted secession by declaring the Republic of Biafra. The Federal Government

- resisted this attempt and this led to the war that lasted till 1970.
- 5) Scarcity or inadequacy of resources to meet the needs of the various components. Conflict evolves when the resources that are required to meet specific needs are scarce, and more importantly, when the few available are not evenly distributed. For instance, the Academic Staff Union of Universities (ASUU) of Nigerian universities has, on several occasions, embarked on strike actions to protest that the educational sector in Nigeria has been allocated too little money in recent years. The above scenario describes a conflict based on scarcity of resources.
- 6) Various kinds of communication breakdown. Conflict can evolve when there is hoarding of information, inefficient dissemination of information, or even the use of inappropriate channels of communication within a society. When a few individuals or groups benefit from available information at the expense of others, there is bound to be a conflict. On May 21, 1994, some angry youths reportedly killed four Ogoni leaders in Rivers State, for alleged communication with the oil companies to the detriment of the rest of the community. This triggered a series of other events, including the execution of Ken Saro-Wiwa and his comrades.

Folarin (1998) further observes that scholars of sociology and management have proposed several categories of conflict. He considers his own four-fold categorization to be the simplest. According to him, conflict can be *divergent*, *symmetrical*, *complementary*, and *parallel* (Folarin, 1998, p. 50).

- 1) Divergent Conflict: a divergent conflict occurs when every member or group within a society is practically pursuing individual goals that are different from the corporate goal of the society, and which are difficult to reconcile with the extant goals. Consequent on the failure to agree, the society ends up with not just two factions, but several. In recent Niger Delta crises, not all the abductors are nationalists. Several groups have been responsible for kidnapping that is motivated by the possible payment of ransom than with the struggle for development. In this case, the area ends up with several factions who may not even be interested in the resolution of the crises.
- 2) Symmetrical Conflict: this type of conflict arises when cooperation is hindered by the pursuance of the same goal by two or more separate entities or groups. Due to the indivisibility of the goal, there ensues a breakdown in the existing relationship. In April 2006, former Vice-President Atiku Abubakar, who was also a co-founder of the People's Democratic Party (PDP), publicly split with former

President Obasanjo. Atiku claimed that his action was based on his disagreement with Obasanjo's bid for a third term. Considering that Atiku later contested for the presidency, it can safely be assumed that his action may have also been based on the third term agenda's potential threat to his ambition.

- 3) Complementary Conflict: this type of conflict is a product of a misinterpretation of the goals or intentions of one party by another. Though the goals of one group complement those of the other, they are mistakenly perceived as being contradictory or opposed to one another. There have been several clashes between the Nigerian Army and the Police Force. Though the goals of these forces are complementary, the forces erroneously perceive each other as antagonists.
- 4) Parallel Conflict: in this type of conflict, each party reserves the right to make its decision and execute it. For instance, while labour unions reserve the right to call for a strike action and manage it, the management of an organization also has the legitimate right to take all lawful steps to ensure the security of its property. The extent to which such rights and powers are exercised, however, depends on several factors, such as the personality of each participant and the historical perspective of the existing relationships among the parties. Parallel conflicts are

relatively harmless, in so far as each of the parties recognises the limits of its rights and powers and does not go beyond them.

## 2.3 THE HISTORY OF CRISES IN NIGER DELTA

The struggle for relevance in the Niger Delta dates back to the precolonial era. According to Ikalama (2006), the Niger Delta struggle did not start with the discovery of oil in 1957; but rather due to the region's difficult terrain. Ibaba (2005) observes that almost three quarters of the area are submerged under water made of lagoons, creeks, rivers and lakes. What is left is largely swampy land, which is flooded for about four months in the year as a result of lower Niger overflow.

The Niger Delta crisis, therefore, dates back to the early 19<sup>th</sup> century when the people agitated for trade terms fair to their communities. It is noteworthy, however, that the last quarter of that century was characterized by aggressive European imperialist economic philosophy of free trade (Alao, 2005). That led to several conflicts between the Niger Delta people and the Europeans on the coasts of the region because of the communities' determination to maintain their middlemen status. Prominent among those crises were the Jaja of Opobo's clash with the British, leading to his eventual exile in 1886; King Koko of Nembe's famous Akassa

raid on the depot of the Royal Niger Company in 1895; and the crisis between Nana Olomu, the then Itsekiri Governor of Benin River and the British in 1895

According to Alao (2005), during the colonial era, virtually all the resources of the colonized people were controlled by the colonial state. The agitation of the Niger Delta people was principally focused on drawing attention to their environmental peculiarities and their requirement for basic infrastructural amenities. Colonialism, however, curtailed the initial dominance of the Niger Delta on the Nigerian economic scene by abolishing the middleman advantage hitherto enjoyed by the region.

Moreover, cash crops emerged in other parts of the country, such as the groundnut pyramids in the Northern Region, and cocoa in the Western Region, further reducing Niger Delta's economic relevance. According to Sir Willinki (as cited in Alao, 2005), due to its ecological make-up, the Eastern Region is the poorest of the three regions, and this has engendered the lackadaisical attitude of both the federal and regional governments towards the lack of development in the Niger Delta.

Ikalama (2006) explains that in 1914, after the amalgamation of the Northern and Southern protectorates, Southern Nigeria was administered on the basis of provinces. Hence, the Niger Delta people were divided among various provinces. Davis (2005) (as cited in Ikalama, 2006) adjudges that the amalgamation was like a forced marriage that entrapped the Niger Delta people. For colonial administrative convenience, the western Ijaws were in Delta Province and the eastern Ijaws were in Owerri and Calabar Provinces.

This classification was, however, not acceptable to the Ijaws of the Niger Delta who began to request the creation of a separate province for themselves. In order to put up a formidable front, The People's League was established in 1942. The League later metamorphosed into a full-fledged association which spearheaded the struggle. The efforts of the association were rewarded when a Rivers Province was created in 1947. In 1957, the struggle was taken to the constitutional conference in London. According to Alao (2005), the people demanded for a separate state within the federation, arguing that there was:

No other area in the whole of West Africa with a physical configuration like that of Rivers area. It was unfair that such an area should not have its own separate government to harness the energies of the Rivers and develop its unique resources in the interest of the people who live there (p. 57).

The people further argued that the administrative headquarters of various regions to which the Niger Delta belonged could not appreciate their peculiarities and needs because they were too distant. The request was, however, denied.

A fresh dimension to the crises emerged after Nigeria's independence. On February 23, 1966, Isaac Adaka Boro, in a bid to protest the injustice against the Niger Delta people, led one hundred and fifty one comrades to Tontouban, in the present Bayelsa State. From that location, he launched a guerrilla war against the then federal military government (Ikalama, 2006). Boro had earlier, in January 1966, declared the Niger Delta People's Republic, with himself as the Head of State. The Nigerian Police was engaged and humiliated in a bloody confrontation.

The Armed Forces of Nigeria, however, went into the war, and after being held up for a while, defeated Boro and his men on the 12<sup>th</sup> day. Today, the rebellion is known in Nigeria's political history as "The 12 Day Revolution" (Watts, 2009). Nwajiaku (2006) notes that Boro was succeeded, in the struggle for self-determination and resource control, by Ken Saro-Wiwa and the Ogoni people. Though the federation's revenue allocation has been

continually revised since 1967, the increase has been far below the demand of the Niger Delta (Mustapha, 2000).

## 2.3.1 The Political Dimension of the Niger Delta Crisis

According to Omoweh (2010), the Niger Delta crisis is the crisis of the Nigeria state, that is, its policy in respect to natural resources and the mode of surplus extraction from the mining sector. He explains that the crisis is a political one and its origin can be traced to "the path the state took to development inclusive of its type of capitalist development in the mining sector" (p. 12).

Omoweh (2010) describes the Nigerian state as the political leadership of the country. He considers it ironic that the tiny fraction of the hegemonic political class, which lead the nation's development and controls the state political power, is naturally interested in perpetuating itself and reproducing its class rather than thinking of the people and their wellbeing. Consequent on the need for the state to survive before pursing development, it devised some strategies to protect itself, which includes the adoption of defensive radical posture that is driven by pretence to be interested in the wellbeing of the people, whereas, it is to side with capital to exploit them.

The crisis ensued as a result of the contention between the dominant class, which struggled for power and resources to survive, and the subordinate groups in the society who also claimed their right to survival. Omoweh says that the crisis is made more pronounced by the state's mode of extraction of surplus from the mining sector. He explains that the state uses its political power "to amass wealth, because of its weak productive base" (Omoweh, 2010, p. 14). The individuals entrusted with the management of the state use the political office to accumulate profit, rather than to invest in entrepreneurship and development.

The author also observes that the first task of the state, after the independence of a nation, is usually to establish its political control over the country and its natural resources. After this, it formulates and enacts legislations that would permit its model of capitalism in the natural resources sector, as well as establish public institutions to administer the surplus extraction. This crystallizes the state's ultimate aim of dominating the economy of the nation.

The unrestricted manner through which the Nigerian state acquire land and exploit its content betray its failure to recognise that the land and its resources constitute common resources. According to Omoweh (2010, p. 17), the resources:

are not characterized territorially or an ad hoc aggregation of people or group as an entity, but by crucial ontological factors, notably its availability across generations past, present and future, and that, they help create and re-create the social production and reproduction of people.

The disposition of the state towards the land and it resources such as forestry, wetlands and wildlife led to the depravation of the people in the Niger Delta. Omoweh (2010, p. 17) notes that though the legislations of the state provided the people in the Niger Delta with a *usufruct* rights over their land (which was only the right to use it), just like people in other parts of the country, the right was automatically revoked whenever oil was explored from the land.

Considering that the mining blocks were residential areas, farmland, communal fish farms and wetlands and also sacred bushes amongst others, the communities were not only deprived of their means of sustenance, but also of their sociocultural heritage. Omoweh opines that the state, in joint venture with foreign oil/mining capitals, regard the acreages mainly as minefields, where the sole interest is to extract the minerals with little or no consideration for the wellbeing of the environment and the people (Orubu, Odusola, & Ehwarieme, 2004). In the words of Omoweh (2010, p19):

In effect, it is a misnomer to talk of environmental degradation in the oil-producing communities. For, the entire oil-producing communities in the Niger Delta have been turned into a minefield as evident in the continuous flaring of gas for 24 hours in the past 50 years. Yet, the inhabitants of the oil-producing areas are deemed to have no legal basis to protest the relatively reckless manner with which the state, SPDC and other operating oil companies are 'shelling' their environment and lives. This has fired the aggression of the people against the state and oil companies.

Akinola (2008) agrees with the above assessment by saying that the Nigerian state relies on oil as the main stay of its economy, whereas, the communities where it is extracted generally suffer poverty, neglect, environmental degradation and even the denial of their fundamental human rights (Naanen, 1995; Akinola, 2009).

Nafzinger (2009, p. 69) enumerates the Niger Delta environmental problems as a result of the oil industry as follows:

 Damage to the mangrove ecosystem: this engendered the loss of fuel wood, fish and other aquatic host organisms.
 This also led to the reduction of control and protection against floods, storms, and erosion.

- Destruction of lowlands, wetlands and other environmentally sensitive areas: natural water courses were blocked and there was disruption of seabed and river channels as a result of dredging for pipeline installations and the construction of oil wells.
- 3. Pollution of air, surface water and groundwater: these include the destruction of forest and farm land as well as vegetation and human settlement due to the oil companies' wells, fields, pipelines, flow stations, refineries and destructive practices, such as gas flaring and increase in leaded vehicle exhaust emission.
- 4. Decreased water from safe sources: less than half of the communities have access to safe drinking water due to the increase in polluted rivers, lakes, ponds and other untreated surface water, including unprotected wells and boreholes.
- 5. The effects of pollution on the diversion to marginal farms, fishing waters and also the cutting down of forests.
- 6. Oil spills and blown pipelines: these include the accidental and deliberate incidences that have led to the degradation of the forests, contamination of food, killing of fish and vegetation and the destruction of natural resources necessary for local livelihoods.
- 7. Water organisms and the atmosphere are affected by natural gas flare, which are 75% waste, and leaks that emit

- hydrocarbons, thereby causing subsidence and sediment, and also contribute to acid rain.
- Saltwater is diverted into freshwater as a result of the construction of some canals; thereby leading to the destruction of the latter's ecology.
- Public facilities, houses and economic assets are threatened by erosion in the coastal communities.
- 10. Shortage of dry and relatively well-drained land.
- 11. Water degradation causing harm to human health as a result of waste discharge from oil operations into the land and sea (UNDP, 2006).

#### 2.3.2 Oil Dimension of the Crisis

In February 2007, Nigeria celebrated fifty years of oil exploration, but Agagu and Adu (2008) note that observers have opined that in spite of Nigeria's oil wealth, the performance of the sector has not been impressive. Aiyetan (2008) cited Rilwan Lukman, the former Minister of Petroleum in Nigeria and the former President of OPEC, to have said that oil is both a blessing and a curse in Nigeria.

In the same vein, Ezeobi (2008) describes Nigeria's years of oil exploration as 50 depressing years of oil. Agagu & Adu (2008) observe that only few individuals and companies have benefited

from oil so far, while several other communities and millions of people have been underdeveloped and impoverished. They further argue that there has been unprecedented development in several communities due to the activities of the oil industry.

The oil industry has in no small measure helped to propel other industries since the time oil assumed great ascendency in industrialization. Among the countries that have benefited from the oil industry are Dubai, Iraq, Kuwait, Saudi Arabia, Libya, Britain and Singapore, among others. Although Nigeria has also benefited from the industry through oil boom in the global market, the Niger Delta, which forms the bedrock of the country's oil exploration and exploration, has no semblance of development which can be linked with the oil industry.

In 1969, Nigeria's military government under the leadership of General Gowon abrogated the 1914 Colonial Minerals Ordinance, thereby opening a fresh chapter in the state-oil bond by formally transferring the control and ownership of oil to the state. Nigeria proceeded to join OPEC in 1971 and in the same year established its own oil industry, acquiring up to 60 per cent equity ownership in all operating oil companies.

According to Olorode (1998), more than 90 per cent of Nigeria's export earnings accumulated from the sales of crude oil, yet the Niger Delta is neglected. He states that most roads in Ogoni land, for instance, where they are available are in deplorable shape. He considers it ironic that the same oil that made a positive impact on the Nigerian State, also made a negative impact on the Niger Delta, its source, due to the indelible marks of the adverse consequences of oil exploration.

The effect of oil exploration on the Niger Delta environment was not realized until years later. According to Soremekun & Obadare (1998), although the commercial shipment of oil from the Nigerian coast started since 1958, the havoc being wreaked on the environment by the oil companies was not realized until about thirty years after. They further explain that massive environmental pollution has been engendered by the oil companies in their petroleum operations. For instance, there have been several pipeline leakages, well blow-outs and spillages, having severe effects on land, water and other ecological elements. One can say that the extent to which oil is explored and taken away from the Niger Delta is commensurate with the devastation left in its wake.

Due to the negative effects of the operations of oil companies in the Niger Delta, the erstwhile crises in the region took up a new dimension. According to Oloruntimilehin & Ayoade (2002, p. 16):

Most of the conflicts have arisen from complex environmental problems, and a long history of neglect and social development of peoples who have seemed helpless watching their land and water resources continually devastated by the intense exploitation for petroleum and gases without deriving any appreciable benefits by way of investment in their own development.

The Niger Delta communities decidedly began to attack oil companies and their installations in order to attract attention to the plight of the region. Ikalama (2006) identifies four phases of the Niger Delta struggle:

Phase 1: Between the late 1970s and the mid-1980s, the communities, still confident in the state and its judiciary, sought redress through the courts. They demanded adequate compensation and also appealed to the state and Federal Governments to mediate between them and the oil companies. Desired results were not achieved through this approach because the oil companies ignored the court rulings that were in favour of the communities. When

- compensations were paid by the companies, they were petty compared to the efforts invested and the harm caused; besides, such compensations were delayed for several years. These led to frustration in the communities.
- Phase 2: This phase extended from the mid-1980s to the 1990s and it was characterized by a more action-oriented approach. In addition to lawsuits, the people also engaged in peaceful demonstrations, occupation of flow stations, and prevention of workers from working, among others. This approach, also, was not effective as the companies turned the law enforcement agents against the people.
- Phase 3: From the mid-1990s to 1998, the actions of the Niger Delta communities began to evolve into violent protests.

  This is possibly connected to the move by the Nigerian government to engage military force in restraining the communities. During this era, late Ken Saro-Wiwa championed the cause of the Niger Delta people, particularly the Ogoni community, until he and his comrades were executed in 1995 by the late Gen. Sanni Abacha's regime.
- Phase 4: From 1998 till date, the Niger Delta has become an endemic, fully fledged crises-infested region. There have arisen several militant groups that resort to kidnapping, vandalism, extortion, etc.

Watts (2009) recounts that a pipeline explosion in 2005 ushered in the Movement for the Emancipation of the Niger Delta's (MEND) call for the international community to evacuate from the Niger Delta. MEND issued an ultimatum that was to expire by February 12<sup>th</sup>, after which violators would face violent attacks. Two weeks after, nine workers employed by Willbros, an oil servicing company, were kidnapped, with the group claiming responsibility. The action was allegedly carried out to retaliate an attack by the Nigerian military on a community in the Western Delta. More than fifteen Nigerian soldiers were reportedly killed, while between May and August 2006, there was an average of three kidnappings per month.

Citing the Centre for Strategic and International Studies' (CSIS) report, Watts (2009, p.31) confirms that 123 hostages were taken and 42 attacks were carried out on oil installations between January 2006 and March 2007. He also makes reference to the Nigerian National Petroleum Company's (NNPC) 2003 reports, which estimated 400 vandalisms on company facilities each year between 1998 and 2003. The report also claimed that the number increased to 581 between January and September 2004, with over \$1 billion oil losses annually.

There were nineteen attacks on foreign oil operations in the first six months of 2006, costing over \$2.187 billion lost in oil revenues, which the Department of Petroleum Resources (DPR) claimed represented 32% of the entire revenue generated by the country that year. While the Nigerian government claimed that \$6.8 billion oil revenue loss was recorded between 1999 and 2005, the managing director of Shell Nigeria further claimed in November 2006 that the loss of revenue, consequent on the unrest and violence in the Niger Delta, was \$61 million per day, making a total of \$9 billion since January 2006. The author sums up that the estimated loss of revenue by the Nigerian government between 2006 and 2008, as a result of insurgency, was \$45.5 billion (Watts 2009, p.31).

## 2.3.3 Critical Issues on the Niger Delta Crises

Mbembe (2001) raises the question as to why oil is so frequently the epicenter of violence. Watts (2009), in an attempt to answer this question, says that in states in which oil is a national resource, the states' geography and the centralization of oil revenue through the state joint venture usually combine to create new sorts of governable spaces. These spaces are characterized by a ferocious struggle of access and control of rent.

Ako, Okonmah & Ogunleye (2009, pp. 111-112) critically analyse two conflict eras in the Niger Delta; the oil palm era and the crude oil era. They draw four parallels between the two eras as follows:

- Both palm oil and crude oil are significant to the global industrial process. Following the industrial revolution in Europe, palm oil became highly sought after because it was required to process the lubricant for the maintenance of industrial machinery. It was also used in the production of domestic products such as soaps and margarine. On the other hand, the crude oil is the major energy source in the contemporary world. Its uses include the fuel for airplanes, cars, home heating and lubricants for home and industrial uses.
- 2. There is similarity between the parties to the conflict in both periods. The parties to the trade during the palm oil era included the local communities that established themselves as middlemen in the trade, European interests, as represented by international capital, and the Federal Government of Nigeria. Also, in the crude oil era, the stakeholders include the host communities, foreign capital and the Federal Government. Another similarity is that the government and the foreign capital in both eras cooperated to protect their economic interests through the exploitation of the region.

- There is a similarity between the causes of conflict in both eras. The underlying factors to the conflict in the palm oil and crude oil eras were issues related to indigenous recognition and participation of the people in the Niger Delta (Okonta, 2000).
- 4. In both eras, the state used repressive means to suppress the restiveness of Niger Delta inhabitants. During the palm oil era, the government used its controlled security agencies, which included the military, to continually protect the interests of the foreign capital. For instance, the British naval forces, under the instruction of Royal Niger Company, attacked and leveled the trading city of Brass, to maintain the company's monopoly over the palm oil trade, which the town was known for (Bassey, 2006). Again, the Human Rights Watch (1999) presents a catalogue of similar examples in which the Nigerian security forces and oil companies collaborated to suppress the resistance of the local communities.

## 2.3.4 Amnesty in the Niger Delta

On the 25<sup>th</sup> of June, 2009, the President of Nigeria, late Umaru Musa Yar'Adua, announced the Federal Government's plan to grant amnesty to Niger Delta militants ("Will Amnesty Bring Peace," 2009). The plan was to help restore peace to the region,

which had been volatile with militancy since 2006. It was a 60-day plan, lasting from June 25<sup>th</sup> to October 4<sup>th</sup> 2009, and it was to see the militants disarm and accept presidential pardon.

At the initial stage, the militants did not seem to trust the government. In fact, some groups argued that amnesties were only offered to convicted criminals and their members could not be described as such. There were also some internal contentions among the militants as to who would accept the government's offer and why. Gradually, the militants started to respond to the offer; first the commanders and then their loyalists.

The amnesty period expired on October 4<sup>th</sup> without an extension of time, even though the militant pressed for this. If the reports of the government and media were anything to go by, the programme was a success. In fact, the Nigerian government had already started to count the dividends of the amnesty programme. For instance, militant attacks in the region since 2006 reduced oil production from Nigeria's OPEC quota of 2 million barrels per day to 1.3 million. But Nigeria's Defence Minister between 2009 and 2010, Godwin Abbe, reported that barely a month after the amnesty programme, production rose to 1.8 million barrels per day. Zimbio (2010) reports that as at October 4, 2010, more than 5,000 former

militants, who had embraced the Federal Government's amnesty in 2009, had been rehabilitated.

Also, Timi Alaibe, the then adviser to the President of Nigeria on the Niger Delta, claimed that 5,292 ex-militants, who were retrained at the July camp, were certified to have imbibed the principles of non-violence. Hence, they had been sent to undergo vocational training both in Nigeria and abroad. The number of the former militants that were granted amnesty by Former President Yar'Adua was above 20, 000 (Zimbio, 2010).

#### 2.4 MULTINATIONAL CORPORATIONS

Multinational Corporations (MNCs) are also known as Trans-National Co-operations (TNCs) and Multinational Enterprises (MNCs). For the sake of this study, however, we will adopt MNC. Pease (2003) describes MNCs as private, for-profit organizations having commercial operations and subsidiaries in two or more countries. A further description was given by Bennett (1999, p. 162), who says MNC is a business having "Significant investments in several foreign nations, which derives a substantial part of its income from foreign operations, and which maximizes its profits on the global rather than national level," (Wall & Rees, 2004; Bertlett & Ghoshal, 2000).

Rugman (2006), however, observes that it is sometimes difficult to determine whether or not a firm is an MNC because multinationals often downplay the fact that they are foreign owned. This observation is also valid in the Nigerian context, because the subsidiaries of major oil multinationals, like Royal Dutch Shell, Agip and Chevron, adopted names such as Shell Petroleum Development Company (SPDC) or simply Shell Nigeria, Nigerian Agip Oil Company Limited (NAOC) and Chevron Nigeria Limited (CNL) respectively. The latter set of names shows both the multinationals' desire to identify with Nigeria and the need to reflect their joint venture with the Nigerian government through the Nigerian National Petroleum Company (NNPC).

Bennett (1999, p. 162), considering how elusive the definition of MNCs can be, enumerates the various benchmarks that can be used to identify MNCs. According to him, the company must:

- Produce its products abroad as well as in the headquarters country. This is in contrast with merely distributing the products abroad.
- Operate in a certain minimum number of nations, for instance six.

- 3. At least a minimum percentage of its income (eg 25%) must be derived from foreign operations.
- 4. Possess a certain minimum ratio of foreign to total number of employees.
- Have a management team who possess geocentric orientation.
- 6. Directly control foreign investment, instead of merely holding shares in foreign companies.

By the above criteria, it is needless to say that Shell, Agip and Chevron, the oil companies under study, are multinational corporations. Rugman (2006) reports the United Nations' revelation that there are over 60, 000 MNCs in the world, with only the largest 500 accounting for 80% of the world's foreign direct investments. In spite of the overwhelming influence of the MNCs on world economy, there have been contentions between their advocates and their critics.

The advocates of the MNCs have argued that they are agents of change as well as progress, and they help in creating a new world; a world of wide economy based on "Rationality, efficiency and optimal use of resources," (Bennett, 1999). They insisted that among the benefits of the host countries are plants and equipments, which they otherwise would not have owned, equipments they

would not have had access to and skills as well as know-how necessary for the operation, which would have, otherwise, been out of reach.

Another benefit that was identified is the local recruitment of junior managers, which helps to create a pool of managerial experience in local communities that can be transferred across a wide range of industries. Considering the argument above, it can be admitted that the Niger Delta has benefitted, to some extent, from the presence of the oil companies.

On the other hand, critics of multinational corporations also present a strong argument to support their position. First, they argue that influence of MNCs on the political sphere of the host country has a destabilizing effect. They identify five major activities of the companies that can jeopardize the nation, they are:

 Supporting regressive regimes: the oil companies in Nigeria have been accused of collaborating with the government to suppress the communities in the Niger Delta (Akinola, 2008; Ogbogbo, 2004). One of the major incidents in Nigeria that boosted this accusation was the execution of Ken Saro-wiwa and his other Ogoni comrades. There was a popular opinion that Shell was instrumental to,

- or at least supportive of the military government of late Gen. Abacha in the execution. The assumption was further reinforced by Shell's swift announcement to continue with its \$4.3 billion LNG project, just three days after the execution (Adefemi, 1998).
- 2. Paying bribes to secure political influence: in the Niger Delta, it is believed that the oil companies pay off the individuals they either identify as threats, or has major influence on the rest of the communities. Adefemi (1998) reports an interview with an individual who admitted he became a "small millionaire" by establishing the Council for Concerned Indigenes (CCI) specifically to secure personal gratification from the oil companies. Edafejirhaye & Edafejirhaye (2008) also cite an investigation which revealed that oil companies connive with some individuals in the oil industry and security outfits to promote illegal bunkering activities.
- 3. No respect for human rights: the Civil Liberty Organization (2002) narrates an incident that occurred in 1999 in one of the communities in the Niger Delta. The youths in the community shut down Agip's operation due to alleged high level of pollution and degradation of the environment. The company reportedly dispatched a combined team of navy and army personnel to the community, resulting in the

disappearance of 15 people, and the arrest of the traditional ruler. Another example of the abuse of human rights was given by Adefemi (1998). According to him, Shell headquarters in London decided in 1993, as documented by a memo, to monitor the activities of Ken Saro-wiwa in respect of his Ogoini struggle to "avoid unpleasant surprises;" Ken was arrested 16 days later. This exemplifies the human rights challenges in the Niger Delta.

- 4. Paying protection money to terrorist groups.
- Destabilizing national governments of which they don't approve.

The critics of MNCs also argue from the environmental perspective. Among the accusations leveled against them are:

- 1. Depletion of natural resources too quickly
- 2. Pollution of the environment
- 3. Failure to pay compensations for environmental damages
- 4. Causing harmful changes in local living conditions
- 5. Having little regard to the risks of accidents causing environmental catastrophe.

The above represent some of the major issues that the oil communities are contending with, and the bases for some of their company-community struggles.

## 2.4.1 Major Multinational Oil Corporations in the Niger Delta

There are several multinational oil companies in Nigeria, however, for the purpose of this study, we shall only focus on Shell, Agip, and Chevron.

#### 2.4.1.1 Shell Nigeria (SPDC)

Shell Nigeria is a subsidiary of the Royal Dutch Shell plc, which has its headquarters in The Hague, Netherlands, and its registered office at the Shell Centre in London, United Kingdom. According to the Global 500 list, Shell is the largest energy company and the second company in the world as measured by revenues. The Royal Dutch Shell Group was created as a result of the merger between the Royal Dutch Petroleum Company and Shell Transport and Trading Company Ltd of the United Kingdom in February 1907. The merger was necessitated by the need to compete globally with John D. Rockefeller's Standard Oil, which was then the predominant US petroleum company. According to the terms of the merger, 60% of the new group was given to the Dutch partner while the remaining 40% went to the British.

Prior to the merger, the Royal Dutch Petroleum Company was a Dutch company that was founded by Jean Baptise August Kessler and Henri Deterding in 1890, at the time King William III of the Netherlands granted it a royal charter for Working of Petroleum in the Dutch Indies. Shell, on the other hand, was a British transport and trading company founded in 1897 by two brothers, Marcus Samuel and Samuel Samuel. The initial commission of the company was eight oil tankers for the purpose of transporting oil.

Shell took control of the Mexican Eagle Petroleum Company in 1919, while in 1921, Shell-Mex Limited was formed, which marketed products using the "Shell" and "Eagle" brands in the UK. As a result of economic difficulties, among other reasons, Shell-Mex merged its UK marketing operations with the operations of British Petroleum in 1932, resulting in the creation of Shell-Mex and BP Ltd. The new company traded for 43 years before the brands separated in 1975.

In 1936, the Royal Dutch Shell Group founded Shell D'Arcy, which was the first Shell Company to operate in Nigeria, hence, the company started business in Nigeria in 1937. The company was granted Exploration Licence in November 1938, which allowed it to prospect oil throughout Nigeria. Not until January 1956 did the company drill its first successful well at Oloibiri, in the present Bayelsa State, in the Niger Delta, where oil was discovered at commercial quantity. The first oil shipment from Nigeria was moved in February 1958, and by April 1961, Shell's

Bonny Terminal was commissioned, which was followed by the commissioning of Shell's Focados Terminal in September 1971.

Other historic landmarks of Shell Nigeria include the first Participation Agreement that was signed in April 1973, through which the Federal Government of Nigeria acquired 35% shares in the oil companies; second Participation Agreement signed in April 1974, through which the government increased its equity to 55%; third Participation Agreement signed in 1979, that saw the government, under the auspices of NNPC, increase its equity to 60%; and also the August 1979 Participation Agreement in which BP's share holding was nationalized and NNPC acquired 80% of the equity, leaving Shell with 20% (Shell, n.d.).

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

Agip is an Italian company with the original Italian name Azienda Generale Italiana Petroli, which means General Italian Oil Agency. It is an automotive gasoline and diesel retailer that was established in 1926. The process that birthed the company started in 1924, when there was the famous *affair Sinclair* Scandal. A US oil company, Sinclair Oil, entered into a 50 year long agreement with the Italian Ministry of National Economy that led to it being issued a permit to conduct oil research in the country.

Had the agreement been upheld, Sinclair and the Italian State would have entered into a joint venture with 40% of the capital coming from the State's property, Sinclair Oil incurring the entire expenditure, and 25% of the profits going to the Italian State. The agreement was, however, controversial because the opposition suspected the government of corruption.

Consequent on the turn of events, the Government of the Kingdom of Italy issued a royal decree on April 3, 1929, which ordered the establishment of Azienda Generale Italiana Petroli (Agip, n.d.). The company was created to conduct all activities involving industry and the commerce of petroleum, also created in form of joint stock companies.

#### 2.4.1.3 Chevron Nigeria Limited (CNL)

Chevron Corporation is an American multinational energy corporation with its headquarters in San Ramon, California, and has active operations in more than 180 countries. The company engages in every aspect of the oil, gas and geothermal energy industries, which also includes exploration and production. Traditionally, Chevron traces its roots to the oil discovery in Pico Canyon, north of Los Angeles. As a result of the discovery, there was a formation of the Pacific Coast Oil Company in 1879, which was Chevron Corporation's oldest predecessor.

Initially, Chevron was known as Standard Oil of California, or SoCal, which was formed in the midst of the antitrust breakup of John D. Rockefeller's Standard Oil Company in 1911. Saudi Arabia granted SoCal a concession in 1933 to find oil, and it was found in 1938. SoCal discovered the world's largest oil field in Saudi Arabia in the early 1950s. In 1984, Standard Oil of California merged with Gulf Oil, which was the largest merger in history as at the time. SoCal divested many of Gulf Oil's operating subsidiaries under the antitrust regulation and sold some Gulf subsidiaries as well as a refinery located in eastern US.

Afterwards, Standard Oil of Californian changed the name to Chevron Corporation. Chevron merged with Texaco in 2001 to form ChevronTexaco. The label was changed back in May 2005 to simply Chevron, after which it merged again with Unocal Corporation in August 9, 2005. Consequent on Unocal Corporation's extensive South East Asian geothermal facilities, Chevron became the biggest supplier of geothermal energy in the planet (Chevron, n.d.).

# 2.4.2 Multinationals and Corporate Social Responsibility

Seitel (2007) observes that more and more organizations are beginning to acknowledge their responsibilities to the community. Those responsibilities include helping to prevent pollution, providing jobs for minorities, enforcing policies that are in the interest of all employees and generally enhancing everyone's quality of life. Hence, social responsibility can be defined as a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on stakeholders such as customers, employees, shareholders, communities, and the environment.

An aspect of corporate social responsibility that has, in recent times, gained attention in academic discuss is community involvement. Bronn (2006) explains that community involvement is all about building a relationship between an organization and its immediate environment.

There are two general descriptions of community, and they are the narrow and the broad descriptions. Carroll & Buchholtz (2000) describe community in terms of the immediate locale of the organization, which includes the town, city or state in which it operates. Cannon (1994), on the other hand, not only equate the

state with the community, but also acknowledges that the community of an organization has been broadened, sometimes to include the region, nation, and even the world. This current study will, however, associate with Carroll and Buchholtz's description of community, since the major focus is the host communities of the oil companies.

Carroll and Buchholtz (2000) opine that firms have positive impact on the community in two major ways. First, they donate the time and talents of their managers and employees for community service, and second, they contribute to the communities financially. Grunig and Hunt (1984), in their early work, define a firm's community activities as either expressive, used to promote itself and show goodwill, or instrumental, used to improve the community or to make working there easier.

Bronn (2006, p. 310) states that the community is often the headquarters of the firm and it "Provides the labour force, suppliers of other raw materials, utilities, and infrastructure, and regulates the activities of the organization." He further explains that the appearance of community involvement in corporate reputation rankings instruments, such as the Reputation Quotient, is an evidence of its recognition as a tool for reputation building. He also observes that some large organizations also have special

communication departments, with the specific responsibility of dealing with community relations.

According to the reports of a Conference Board on senior communications executives (as cited in Argenti & Forman, 2002), over 60% of hundreds of America's largest firms list community relations as part of their responsibilities. Adkins (2000) also reports a study conducted by Business in the Community/Research International (UK) Ltd, in which it was discovered that 3/4 of marketing and community affairs directors dedicate at least a segment of their budget to cause marketing. This involves forming alliances with typically non-profit agencies to market a service, product, or an image for mutual benefit.

McIntosh et al. (1998) (as cited in Bronn, 2006) observes that once a company bases its headquarters in a single city or town, it usually concentrates its community involvement exclusively in that location. He also observes that many contemporary firms have multiple headquarters, and this, therefore, raises the question as to whether community involvement activities accepted in one country would be accepted in others. Considering that this specifically applies to multinationals, it is suggested that, while practicing their corporate social responsibility in the form of community involvement, they should also consider the implication of doing the

same things in all countries in which they operate or make sales, as well as consider accommodating local norms and practices.

Consequently, Gardberg & Fombrum (2006) advice firms that operate in diverse foreign contexts to adopt models of corporate citizenship that would acknowledge their peculiarities. They explain further that the appropriateness of the activities to the local context would determine the effectiveness of the corporate social responsibility initiatives.

## 2.5 PUBLIC RELATIONS AND RELATIONSHIP BUILDING

In recent times, great scholarly focus has shifted to the relationship building aspect of public relations. Ledingham (2008, pp. 243-244) identifies five developments believed to have informed the emersion of the relational perspective as a paradigm for public relations. He enumerates the five developments as:

- The recognition of the need for the field of public relations to focus on relationship rather than the organization, the publics or the communication process.
- 2. The reconceptualization of a management function requiring strategic planning and evaluation.

- The construction of models for organization-stakeholder relationship which includes antecedents, maintenance processes and consequences.
- 4. The distillation of relationship attributes from the literature of interpersonal relationship and allied disciplines.
- The development of organization-stakeholder relationship scales that would enable the measurement of relationship quality.

One of the leading researchers focusing on relationship in public relations is Ferguson (1984), who, as a result of a landmark study previously undertaken, recommends that public relations scholarship should focus on the relationship between the organizations and the publics they interact with. Sallot, Lyon, Acost-Alzaru & Jones (2003, p. 32), following Ferguson, present six reasons for placing relationship at the core of the public relations discipline, and they are:

- The perspective should engender a better understanding of relationships, both to the organization and the public.
   Furthermore, it is assumed that the relationship is the prime issue of concern, rather than the parties involved.
- 2. The perspective should birth, on a macro level, a new method for studying relationship, which includes the units

- of analysis that are different from those used in analyzing communication.
- A domain for research effort should be created, by concentrating public relations scholarship on public relationship, which would guide students of public relations to share similar assumptions and knowledge.
- Consequent on the inclusion of the organization, the public, and communication variables in a relationship model, the stage is set for integrating findings from many relevant disciplines.
- By focusing on the relationship as the unit of analysis, opportunities are provided for scholarship, irrespective of how narrow or broad.
- 6. A perspective such as this has the power to "legitimize" the field in terms of public relations, just as past efforts have done in defining the field in respect to the activities of those who practice it.

Following the identified need to make relationship the core of public relationship, Cutlip, Center & Broom (1985) quickly incorporate it into their public relations text. By this, they set the stage for further scholastic exploration of the relational concept. They also updated their text in 1994, thereby including recent studies of the concept (Cutlip, Center & Broom, 1994).

Also contributing to the existing body of work, Broom & Dozier (1990) suggest a coorientation approach as a means of determining the level of agreement and accuracy between organizations and their publics as indicators of relationship quality. The implication of their suggestion is that the orientation must be bi-directional; it should be pursued both on the part of the organizations and their publics without any assuming the dominance.

Broom & Dozier (1990) further suggest that the level of mutual agreement and accuracy between the two parties can be used as indicators of the quality of their relationship. For this to occur, researchers who would measure the relationships would need to determine levels of agreement between the two parties concerning major issues. They will also need to identify the degree to which an organization and its major publics can accurately predict or anticipate each other's position on those issues.

Ferguson (1984) makes a list of attributes that can be used to measure organization-public relations, and they are (1) their dynamic nature (2) level of openness (3) degree of satisfaction for both parties (4) distribution of power and (5) extent of mutuality of understanding and agreement and consensus. In addition, Grunig,

Grunig & Ehling (1992) suggest two more items to Ferguson's list which include trust and reciprocity.

Grunig (1993) goes further to augment the attributes by making a distinction between what he refers to as symbolic relationships, which are communication driven, and behavioral relationships, which are action-based. He argues that public relations practitioners must be able show that their efforts contribute to the goals of their organizations by helping to build long-term behavioural relationships with strategic public.

According to Ledingham (2008), the review of literature on interpersonal relationships, marketing, psychology and other relevant disciplines revealed 18 relational attributes presented as follows:

Investment, commitment, trust, comfort with relational dialectics, cooperation, mutual goals, interdependence, power imbalance, performance satisfaction, comparison level of alternatives, adaptation, nonretrievable investment, shared technology, summate construct, structural bonds, social bonds, intimacy, and passion (p. 3).

Ledingham further explains that a small-group discussion was organized, which led to the reduction of the 18 attributes to five;

these are- trust, openness, involvement, investment and commitment. He shares the operationalized significance of each of the five attributes by stating that "Trust" implies an organization doing what it says it will do, "Openness" involves sharing the organization's future plans with the publics, "Involvement" means the organization getting involved in the welfare of the community, "Investment" signifies the organization investing in the welfare of the community, and "Commitment" entails the organization being committed to the community's welfare.

Several other scholars have also contributed significantly to the discourse and the effort to expand the frontiers of knowledge in respect to the relational perspective (Huang, 1997; Thomsen, 1997; Broom, Casey & Ritchey, 1997; Grunig & Huang, 2000). Hon & Grunig (1999) develop an organization-public relationship measurement scale with six relational attributes- control mutuality, trust, satisfaction, commitment, exchange relationship and communal relationship.

One of the significant contributions of their scale is that it differentiates between "exchange" relationship and "communal" relationship. While exchange relationship involves one party providing benefits to the other with the expectation of reciprocation, communal relationship involves one party providing

benefits to the other simply out of concern for the other's welfare and without reciprocation in mind. According to Hon & Brunner (2002), the scale has enjoyed widespread application and seems to be emerging as the standard for the field.

Over the years, several scholars have approached the relational concept from the perspective of their particular expertise. Coombs (2000), for instance, capitalizes on the trend to enumerate the benefits of the relational approach in respect to crises. Coombs suggests a research agenda for further study on relationship and crises, and also introduces the idea of "relational history" to existing literature on organization-public relationship.

Also similar to this contribution is the work of Bridges &Nelson (2000), in which the relational perspective is applied to sphere of issue management. They argue that the relational approach should be adopted as a preventative strategy, also claiming that a proactive focus on building and maintaining relationships with both existing and potential publics is the only way issue managers can begin to protect their organizations from unwanted legislation and litigation. Bridges and Nelson (2000) further suggest that "If an organization can identify and work with affected publics to determine and work towards mutual interests and goals, the

organization has a good probability of ending organizational-public conflict," (p. 111).

The relational perspective is particularly applicable to our current study because it provides a way for examining the relationship between the oil companies in the Niger Delta and the oil producing communities. This perspective advocates that relationship should form the core of public relations. Hence, the community relations activities of the oil companies should focus on mutual relationship building, rather than the companies or the communities.

Broom & Dozier's (1990) contribution is invaluable to this study because of their suggestion that the level of agreement and accuracy between an organization and its publics can be used as indicators of the quality of their relationship. The implication of this for our current study is that by determining the level of agreement between the oil companies and the Niger Delta communities on major issues, and by identifying the degree to which both parties can accurately predict each other's positions on the issues, we would be able to determine the quality of relationship they share.

Another important aspect of the relational perspective that applies to this study is Hon & Grunig's (1999) distinctions between

exchange and communal relationships. This dimension will aid our quest to determine the relationship that exists between the companies and communities. To do this, we will find ourselves querying whether the relationship involves the companies providing benefits to the communities with the expectation of a payback, or they are simply providing the benefits out of concern for the communities' welfare. And of course, Coombs' (2000) contribution is also useful for this study considering that our investigation is on the conflicts that are playing out between the oil companies and the host communities in the Niger Delta.

## 2.6 CONFLICT RESOLUTION AND PUBLIC RELATIONS

Conflict resolution has been a part of human experience for centuries. Although this is factual, Burton (1993) argues that it is relatively recent in scholarly discourse. He points out that some scholars interchange "dispute" with "conflict." According to him, settlement refers to the negotiated or arbitrated results of disputes while resolution refers to the result of a conflict situation. Hence, there is "dispute settlement" and "conflict resolution". He, however, goes on to say that though dispute and conflict may refer to different conditions and scope of human relationships, they operate on the same principles and can be used interchangeably.

According to Wilmot & Hocker (1998), there are several modes of intervention and they include facilitation, mediation, counselling and therapy, conciliation, quasi-political procedures, informal tribunals, arbitration of different types and criminal and civil justice systems. In practise, these modes are usually combined for conflict resolution. Otite (2001) states that conflict resolution carries out a healing function in societies. This occurs by providing the opportunity for parties involved to examine alternative pay-offs in the situation. By so doing, normalty is restored to the society thus facilitating discussion. It also places the parties in the conflict in a situation in which they can choose alternative positive means for resolving their differences. Otite further explains that consensus-building, social-bridge reconstructions, and the reenactment of order in the society are achieved through conflict resolution.

The process of conflict resolution focuses on the rebuilding of broken-down relationships, and this falls within the purview of public relations. Public relations practice has become well known in recent times because of the great assistance it offers in crises resolution. Because of the complexities of the world today, it is certain that organizations and people cannot avoid trouble and violence. Wherever there is violence and trouble, wise counsel is required (Seitel, 2007). Conflict is the outcome of unchecked

degeneration in human relationships, and according to Folarin (1998), it evolves in stages; first we have an issue, then it evolves into conflict, and finally into a crisis.

#### 2.6.1 What is an Issue?

Folarin (1998, p. 45) presents the following descriptions of an issue:

- 1) It is a topic or subject matter that is of interest to all or some of the publics of an organization or institution.
- It is a matter or an event that has the potential of far reaching consequences for a public or the publics of an organization or institution.
- It is a topic around which public opinion has crystallized into identifiable characteristics.

Hence, to forestall, or at least minimize the frequency and/or magnitude of crises, it is necessary for issue management to become a routine aspect of public relations practice.

### 2.6.2 Issue Management

Issue management is a term coined in 1976 by Howard Chase (1982) who says:

Issue management is the capacity to understand, mobilize, coordinate, and direct all strategic and policy planning functions, and all public affairs/public relations skills, towards achievement of one objective: meaningful participation in creation of public policy that affects personal and institutional destiny (pp. 1-2).

Baskin, Aronoff & Lattimore (1997) describe issue management as a process that aims at early detection of any problem. It serves as an early warning system for organizations so that they can stand a better chance of shaping public discourse and decision making, rather than reacting to them. They identify the two major goals of the issue management function as early identification of issues that may affect the organization, and taking appropriate measures in order to prevent them from causing grievous consequences for the organization.

The authors, however, observe that the term may be misleading because no one can actually manage issues in a free society. Nevertheless, organizations can manage their own actions and statements as far as public issues are concerned. They can determine what issues to be involved in, as well as when and how to make statements or take action. Like to marketing, issue management involves efforts to manage an organization so that it can interact effectively with its dynamic external environment.

Baskin, Aronoff & Lattimore (1997) also observe that though the issue management aspect of public relations experienced rapid growth in the 1970s and early 1980s, it has been fairly restrained in recent years. The situation was credited to tight corporate budgets, issues requiring organizational change as well as communication, and the lack of interdisciplinary professionals.

Seitel (2007) identifies five steps in issue management:

- Identification of issues that an organization or individual should be concerned about.
- Analysis and delimitation of each issue, taking into consideration its effect on constituent publics.
- Exhibition of various strategic options available to the organization.
- Implementation of action programmes to communicate the organization's views, and to influence the perception on the issue
- Evaluation of the action programmes in terms of reaching organizational goals.

### 2.6.3 Managing a Crisis

The Harvard Business School defines crisis as a situation that has reached a critical stage requiring dramatic and extraordinary intervention to avoid or repair major damage (Long, 2001, as cited in Seitel, 2007). Hence, crisis management includes those methods that are used to respond to the crisis (Ogedengbe, 2005). Managing a crisis may be the first step in resolving same, since it has to be curtailed before a more lasting solution can be considered.

An organization's skill in handling its affairs in the midst of a crisis will affect the way it is perceived by its various publics. Since public relations has been defined as the "Art and social science of analyzing trends, predicting their consequences, counselling organizations' leaders and implementing a planned programme of action, which serves both the organization and the public interest" (Daramola, 2005, p. 12), it becomes obvious that it has a role to play in crisis management.

From the definition given above, public relations analyzes trends by assessing the past records of an organization. If the organization has encountered some level of conflict in the past, or if there are unresolved issues, this will be an indication that the publics of the organization are not satisfied with its activities. By analyzing the precedents of the organization, it would be possible to predict the consequence of the organizational policies. For instance, if the oil companies in the Niger Delta had analysed the trends of their relationship with their host communities, they would have been

able to predict the increase in the violence against them. This is because the subject of the people's agitation in the Niger Delta today is the same as it was ten years ago, though it may have become more profound and diversified.

Another of the very salient attributes of public relations is the ability to mediate. This attribute is particularly valuable in times of conflict when a middle ground has to be found. Because the parties to a conflict are directly involved, it is logical to assume that their objectivity in viewing the issue would be affected. Hence, public relations plays the role of a go-between for the organization and its affected publics.

#### 2.6.4 Community Relations and the Niger Delta Crises

According to Baskin, Aronoff & Lattimore (1997), some sociologists and political scientists have taken the stand that our communities are dissolving in the face of increasing mobility and communication. Nevertheless, the community cannot be declared dead. In recent times, individuals and agencies have begun to pay special attention to the reality of the community. They emphasize that though organizations may be preoccupied by regional, national, and international community relations programmes, they must not forget their immediate communities, i.e. their host communities

Baskin et.al observe that in the 1990s, most organizations began to understand that their community relations efforts must become more organized and proactive. They state that the key to any effective community relations activity is positive and socially responsible action. This will help the community on behalf of the organization. The organization must, at all cost, guard against negative acts and also work to preserve existing relationships. For this to be possible, proactive and positive actions are crucial so that the organization can achieve its goals.

Effective community relations can only be achieved when an organization recognises its interdependence with other institutions. When the management recognises the many ways its organization can impact on the local community and the extent of reciprocal dependence, it will help to establish social balance. The practice of good community relations assists the organization in securing its needs from the community while it also provides what the community expects. Also, it helps to secure the company's investments, increase sales of products, the value of stocks, and improve the general operating climate of business.

It has been erroneously believed by several scholars that the crises in the Niger Delta are beyond what community relations can handle. The view is also held in some quarters that community relations does not address the core problem in the Niger Delta. This view, however, fails to appreciate the essence of community relations. If the oil companies carry out their activities in the interest of the host communities and adhere to quality ethical practices, the conflicts would focus on the government, thereby excluding the companies.

Community relations is not about window dressing; rather, it is about protecting the host community. As Baskin et.al (1997) point out, even the staff of the organization would be productive when proper community relations is carried out. Considering the fact that most of the staff of any organization live in that community, any improper or inconsiderate attitude displayed by the management can endanger their lives, as can be seen in the kidnap cases in the Niger Delta.

#### 2.7 GAP IN THE LITERATURE

There exists several scholarly works on the crisis in the Niger Delta, its causes and possible solutions. Several scholars have also agreed that the conflict is multidimensional (Aaron & Patrick, 2008; Edeogu, 2008), and that it has unquantifiable consequences on the Nigerian nation. Schools of thought have even evolved on the extent to which the crisis can be attributed to the exploration of

oil in the area. While some believe that Niger Delta communities have been excluded from the oil wealth generated from their region, others claim that the protesting youths and women are only pawns in the hands of the privileged class (Ibaba, 2005).

Individuals, groups, the media and even the government have continually called on oil companies to demonstrate a higher degree of social responsibility to their host communities. Some scholars are, however, of the view that oil companies should not be relied upon for development because of their past failures. Aaron (2008) observes that with the huge amount claimed to have been invested by oil companies in their host communities, the level of underdevelopment in those communities, as well as rising incidents of conflicts, a logical conclusion may be drawn that corporate social responsibility (CSR), as practiced by the oil companies in the Niger Delta, is a gross failure.

#### Aaron (2008) notes:

Even a cursory look at the financial records of the major oil companies operating in the Niger Delta region of Nigeria reveals a phenomenal rise in budgetary allocations to community development projects- Shell alone spent \$59 million and paid \$114 million to NDDC in 2006 (p. 268).

He goes further to state that the CSR of the oil companies has neither developed the communities, nor secured the social license of the transnationals (oil companies) to operate. He concludes that it would amount to wishful thinking to expect the oil companies to meaningfully develop the Niger Delta communities since they are for-profit organizations, pursuing by all means possible to achieve their objective of making more profit.

Consequent on the foregoing discussions, some important issues require urgent attention. If on one hand we could accept as a fact that the oil companies actually invested the amount they claimed in their host communities, then it becomes an issue of such serious concern what became of the investments. Were they entrusted into wrong hands? Were they too negligible compared to the developmental challenges? It is obvious at this juncture that this is a question of the strategies involved in relating with the communities.

According to Aaron (2008), Shell spent \$59 million and paid \$114 million to NDDC in 2006, yet there was no visible evidence of the expenses. If these huge amounts, which are somewhat considered to be a fraction of the company's profit, left no trace of their existence, what is the possibility that the entire profit, assuming it was ever possible to be given, would make any difference? On the

other hand, if we say that the figures claimed by the oil companies were mere window dressing, then we cannot claim that CSR has failed because it has not been practised in the first place.

This study focuses on the gap between the communities and the oil companies. It investigates the community relations strategies used by the oil companies to resolves the differences between themselves and their host communities in the Niger Delta. This is important, particularly because a plethora of materials abound on CSR of oil companies, their failures, the motives behind their efforts and even the lack of involvement of the communities in the planning and execution of such projects. However, there is scanty scholarly work on the specific community relations strategies engaged by the oil companies. This study, therefore, presents a holistic picture from both the perspectives of the oil companies and the host communities by examining the oil companies' strategies, what the communities prefer, and how there can be a synergy.

Again, several scholars have worked on the use of community relations, hence, public relations, as a means of conflict resolution (Baskin et.al, 1997; Chase, 1982; Folarin, 1998). It is a consensus among public relations scholars that the best response to conflict is to be prepared. According to Igben (2008), preventive public relations, which is also known as proactive PR, involves taking

action ahead of time. Aliyu & Mohammed (2008) also say that public relations professionals believe that proactive approach to conflict management is the most strategic approach.

The Niger Delta crises are ones in which all the proactive strategies of the oil companies in relation to conflict management have failed. If those strategies have been effective, the conflicts and violence against them would have been envisaged and forestalled, or at the very least, nipped in the bud. Hence, reactive public relations is the most suitable approach to adopt now. This involves adapting existing plans to dynamic situations. Though Aliyu & Mohammed (2008) suggest some public relations strategies that can be used in a crisis situation, they are, however, limited to communication and information management.

This study is aimed at examining and evaluating the actual community relations strategies used by oil companies within the crises context; not just the ones they planned beforehand. Also, a lot of the work that has been done on the Niger Delta and the oil companies have focused more on what the oil companies have done or are expected to do for their host communities (Aaron, 2008; Aaron & Patrick, 2008; Edeogu, 2008). This study will, however, focus on the techniques used in executing those

community relations plans and the communities' perception of them.

#### 2.8 THEORETICAL FRAMEWORK

The significance of theories in shaping this study cannot be overemphasized. Lewin (1958) states that good theories enable researchers to put facts in perspective and to hypothesize what will happen, even before they do happen (as cited in Folarin, 2005). Folarin (2005) also says that theories help researchers to manage reality. Hence, some theories have been selected to provide focus for this study, and they are the Conflict Theory, Situational Theory, and Stakeholder Theory.

#### 2.8.1 Conflict Theory

Conflict theory posits that in a society or an organization, each individual participant and/or group struggles to maximize certain benefits and this inevitably contributes to social change. This change may include political struggles and revolution. The theory focuses on the idea that personal or group's ability has a role to play in exercising influence and control over others in producing social order. Hence, conflict theorists believe that there is a

continual struggle between all different elements of a particular society.

According to Wallace & Wolf (2006), conflict theory evolved as a major alternative to the functionalist approach to analyzing a society's general structure. Ritzer (2003) also observes that apart from the theory's origination in reaction to structural functionalism, it also has other roots that include Marxian theory and works of Georg Simmel on social conflict. Conflict theory provided an alternative to the functionalist approach in the 1950s and 1960s. Although it was superseded by a variety of neo-Marxian theories after the 60s (Ritzer & Goodman, 2004), it has become increasingly popular and relevant in modern sociology (Wallace & Wolf, 2006).

Functionalists consider societies and social institutions as systems in which equilibrium is created through the interdependence of all the parts. They do not deny the existence of conflict; however, they believe that the society evolves means of controlling it. This forms the basis of functionalist analysis. Conflict theorists, on the other hand, perceive the society in a different light. Contrary to functionalists' view of the existence of interdependence and unity in the society, conflict theorists view the society as an arena where

groups contend for power. For conflict to be controlled, one group must be able to, at least temporarily, suppress its rivals. Conflict theory focuses on the shifting balance of power among competitors in the society, rather than the creation of equilibrium through interdependence and cooperation (Wallace & Wolf, 2006).

This Marxist perspective has been specifically applied to international organizations/multinational corporations, which are the focus of this study. According to Pease (2003), Marxists argue that international organizations are products of hegemony. However, traditional Marxists and Gramscian Marxists have two separate notions of hegemony, thereby leading them to different conclusions on the nature of international organizations. While traditional Marxists tend to equate hegemony with military and economic dominance, Gramscian-inspired Marxists claim that it is the relation of consent to political and ideological leadership (Simon, 1982).

Both the traditional and the Gramascian Marxists perspectives can be applied to this study, though in varying degrees. The notion of the traditional Marxists is applicable, more so when we consider that the Multi-national companies (MNCs) actually dominate the economy of the countries (e.g. America and Japan), but particularly the communities, in which they operate. This they do by taking over the means of production of the communities, while the people live on compensations. The oil companies, however, did not dominate the Niger Delta through the use of force, at least at the initial stage. Military force was introduced much later with the rise of vandalism and militancy.

On the other hand, the Gramscian Marxists' argument is also very fundamental to the study. The relevance of their own argument is embedded in the question: "How does the ruling class get subordinate classes to consent to their own domination and exploitation?" (Pease, 2003, p. 79). Pease presents the answer; it is by linking the dominant class' interests to the interests of the subordinate classes. This involves the development of a coherent set of values that transcends both class and national boundaries without compromising the dominant class' position.

According to Saiyou (2006), the initial reaction of the Niger Delta communities to the discovery of oil in their territory was that of joy and anticipation of development. At that initial stage, the goals of the oil companies were linked with those of the communities. However, as the communities began to realize that the goals of the

oil companies were being realized while theirs were abandoned, conflict began to develop.

Marxists believe that MNCs are tools of exploitation and mechanisms of domination that promotes underdevelopment. According to Pease (2003), MNCs seek out states with lax environmental and labour standards under the guise of drive for market efficiency. Many of them locate areas where labour is not represented by unions so as to keep labour cost low. It is obvious that the oil companies in the Niger Delta are taking advantage of the inconsistency of the Nigerian Government to increase their profit. Several deadlines have been set for the termination of gas flaring, yet, it is still being flared. A vast majority of the Niger Delta residents increasingly face child respiratory diseases, asthma, cancer, and premature deaths as a result of the massive flaring (Rizvi, 2005).

From the foregoing, it is obvious that the conflict theory is pivotal to this study. The theory has enabled us to identify the sources and nature of conflicts as well as how they relate to the Niger Delta. Nevertheless, it does not identify the nature and stages of human response to conflicts. Hence, the Situational Theory has been included to cater for these aspects of conflicts.

### 2.8.2 Situational Theory

According to Baskin, Aronoff &Lattimore (1997), the situational theory was proposed by Grunig and Hunt in 1984. It states that a public can be defined or characterized according to the degree of its awareness of the problem confronting it and the extent to which it seeks a solution to it. The theory aims at helping to understand the different component parts of a community and how organizations relate with them at different times.

The situational theory was propounded to explain how and when different types of public can be identified. An active public, as defined by Grunig & Hunt (1984), is one that seeks and processes information concerning an organization or an issue of interest to an organization (cited in Baskin et al, 1997, p. 56). They further identify three variables that determine whether or not an individual is active and when he will seek and process information about an issue.

 Problem recognition: when a person is faced with an issue, he must first become aware of it and recognise the fact that it has the potential to affect him.

- 2. Constraint recognition: this describes how individuals perceive the obstacles in the way of a solution. If they believe that they stand a chance of overcoming the obstacles, they will seek and process information on that issue; in the alternative, they remain passive.
- 3. Level of involvement: this refers to the extent to which an individual cares about an issue. The degree to which he cares will determine his involvement in seeking and processing information about it.

In assessing Niger Delta communities using the steps above, it is crystal clear that they are active publics. Firstly, they recognise that there is a problem, and the problem is that they are both physically and economically disadvantaged (Ibaba, 2005; Alabi, 2008). They also recognise the possible consequences of the problem for them; indeed, they are actually heavily affected ("Children Kidnapped," 2007). Secondly, Niger Delta communities identify both the government and the oil companies as their obstacles in accessing their due share of the oil resources, and they probably believe they can overcome the obstacles through the use of violence. Thirdly, the extent of protest and violence clearly indicates how much they care about the issue.

# 2.8.3 Stakeholder Theory

The concept "Stakeholder" was first used in 1963 in an internal memorandum at the Stanford Research Institute. According to its first usage, stakeholders are groups whose support the organization needs so as to remain in existence. The concept was developed into a theory and championed by Edward Freeman in the 1980s (Freeman & Reed, 1983, p. 89). Freeman and Reed (1983) later write on the comparison between stockholder and stakeholder, and Freeman (1984) provides more details on the theory.

The stakeholder theory states that a corporation has stakeholders who are generally the groups and individuals that benefit from, or are harmed by the corporation's actions. The rights of these parties can either be violated or respected by the corporation (Hartman, 2005). The stakeholder theory identifies the groups and individuals relative to a corporation. It also describes as well as recommends methods by which the interests of each party can be catered for by the management of the corporation (Freeman & Reed, 1983). The stakeholder theory is one of the classical theories in public relations

As Philips (2004) observes, the question of who is and who is not a stakeholder has been discussed for years. Some of the questions that appear relevant to a proper conceptualization here are: Should

stakeholder status be a reserved right for constituencies having close relationship with the organization? Should the status be seen to apply broadly to all groups that can affect or be affected by the organization? Should activists, competitors, natural environment or even the media be classified as stakeholders? In an attempt to answer these questions, Freeman & Reed (1983) explain that the narrow definition only includes the groups that are vital to the survival and success of the organization, while the wide or broad definition accommodates all groups that can affect or be affected by the actions of the corporation.

Still in an attempt to identify who the stakeholders should be, Dougherty (1992) and Ray (1999) classify them into four groups; enabling publics, functional publics, normative publics and diffused publics. Stephens, Malone & Bailey (2005, p. 395) explain that enabling publics provide leadership for the organization and also control the resources that allow it to exist and among them are shareholders, regulatory bodies and boards of directors. The functional publics are those who exchange inputs in an organization for outputs such as the employees, unions, suppliers and customers who provide labour or make use of the organization's products and services. Normative publics are those with shared values or similar problems such as trade unions and professional societies. The last group is referred to as the diffused

publics, which emerge when external consequences result from an organization's activities; these include the media, environmentalists, residents, and the community, among others.

In a later work, Freeman, Winks & Parmar (2004, p. 364) elaborate further on their previous work by stating that the stakeholder theory is managerial in nature because it reflects and directs how managers operate, rather than primarily addressing management theorists and economists. From the analytical point of view, a stakeholder approach provides assistance to managers through the promotion of the analysis of how the corporation fits into its larger environment (Mayer, 2008). It also encourages the evaluation of how the standard operating procedures of the corporation affect stakeholders like employees, managers and investors who are within the company, and customers, suppliers and financiers who are outside the company.

Freeman (as cited in Mayer, 2008) suggests that managers should fill a "Generic stakeholder map" with specific stakeholders. This will help the managers to always keep them in perspective, particularly when making important decisions. He emphasizes that a rational manager will not make a major decision for the organization without first considering its implications on each of the stakeholders. The stakeholder theory posits that every

legitimate person or group involved in the activities of a firm is a stakeholder for the sake of benefits, and that the priority interest of every legitimate stakeholder is not self-evident (Furneaux, 2006).

According to Donaldo & Preston (1995, p.66), the stakeholder theory has the following characteristics:

- The stakeholder theory is descriptive: it offers a model of the corporation.
- It is instrumental: it offers a framework for investigating the links between conventional firm performance and the practice of stakeholder management.
- 3) It is fundamentally normative: although stakeholder theory possesses the above two characteristics, it is more fundamentally normative. Stakeholders are identified by their interests and all stakeholders are considered to be intrinsically valuable.
- 4) It is managerial: it recommends attitudes, structures and practices and requires that simultaneous attention be given to the interest of all legitimate stakeholders.

The existence of an organization depends on its ability to create value and acceptable outcomes for different groups of stakeholders (Jones, 2004). Stakeholders are generally motivated to participate

in an organization if the inducements they receive exceed the value of the contributions they are required to make. Different stakeholders use the organization simultaneously to achieve their goals. It is pertinent to note, however, that the viability of the organization and its ability to accomplish its missions of providing goods and services depends mainly on the contributions of its stakeholders.

There are some counterarguments to those of the stakeholder theory, and prominent among them is the stockholder theory, which was popularized by Milton Friedman (1970). This theory actually existed before the stakeholder theory and was, in fact, the argument that led to the reaction that birthed the stakeholder theory; nevertheless, it remains the premise on which critics of the stakeholder theory base their arguments.

Friedman states that a corporation's only responsibility is to make money and sell products so that people can be hired and paid (Seitel, 2007). Hence, a business has no business in social responsibility (Kiipoye & Patrick, 2008). The stockholder theory argues that corporate involvements in philanthropy distorts the market as well as robs the shareholders of their wealth. He insists that the idea of business having social responsibilities is meaningless, because only people can have such. Since a

corporation is only an artificial person, it may only have artificial responsibilities.

Alexei (2000) agrees with Friedman by stating that it is questionable why firms should be obligated to give something back to those whom much has already been routinely given. He furthers his argument by explaining that contrary to the "enslaved" portrayal of employees, they are usually paid wages and benefits by firms for their labour. Also, customers are not stolen from; rather, they are usually delivered with goods and services in return for the revenue they provide. Firms are not guilty of taking a free ride on public provision; rather, they typically pay taxes and obey the law.

Still, the shareholder theory projects the separation thesis, which begins by assuming that ethics and economics can be clearly and sharply separated (Freeman, Wicks & Parmar 2004, p. 364). This view is supported by Sundaram & Inkpen (2004) who observe that governing a corporation requires purposeful activity, and that any purposeful activity has a goal. According to them, the only appropriate goal for modern corporation managers is maximizing shareholder value. Freeman, Wicks and Parmar, however, object to the single-objective view of the firm which distinguishes the economic from the ethical consequences and values on the ground

that it leads to a parochial theory that cannot fully account for the array of human activities.

Freeman, Wicks & Parmar (2004, p. 364-369) offer three main criticisms of Sundaram & Inkpen (2004, p. 350-363). Firstly, they insist that the stakeholder theory is misrepresented in their article because all views that did not project shareholder maximization were lumped together as part of stakeholder theory. Such views included corporate chartering, unions, consumer interests, care for natural environment, etc. They point out that though the stakeholder theory can be many things, it is wrong to assume that it is everything anti-shareholder. Since shareholders are also stakeholders, bifurcating the world into "shareholder concerns" and "stakeholder concerns" is as illogical as contrasting "apples" and "fruits".

Sundaram and Inkpen argue in favour of the primacy of shareholder value maximization with the following five-point argument (Freeman, Wicks & Parmar, 2004, p. 366):

- The goal of maximizing shareholder value is prostakeholder
- 2) Maximizing shareholder value creates the appropriate incentives for managers to assume entrepreneurial risks.

- 3) Having more than one objective function will make governing difficult, if not impossible.
- 4) It is easier to make shareholders out of stakeholders than vice versa.
- 5) In the event of a breach of contract or trust, stakeholders, compared with shareholders, have protection (or can seek remedies) through contracts and the legal system.

Secondly, Freeman, Wicks & Parmar (2004, p. 366) criticise the five points with five counter arguments as follows:

- 1) The stakeholder theory is decidedly pro-shareholder: values are created for shareholders when they are created for stakeholders. When managers create products and services that customers are willing to buy, when jobs are offered that employees are willing to fill, when relationships are extended that suppliers are eager to have, and when behaving as good citizens of the community, values are being created for shareholders. It is not necessary to posit the two theories as opposed.
- 2) The stakeholder theory offers the correct way to think about entrepreneurial risks: according to Venkertaraman (2002) as cited in Freeman, Wicks & Parmar (2004), a stakeholder approach enables us to develop a more robust entrepreneurial theory in which the role of entrepreneurial

risk is better understood. In practice, as opposed to the world of economic journals, there are often collaborations between managers and stakeholder groups such as customers and suppliers to test new products and services. In fact, customers and suppliers accept some inherent risks in the development of new ideas, products and services.

- 3) Having one objective function makes governance and management difficult: having a single function, according to Sundaram & Inkpen (2004), makes the tasks of managers easier simply because it cuts through confusing claims and potential responsibilities accorded managers. The only responsibility of managers is to make money for shareholders. Freeman, Wicks & Parmar (2004), however, insist that though convenient for managers, the view distorts reality and encourages a worldview in which managers exempt themselves from being moral agents who are responsible to a wide array of groups for their actions.
- 4) It is easier to make stakeholders out of shareholders: this point is considered obvious since shareholders are already stakeholders.
- 5) Stakeholders have remedies that shareholders do not have: it is erroneous to focus on the derivative suits by shareholders as the only means by which shareholders can be protected. Since the desired condition is for value

creation and trade to be self-sustaining (so that parties to the contract can pay the cost of safeguarding that contract, rather than impose it externally on others), the stakeholder approach is the only move of conceptualization.

Lastly, Freeman, Wicks and Parmar (2004, p. 368) close their argument by noting that the impression the shareholder ideologists strive to create is that economic freedom, and therefore, political freedom, are threatened by the stakeholder theory. They insist that this view is fallacious. According to them, "Seeing business as the creation of value for stakeholders and the trading of that value with free consenting adults, is to think about a society where each has freedom compatible with a like liberty for all," (Freeman, Wicks & Parmar, 2004, p. 368). Value creation and trade are complimentary. Hence, the idea of economic and political freedom being separable should be jettisoned.

The stakeholder theory has been applied to several studies. One of the major studies in this category is "Communication with stakeholders during a crisis: Evaluating message strategies," conducted by Stephens, Malone & Baily (2005, p. 390-419). The study explores message strategies used by organizations in dealing with crises involving technical details. While applying the theory, the authors explain that the nature of the relationship existing

between the stakeholders and the organization is a major factor in shaping the response of stakeholders to pressure.

Stephens, Malone & Baily (2005, p. 395) observe that the purpose of communication during crisis is to influence the perception of the public towards the organization as well as to maintain a positive image among stakeholders. It can also be used to restore the company's image in case it has already been damaged among stakeholders. The authors made use of literature to develop an integrative coding scheme and a parallel set of strategies, which they referred to as technical translation message strategies. Content analysis was adopted for the study and 154 accounts representing 10 different technical crises were analyzed.

From the findings of the study, it was suggested that different crisis-message strategies were used in communicating with different stakeholders. It was also discovered that when technical details were discussed, "Organizations rarely go beyond an attempt to directly state the technical facts with little or no explanation provided to the stakeholders" (Stephens, Malone & Baily (2005, p. 1).

Consequent on the arguments in favour of the stakeholder theory and its application in studies such as the one presented above, the theory has been adopted for this work. The stakeholder theory is considered appropriate for this study because of its managerial nature. It alerts the corporation to the existence of an array of parties that it is responsible to. In the context of this study, this theory helps oil companies in the Niger Delta to become aware of the fact that there are several individuals and groups that are affected by their actions. Prominent among these parties are the host communities. The host communities are considered to be among the most important stakeholders of the oil companies, because they are physically connected to the companies.

Stephens, Malone & Bailey (2005, p. 393) explain that one of the effective ways to describe the behaviour of organizations is to adequately take into consideration the nature of their relationship with their stakeholders. Hence, the stakeholder theory will enable us to describe the behaviour of Shell, Chevron and Agip after we have evaluated the nature of their relationship with their host communities in the Niger Delta. A cordial or not cordial relationship with the Niger Delta communities will, therefore, give us a picture of how well or badly the selected oil companies have behaved.

Stephens, Malone and Bailey (2005, p. 394) further observe that the management of an organization may consider one stakeholder to be inconsequential one day, and the next day realises that the same stakeholder demands its total attention. This is described by Mitchell, Agel & Wood (1997) as stakeholder salience, which they suggest can shift from time to time.

The implication of this for our current study is that there is a possibility that the oil companies once considered their host communities inconsequential, and thereby failed to give them due attention. The one sided relationship then resulted into protests and conflicts, which in turn upgraded the communities to become the oil companies' most important stakeholders. Following Stephens, Malone & Bailey's (2005) explanation of the four categories of stakeholders, that the victims may join the functional publics during crises, it can be said that the conflicts in the Niger Delta have engendered the elevation of the communities from the diffused publics of the oil companies to their functional publics.

Stakeholder theory also provides a robust approach to corporate responsibility, unlike the shareholder theory, that parochially considers only the shareholders as worthy of attention. This helps oil companies in the Niger Delta to realize that by creating values for their host communities, they are creating values for their shareholders. This cannot be better emphasized than by the fact that their outputs have been greatly reduced due to the crises in the

area. If by ignoring their host communities they intended to make more money for their shareholders, it is quite obvious that they have achieved the opposite. The companies definitely have more losses, such as vandalized pipelines and installations, than gains.

Again, by using the stakeholder approach, it will be realized that there is no basis for enmity between shareholders and stakeholders, since the former is a part of the latter. Shareholders should work in the interest of stakeholders because there, their interests will be protected. If, for instance, Shell is ejected from the Niger Delta due to bad community relations, it will surely affect the investments of shareholders. Shareholders should, therefore, pressurize oil companies to become more responsible.

After the execution of Ken Saro-Wiwa in 1995, private investors dumped Shell's shares in Britain in a bid to force the company out of Nigeria. This move was, however, defeated because ironically, the company gained the support of large institutional investors, causing the share price to continue to rise ("Private Investors Dump Shell," 1995).

It is probable that, had the whole shareholder body realized their shared values with the host communities, Shell would have at least been forced to be more responsible. Thirteen years after that incident, it is very clear that the oil companies have still not learnt any lesson.

# CHAPTER THREE METHOD OF RESEARCH

#### 3.1 INTRODUCTION

This chapter presents the method used for this study. It comprises the description of the research design, study population and the techniques used to select the sample. The chapter also provides information on data gathering and analysis.

# 3.2 STUDY DESIGN

This study adopted triangulation, that is, the use of focus group discussion, key informant interview and survey. Hence, both the qualitative and the quantitative research methods were used for a clearer understanding of the research problem (Wimmer & Dominic, 2003, p. 108). The rationale for using the qualitative method was based on three important characteristics as highlighted by Wimmer & Dominic (2003). According to these authors, a qualitative research is an interpretative study which allows each observer to create reality as part of the research process, which believes in the fundamental difference in human beings and strives for the depth of the study rather than the breadth of it.

This study investigated the nature of the current community relations of the selected oil companies used for conflict resolution in the Niger Delta, the strategies employed, variations in techniques, shortcomings and possible strategic improvements. Hence, this method is appropriate for investigating the questions raised in the study. The focus group discussion and key informant interviews were the qualitative research designs adopted for this study. These designs enabled the gathering of qualitative data that explored the depth of community relations and conflict resolution in the selected communities in the Niger Delta.

The quantitative research method, on the other hand, was used in this study to complement the qualitative data generated. This became necessary due to the shortcoming of qualitative data in terms of generalization. Hence, quantitative method, due to its attribute of sampling the opinion of a large number of people on specific subjects, was adopted for its capacity to be generalized. Also, since one of the objectives of this study is to examine the host communities' perception of the community relations strategies of the oil companies, the quantitative research method will ensure a representative sample. The quantitative research design adopted for this study was the survey.

# 3.3 STUDY POPULATION

The population for this study comprised the corporate affairs units of oil companies in the Niger Delta and the indigenes of Omoku and Obrikom communities in Rivers State and Eruemukohwarien, Tisun and Kolokolo communities in Delta State.

Three major oil companies in Delta and Rivers States were selected- Shell, Chevron and Agip. The oil companies were selected firstly because of their scale of operations in the Niger Delta, particularly in the selected states, and secondly, because they had varying records of attacks during crises (Aaron, 2008). Consequently, they were considered suitable for the purpose of examining their different community relations strategies. Shell Petroleum Development Company (SPDC) is the subsidiary of Royal Dutch Shell, a British/Dutch company, and it operates in Nigeria. Agip, also known as the Nigerian Agip Oil Company Limited (NAOC), is an Italian company which operates in Nigeria, and Chevron is an American company which operates in Nigeria under the joint venture name, Chevron Nigeria Limited (CNL).

The corporate affairs units of Shell, Chevron and Agip were selected as part of the population because they directly represented the companies with their host communities. They also executed and coordinated all the community relations strategies for the companies. Hence, they were considered the most appropriate representatives of the oil companies to provide the information needed for this study.

Eruemukohwarien, Tisun and Kolokolo communities in Delta State, and Obrikom and Omoku communities in Rivers State were selected because they are oil producing communities. Though the population had heterogeneous characteristics in terms of age, education and socio-economic status, it still had some common denominators such as geographical location, host to oil companies and low level of development.

# 3.4 SAMPLE SIZE

For the quantitative aspect of this study, a survey was carried out in the five selected communities in Delta and Rivers states in the Niger Delta. The sample size was 595 consisting 182 respondents from Eruemukohwarien, 22 from Tisun, 36 from Kolokolo, 283 from Omoku and 72 from Obrikom communities. The sample size for this study was informed by the population of the communities used for this study.

The population figure obtained before this study showed that the population in Tisun was 3,415, Kolokolo was 5, 966, Eruemukohwarien was 5, 265, Obrikom was 5, 316 and Omoku was 33, 962. Based on those figures, 200 respondents were

proposed for Tisun, Kolokolo, Eruemukohwarien and Obrikom, while 300 were proposed for Omoku. It was, however, discovered on the field that the population resident in Tisun and Kolokolo were 38 and 45 respectively. Hence, the copies of the questionnaire distributed were reduced. In Eruemukohwarien, Obrikom and Omoku, the samples selected were affected by the willingness of respondents to participate in the study because of its sensitive nature. Nevertheless, the fidelity of this study was ensured by the random selection of the respondents to ensure the representation of the communities.

Nine focus groups were constituted for this study. Four groups were constituted in Eruemukohwarien: Elders group (6 participants), women's group (7 participants), youths' group (8 participants, ages 20-35 years) and young girls' group (6 participants, ages 16-25 years). In Tisun community, only one group was constituted because of the low population, and it was the men's group (7 participants). The women were, however, not available for the focus group discussion (FGD). In Kolokolo, two groups were constituted: Youths/men's group (7 participants), and women's group (8 participants). Only one group each was constituted in Omoku and Obrikom because of their internal political issues. The youths were restrained from participating and the women were also not available. Hence, the elders' group was

constituted in both communities (8 participants in Obrikom and 11 participants in Omoku).

Therefore, a total of 68 discussants participated in this study. As can be seen, the numbers of discussants that constituted the groups vary. The standard number adopted for this study was eight, but in cases where the target could not be achieved, six was made the minimum. The exception in the case of Omoku (11 participants) was because the interview was granted after an elders' meeting. Hence, all those present participated in the FGD.

Key informant interview was conducted with one Corporate Affairs/Public Relations representative of Shell and Chevron, while Agip's representative was not available to be interviewed. In Eruemukohwarien, two elders, women leader and a youth leader were interviewed. In Tisun and Kolokolo, the oldest men in each community, as well as the secretary of the Trust that represents both communities were interviewed. Two youth leaders and the Eze-ogba Nwadei Ogbuehi in Omoku were interviewed. Finally in Obrikom, the Regent and the women leader were interviewed. This makes a total of 14 interviewees for this study.

# 3.5 SAMPLING TECHNIQUE

This study made use of three sampling techniques and they were simple random sampling, systematic random sampling and purposive sampling techniques. Each of the techniques was used because of its attributes and the nature of the samples required from the population.

Simple random sampling was used to select the communities studied. All the elements of each population were written on pieces of paper, rolled up and put in a container. The samples required were randomly selected from that container, thereby using the simple random sampling without replacement. Shell's operations in the Niger Delta are classified into Eastern area of operation (Akwa Ibom, Cross River and Rivers States), Central area of operation (Bayelsa) and Western area of operation (Delta and Edo States). Western area was randomly selected for this study and Delta state was selected. Of the local government areas hosting Shell operations, Ughelli North was randomly selected. Eruemukohwarien and Afiesere were also randomly selected, but Afiesere had to be dropped because of the volatile condition in the Niger Delta.

Chevron established an Itsekiri Rural Development Council that was made up of 23 Itsekiri communities within five oil fields of its

operations. The five fields are Abiteye, Dibi, Escravos, Ughoegungun and Olero. Dibi oil field was randomly selected and of the six communities in that category, Tisun and Kolokolo communities in Delta State were selected. Agip also had its operations in Bayelsa, Delta and Rivers states. After randomly selecting Rivers State, Obiafu/Obrikom oil location was selected in Ogba/Egbema/Ndoni Local Government Area. Afterwards, Omoku and Obrikom communities were finally selected.

Systematic random sampling was used to select the individual respondent. In each of the communities, a starting point was randomly selected and the respondents were chosen according to a selected sampling interval. Wimmer and Dominick (2003, p. 91) explain that systematic random sampling is similar in some ways to simple random sampling but it saves more time, resources and efforts. They observe that systematic samples are frequently used in mass media research and that, "since the procedure so closely resembles a simple random sample, many researchers consider systematic sampling to be as effective as the random procedure," (Wimmer and Dominick, 2003, p. 91).

The FGD and key informant interview participants were purposively selected. This technique provided the researcher with the opportunity to select the respondents who were considered

exposed to the situation enough to provide the needed information. Dawson, Manderson & Tallo (1993) state that it may be foolish to use random sampling in this context since some of the samples that would be obtained may not be fit to discuss the required subject.

# 3.6 INSTRUMENT OF DATA COLLECTION

This study made use of the focus group discussion, key informant interview and survey designs. The instrument that was used to gather data for the focus group discussion was the question guide, also known as the question line. The question guide was designed by the researcher and it had three basic parts (See appendix 4). The first part was the face-sheet. This page was used to record factual information such as time, date, and place of discussion. It also contained the demographic information of the discussants. The second part contained the actual questions that were asked and the last part of the guide is the post-interview comment sheet. This sheet was used for notes after the discussion. Here, details of the researcher's feelings, interpretations and other comments were documented. The focus group discussion sessions were conducted by the researcher with the aid of interpreters where necessary.

Data from the in-depth interview were gathered through the use of two interview guides; one for the representatives of the oil companies and another for members of the host communities. The guides were constructed by the researcher and they contained lists of questions that were asked from the interviewee. The questions were simple and flexible; therefore, they encouraged in-depth responses. Only a few questions were asked so as to give adequate time for responses. There were two different interview guides, one for the Public Relations Officers of the oil companies (See appendix 2) and one for selected members of the communities (See appendix 3). For both the focus group discussions and in-depth interviews, a digital audio recorder was used for data gathering, hence, increasing the fidelity of the information gathered. The interview sessions were conducted by the researcher with the aid of interpreters where necessary.

A 22 item questionnaire was designed by the researcher for the survey (See appendix 1). It contained demographic questions, which elicited basic information from the respondents, such as their ages, sex and other details about their communities. It also contained questions on the relationship between the respondents' communities and the oil companies, and questions related to their perception of the community relations strategies of the companies. Copies of the questionnaire were administered by the researcher and research assistants.

#### 3.7 MEASURABLE VARIABLES

This section presents the major dependent variables that were measured in this study. The variables are presented below:

- Frequency of conflict occurrence in the Niger Delta involving Shell, Agip and Chevron: both quantitative and qualitative data were generated to measure this variable. Copies of the questionnaire retrieved were analyzed using simple percentage. The focus group discussion and interview data were analysed through the creation of themes and interpretation.
- 2. Consequences of Niger Delta conflicts on host communities and oil companies: to measure this variable, interviews were conducted in the selected oil companies, while focus group discussions, interviews and survey were conducted among the host communities.
- 3. Community relations strategies adopted by Shell, Agip and Chevron to avoid/resolve conflict: interview was used to find out the companies' unique strategies while survey was used to investigate the communities' point of view.
- 4. Structural differences in the community relations strategies adopted by the selected oil companies: to measure this variable, interviews were conducted in the selected oil companies.

- 5. Host communities' perception of oil companies' community relations strategies: to measure this variable, survey was adopted. Likert Scale was used for adequate measurement of perception.
- 6. Host communities' preference of oil companies' strategies: interview was used to find out what the oil companies believed the communities preferred while survey, focus group discussion and interview were used to find out what the communities actually preferred.

# 3.8 DATA MANAGEMENT AND ANALYSIS

The notes taken during the focus group discussion sessions were developed and data were transcribed. The data generated were carefully considered. The responses were categorized according to themes and similarities. Codes were generated for each category and a code book was kept for proper documentation. A log book was also created in which all the categorized responses from all the focus groups were entered according to topics of interest. The presentation of the results included the statement of the findings, diagrammatic representation of findings and the discussion of the various perspectives elicited in the study. For the in-depth interview, the tapes were also transcribed, thereby creating the written text of the interview. Information gathered were grouped based on themes, commonalities, and patterns. After this had been

done, the results were presented and discussed. As for the data generated through the questionnaire, they were analyzed using percentages and presented using simple frequency and cross tabulation.

# 3.9 RELIABILITY

According to Sobowale (2008), a researcher must subject the instrument/questionnaire to a pretest before sending it to the field, to ensure that it is good enough. Hence, the research instrument for this study was pre-tested to ensure that it measured what it set out to measure and to quickly identify the difficulties the respondents might encounter in understanding the questions. The pre-test was conducted in Eruemukohwarien, one of the communities used for this study. After the responses were returned, they were evaluated and it was discovered that the questions were clear and the responses were consistent.

To further ensure the standardization of the instrument, particularly for measuring perception, the Likert scale measurement responses were adapted for this study. This was based on the existing statistical proof that Likert scale is adequate for measuring the degree of responses particularly with respect to studies aimed at measuring perception (Wilmer & Dominic, 2003).

Also, the reliability of the instrument was confirmed by calculating the internal consistency reliability using two methods; split half and Cronbach's Alpha. The split half yielded a coefficient of 0.692 while the Cronbach's Alpha yielded a coefficient of 0.79. The research instrument was administered once on forty (40) respondents in Eruemukohwarien.

# 3.10 VALIDITY

Efforts were made to ensure the content validity of the questionnaire by dividing the variables into specific themes that the respondents could easily relate to. Multiple choices were provided and the option for the respondents to suggest their answers was also provided to ensure that the fullest possible data were generated.

Expert scrutiny was also employed to ensure the validity of the instrument. An expert each from the fields of Mass Communication, Sociology and Psychology scrutinized the instrument and they agreed that it possessed content validity.

# CHAPTER FOUR DATA ANALYSIS AND DISCUSSION

# 4.1 INTRODUCTION

In this chapter, the results derived from the investigation are presented. The first part of the results is based on the 595 copies of the questionnaire that were distributed, properly filled and retrieved from Eruemukohwarien, Tisun and Kolokolo communities in Delta State and Omoku and Obrikom communities in Rivers State. The second part of the results is based on the Focus Group Discussions (FGD) and the Key Informant Interviews (KII) that were conducted, while the third section of the chapter presents the discussion of both the quantitative and qualitative data.

# 4.2 QUANTITATIVE DATA ANALYSIS

This section contains data presentation and analyses of the finding from the survey conducted. Firstly, the socio-demographic profile of the respondents are provided, followed by data on conflict occurrences in the communities, the oil companies involved and a general description of the relationship between both parties. The section ends with a measurement of host communities' perceptions of different aspects of their relationships with oil companies.

TABLE 4.1 COMMUNITY DISTRIBUTION OF RESPONDENTS

COMMUNITY	PERCENT		
Eruemukohwarien	30.6		
Tisun	3.7		
Kolokolo	6.1		
Omoku	47.6		
Obrikom	12.0		
TOTAL	100%		
n	595		

As already stated, this study was carried out in five Niger Delta communities. The community distribution of the respondents reveals that the largest percentage came from Omoku, followed by Eruemukohwarien, Obrikom, Kolokolo and Tisun (Table 4.1). The relatively low percentages from Tisun and Kolokolo communities were due to the Itsekiri-Ijaw crises that occurred in 2004, which

compelled most of the indigenes to relocate to urban centres for security reasons.

TABLE 4.2
AGE AND GENDER DISTRIBUTION OF RESPONDENTS

AGE	GENDER		
	MALE	FEMALE	
20-35	63.5%	82.8%	
36-50	31.1	14.6	
51-65	5.1	1.9	
66+	0.3	0.7	
Total n	100% 334	100% 261	

Table 4.2 shows the distribution of both male and female respondents by age. It reveals that majority of the respondents from both gender fell within the age category of 20-35. It also shows us that there were more female respondents (82.8%) within this age category than there were males (63.5%). A closer look at the table also reveals that there is an inverse relationship between the age categories and the number of respondents within them. Hence, the higher the age ranges, the lesser the percentage of respondents. This observation is true for both the female and male

categories, though again, more females (0.7%) than males (0.3%) fell into the final category of ages 66 and above.

TABLE 4.3
AGE DISTRIBUTION OF RESPONDENTS BY COMMUNITIES

Age	Name of Community				
	Eruemukohwarien	Tisun	Kolokolo	Omoku	Obrikom
20-35	52.7%	40.9%	72.2%	84.5%	80.6%
36-50	40.1	40.9	27.8	13.4	16.7
51-65	7.2	13.8	.0	1.8	2.4
66+	.0	.4	.0	.3	.3
Total	100%	100%	100%	100%	100%
n	182	22	36	283	72

Table 4.3 provides a follow up to Table 4.2 by showing the respondents' age distribution according to their communities. As can be seen, majority of the respondents from each of the five communities fell within the 20-35 age range. Considering that the youths were the most active participants in the Niger Delta crises, particularly in terms of restiveness and militancy, it is not surprising that they had the highest representation in this study. This may be due to their activeness and readiness to express themselves, or their realization that they had more at stake than their aged leaders.

TABLE 4.4
GENDER DISTRIBUTION OF RESPONDENTS ACCORDING TO THE
COMMUNITIES

Gender	Communities  Eruemukohwarien Tisun Kolokolo Omoku Obrikom					
Male	65.9%	63.6%	72.2%	47.7%	54.2%	
Female	34.1	36.4	27.8	52.3	45.8	
Total	100%	100%	100%	100%	100%	
n	182	22	36	283	72	

In the table above, it can be seen that more males participated in this study than their female counterparts, except in Omoku. A possible explanation for this may be found in the educational level of the communities, as presented in Table 4.5 below. Omoku appears to be the most educated of the five communities, followed by Obrikom. It is interesting to note that female participation in this study also followed the same progression. Hence, we can safely conclude that the more educated the communities were, the more willing the females were to express their views.

TABLE 4.5
EDUCATIONAL STATUS OF RESPONDENTS

	Communities				
Education	Eruemukohwarie		Kolokol	Omok	Obriko
	n	Tisun	0	u	m
SSCE or less	95.6%	95.5	86.1%	42.0%	68.1%
		%			
HND/Degre	3.4	4.5	13.9	51.6	29.1
e					
MSc/MA	0.5	0	0	5.7	1.4
Ph.D	0.5	0	0	0.7	1.4
Total	100%	100%	100%	100%	100%
n	182	22	36	283	72

Table 4.5 shows the educational distribution of the respondents according to their communities. A general look at the table reveals that though Obrikom had the highest percentage of Ph.D (1.4%), Omoku appears to be a more educated community than the others. This is because 58% of its respondents had HND/Degree and above, as against the 31.9% of Obrikom, 13.9% of Kolokolo, 4.5% of Tisun and 4.4% of Eruemukohwarien. It is also ironic that while the second largest percentage of respondents came from Eruemukohwarien, majority of them had SSCE or less. It is even more ironic considering that Eruemukohwarien is located on the mainland, between Ughelli and Warri in Delta State, with both cities being urban centres, while Tisun is located in the creeks with no single school in the community.

TABLE 4.6
OIL COMPANIES' CHANNELS FOR RELATING WITH
COMMUNITIES

Channels for Relating with	Resident oil company		
the Community	Shell	Agip	Chevron
Royal fathers only	3.1%	25%	7.7%
Elders only	32.0	2.1	6.2
Family heads only	4.1	3.0	3.1
Youths only	43.2	8.6	12.2
All levels above	8.8	58.6	70.8
No level at all	8.8	2.7	0
Total	100%	100%	100%
n	194	336	65

The result in Table 4.6 shows that of the three oil companies, Agip related more with the communities through the royal fathers, Shell related more through the elders, family heads and youths and Chevron generally favoured a combination of the four channels. It can be observed that on a general level, none of the three companies was particularly disposed towards the use of family heads as a channel for relating with the communities.

TABLE 4.7
RESPONDENTS' ACKNOWLEDGEMENT OF CONFLICTS
OCCURRENCES IN THEIR COMMUNITIES

Any conflict	Name of Community					
in your community?	Eruemukohwarien	Tisun	Kolokolo	Omoku	Obrikom	
Yes	95.6%	4.5%	66.7%	78.0%	90.3%	
No	4.4	95.5	33.3	21.6	9.7	
Total n	100% 182	100% 22	100% 36	100% 283	100% 72	

Conflicts may occur when there is incompatibility between the goals, objectives or values of the oil companies and host communities in the Niger Delta. The result in Table 4.7 shows that the highest percentage of conflict acknowledgement came from Eruemukohwarien, while the lowest was from Tisun. It is not surprising that Eruemukohwarien returned such a high percentage because a conflict occurred in the community about a year before this study was conducted. Members of the community demanded that their road network should be repaired by Shell but there was no response from the company. Hence, a demonstration was staged during which the operations of Shell in the community were shut down. A year after the incident, the cause of the conflict was yet to be addressed. Hence, the issue was of current relevance in the community. Tisun, on the other hand, claimed to be a peaceful community and this reflected in the respondents' acknowledgement of conflicts.

TABLE 4.8
RESPONDENTS' ASSESSMENT OF THE FREQUENCY OF
CONFLICTS IN THEIR COMMUNITIES

Frequency of conflict in communities	Communities				
	Eruemukohwarien	Kolokolo	Omoku	Obrikom	
Rarely	90.7%	100.0%	64.8%	46.5%	
Often	6.6	0	22.1	42.3	
Very often	2.7	0	13.1	11.2	
Total n	100% 182	100% 29	100% 267	100% 71	

A look at table 4.8 reveals that conflicts rarely occurred in the five communities. Tisun was not represented in the table because only one individual responded to the question and his view could not be taken to be the representation of the community. The lack of response in Tisun was expected, however, because majority of the respondents had earlier claimed ignorance of any conflict in their community.

The information on this table, as far as the other communities are concerned, nevertheless, contradicts that of Table 4.7. In explaining this contradiction, the respondents claimed that though they had experienced some conflicts in their communities, violence was rare. Hence, it appears that conflict in this context was

interpreted to mean crisis. Considering that a crisis is a situation that degenerates into a critical stage in which extraordinary intervention is needed to remedy, it becomes understandable that majority of the respondents claimed its rarity. Therefore, while the communities were familiar with conflicts, they rarely experienced crises.

TABLE 4.9
RESPONDENTS' ACKNOWLEDGEMENT OF CONFLICTS IN THEIR
COMMUNITIES AND THE OIL COMPANIES INVOLVED

Conflict in the communities	R	esident oil compa	chevron
Yes	93.8%	81.8%	44.6%
No	6.2	18.2	55.4
Total n	100% 194	100% 336	100% 65

Table 4.9 above presents the respondents' views on the occurrence of conflicts in their communities and the oil companies involved. The finding reveals that more respondents identified Shell as being involved in more conflicts in their communities than the other two companies. Considering that Shell has the largest operations in the Niger Delta, the company is likely to be more involved in conflict

situations than the others. On the other hand, Chevron's operations are mostly restricted to the Itsekiri communities, leading to the fewer acknowledgements of conflict involvements. This table agrees with the finding in Table 4.7, which further shows that the responses provided in Table 4.8 were referring to crisis rather than conflict.

TABLE 4.10
OIL COMPANIES' CHANNELS OF CONFLICT RESOLUTION

	Resident oil company		
Channels of Conflict Resolution	Shell	Agip	Chevron
Elders	5.7%	54.7%	13.2%
Youths	5.7	30.1	13.2
Government	51.5	7.5	60.5
Consultants	37.1	7.8	13.2
Total	100%	100%	100%
n	194	322	28

The most preferred channel of conflict resolution by Agip was through community elders and youths while Chevron and Shell preferred external channels i.e. the government and consultants (Table 4.10). By identifying with its host community, Agip tended to avoid a tripartite approach in resolving conflict with its host communities. The approach may explain why the degree of

conflict between Agip and its host communities was less than Shell's but more than Chevron's (Table 4.9) that favoured a relatively higher use of the channels (Table 4.10).

TABLE 4.11
RESPONDENTS' PERCEPTION OF THEIR COMMUNITIES' RELATIONSHIP WITH THE OIL COMPANIES

	Resident oil company		
Community's Relationship with Oil Company	Shell	Agip	Chevron
Cordial	6.2%	39.3%	15.4%
Neutral	5.7	39.0	9.2
Not cordial	88.1	21.7	75.4
Total n	100% 194	100% 336	100% 65

Table 4.11 above shows that more respondents believed that Agip enjoyed a cordial relationship with their communities than those who believed the same for Chevron and Shell. Agip equally returned a higher percentage among those who were neutral. This might mean that they did not have any serious complaint against the company; otherwise, they would have taken a stand. Nevertheless, a contradiction exists between the positive ratings of

the company in this table and the percentage of respondents who acknowledged its involvement in the conflicts in their communities (see Table 4.9).

The answer to this may lie in the channels Agip adopted for conflict resolution (see table 4.10). Considering that the company was perceived as favouring internal community structures over external ones for resolving conflicts, it is understandable that Agip would enjoy a cordial relationship with the communities. Ordinarily, it is a paradox to describe the relationship Agip shared with its host communities as cordial while more than three-quarter of the respondents also acknowledged its involvement in conflicts. Nevertheless, a cordial relationship is not necessarily one that is void of conflicts, but one in which avenues are made for proper mitigation. A look at Tables 4.12 and 4.17 shows that Agip communicated more frequently with its host communities and the communities were more satisfied with its conflict resolution efforts. Hence, in spite of Agip's involvement in conflicts, its efforts to mitigate them helped to maintain its cordial relationship with the host communities

Shell, on the other hand, had a larger percentage of respondents who said it did not enjoy a cordial relationship with their communities. This result is consistent with the finding in Table 4.9. Also, Shell's perceived preference for external assistance during conflict resolution might have influenced the respondents' opinion about their communities' relationship with the company.

Chevron also returned a predominantly negative perception of its relationship with the communities. This result contradicts the finding in Table 4.9. While the table presents Chevron as having the least claim of conflict involvement, the current table shows that more than three-quarters of the respondents believed that it did not enjoy a cordial relationship with their communities. This, again, may be associated with the company's adopted channels for conflict resolution.

It appears, therefore, that Agip had a more cordial relationship with the communities than Shell and Chevron, while Shell had the least cordial relationship of the three. In general, the communities perceived their relationships with Shell and Chevron far less cordial.

TABLE 4.12
RESPONDENTS' PERCEPTION OF THE FREQUENCY OF OIL COMPANIES' COMMUNICATION WITH COMMUNITIES

	Resident oil company		
Frequency of Company- Community Communication	Shell	Agip	Chevron
Never	2.6%	4.2%	73.8%
Once in a while	89.7	55.7	18.5
Often	7.7	40.2	7.7
Total n	100% 194	100% 336	100% 65

The role of communication in building a mutual relationship between oil companies and host communities cannot be overemphasized. Communication can be simply described as the exchange of relevant information between the parties involved. Table 4.12 reveals that of the three oil companies under study, more respondents believed that Chevron never communicated with their communities. Considering the importance of communication in any relationship, particularly one that is channelled towards conflict resolution, it is not surprising that majority of the respondents claimed that Chevron did not enjoy a cordial relationship with their communities. Idemudia (2007, p. 380) observes that a poor communication flow between host communities and oil companies "Creates huge latitude for

misinterpretation and misinformation." This, therefore, explains the frequent conflicts between the Niger Delta youths and the oil companies.

Shell returned the highest percentage among the respondents who claimed it communicated once in a while with their communities. Shell's inability to commit to frequent communication with the communities was probably one of the factors responsible for the frequent attacks on the company. This result may be one of the factors responsible for the company's level of involvement in conflicts with host communities (Table 4.9) and the lack of cordial relationship with them (Table 4.11).

Also, a higher percentage of the respondents believed that Agip communicated often with their communities. This result is consistent with the findings so far in this study. No doubt that the company' communication with its host communities contributed to its rating as the most cordial of the three oil companies under study (see Table 4.11).

Going by the result in this table, majority of the respondents believed that Chevron never communicated with their community, Shell communicated once in a while and Agip communicated often. Hence, it can be said that as far as the respondents were concerned, Chevron had the worst communication record of the three, Agip had the best, while Shell was average.

TABLE 4.13
RESPONDENTS' PERCEPTION OF OIL COMPANIES'
CONTRIBUTIONS TO COMMUNITY DEVELOPMENT

	Res	ident oil com	pany
Company's Contribution to Community Development	Shell	Agip	Chevron
Yes	6.2%	51.2%	9.2%
Sometimes	78.4	41.4	43.1
No	15.5	7.4	47.7
Total n	100% 194	100% 336	100% 65

In assessing strategies for peaceful coexistence with host communities and oil companies' corporate social responsibilities, respondents were asked about their perceptions regarding the companies' development efforts in their communities. By development we mean the establishment of schools, building of clinics/hospitals, provision of boreholes and other similar social amenities. The finding presented in Table 4.13 indicates that Agip was perceived to have contributed more to community development than Shell and Chevron. While this result corresponds with the finding presented in Table 4.12, which shows

that Agip enjoyed a cordial relationship with the communities, it contradicts that of Table 4.9, in which more than three-quarters of the respondents claimed that the company was involved in the conflicts in their communities. This contradiction may be explained by the communities' claims that though Agip contributed to development, they sometimes had to protest and demonstrate for such contributions to be made.

Shell, on the other hand, returned its highest percentage among the respondents who claimed it contributed once in a while to community development. Respondents' perception, so far, has shown that Shell did not engage the communities enough as to win their goodwill. Also, of the three oil companies, the highest percentage of respondents believed that Chevron did not contribute to community development at all. A study conducted by Idemudia (2007) reveals that all the Niger Delta villages surveyed expected development benefits from the oil companies, as part of their entitlements as host communities. Failure to deliver such benefits automatically engendered hostility from the communities. The finding in Table 4.13, therefore, explains one of the sources of hostility towards oil companies in the Niger Delta.

TABLE 4.14
RESPONDENTS' PERCEPTION OF OIL COMPANIES'
CONSULTATION WITH THE COMMUNITIES BEFORE EMBARKING
ON DEVELOPMENT PROJECTS

Consultation with Community before executing Development	Resident oil company		
Projects	Shell	Agip	Chevron
Never	8.2%	9.8%	78.5%
Once in a while	84.5	47.0	16.9
Often	2.1	31.3	1.5
Very often	5.2	11.9	3.1
Total	100%	100%	100%
n	194	336	65

One of the major ways by which host communities can be allowed to participate in deciding their own development is to be consulted by oil companies. Consultation in this context implies a meeting between two or more parties to consider a particular question, which in this case is the question of development. Table 4.14 presents respondents' answers to the question on the oil companies' consultations with the communities before embarking on development projects. Of the three oil companies, Chevron returned the highest percentage, 78.5%, among the respondents who claimed it never consulted with its host communities. Shell consulted the communities once in a while, as claimed by 84.5%, while more than four out of ten respondents said Agip both consulted often (31.3%) and very often (11.9%).

This table reveals that majority of the respondents were of the opinion that Chevron never consulted with their communities before embarking on development projects, Shell consulted once in a while, and Agip consulted both often and very often. Although it can be observed that Agip had its highest percentage (47%) in the "once in a while" category, this does not negate the fact that it performed much better than its counterparts in the "often" and "very often" category, which means it had better and more open community involvement.

Though the responses in Table 4.14 may be viewed as limited considering that the social status of the respondents will significantly influence their privilege to witness or even participate in negotiations between oil companies and host communities, it may still be argued that awareness cannot be ruled out. The communities possess structures which give responsibilities to representatives and mandate them to report to the people they represent during town hall sessions.

TABLE 4.15
RESPONDENTS' PERCEPTION OF THE OIL COMPANIES' POSITIVE INFLUENCE ON THEIR COMMUNITIES

Company Positively	Resident oil company			
Influences the Community	Shell	Agip	Chevron	
Strongly Disagree	63.9%	10.7%	49.2%	
Disagree	9.3	13.4	9.2	
Undecided	14.4	8.0	12.3	
Agree	4.1	32.7	16.9	
Strongly Agree	8.2	35.1	12.3	
Total n	100% 194	100% 336	100% 65	

From Table 4.15, Agip was perceived to have the greatest influence on its host communities. This means that the company had the ability to favourably affect the communities using its presence to the benefit of its hosts. This is interesting and a serious indictment on Shell, the oldest and the biggest of the three. It is little wonder that the company has suffered more from the militants than the others. On the other hand, we see that Shell was perceived as having the least influence on the communities. Though Chevron was in-between Shell and Agip in assessment, a look at the table shows that of the total number of respondents who shared their views on the company, 58.4% (a combination of strongly disagree and disagree) were negative about its influence on their communities.

TABLE 4.16
RESPONDENTS' PERCEPTION OF THE OIL COMPANIES'
EFFECTIVE COMMUNICATION WITH THEIR COMMUNITIES

	Resident oil company		
Company Communicates with Community Effectively	Shell	Agip	Chevron
Strongly Disagree	8.8%	8.6%	29.2%
Disagree	35.1	21.7	38.5
Undecided	42.8	12.2	9.2
Agree	3.6	30.4	16.9
Strongly Agree	9.8	27.1	6.2
Total n	100% 194	100% 336	100% 65

According to Table 4.16, Agip again remains the most open oil company with a majority of 57.5% saying that it either agreed or strongly agreed that the company had better and effective communication with the host communities. A look at previous tables shows that Agip has maintained far better relations than others. Chevron and Shell follow in that order.

TABLE 4.17 RESPONDENTS' SATISFACTION WITH OIL COMPANIES' CONFLICT RESOLUTION STRATEGIES

Satisfaction with Company's	Resident oil company		
Conflict Resolution	Shell	Agip	Chevron
Highly Dissatisfied	53.1%	18.2%	46.2%
Dissatisfied	20.1	18.5	40.0
Undecided	16.5	18.8	7.7
Satisfied	4.6	25.9	1.5
Highly Satisfied	5.7	18.8	4.6
Total n	100% 194	100% 336	100% 65

Table 4.17 reveals that respondents were most satisfied with Agip in terms of conflict resolution. Again, this result is consistent with the previous findings in this study. It is also not surprising, considering that communication is one of the major preconditions for successful conflict resolution and the company was perceived to have had a better and more effective communication than the others (see Table 4.16).

On the other hand, Chevron was considered by the respondents to have exhibited the least satisfactory conflict resolution of the three oil companies. A combination of the "strongly disagree" and "disagree" response categories shows us clearly that Chevron returned 86.2% dissatisfaction rate among the respondents. Chevron was closely followed by Shell with 73.2%. This finding crystallizes another aspect of the issues the Niger Delta communities had against the oil companies, which was poor response to conflicts. It also, to some extent, explains the enduring conflicts in the region; the conflicts were either not resolved to the satisfaction of the communities, or were not resolved at all, thereby leading to the degeneration of the problems.

TABLE 4.18
RESPONDENTS' PERCEPTION OF OIL COMPANIES' READINESS
TO NEGOTIATE DURING CONFLICTS

The company is ready to negotiate during cconflicts	Resident oil company		
	Shell	Agip	Chevron
Strongly Disagree	23.2%	9.5%	44.6%
Disagree	8.8	14.9	20.0
Undecided	20.1	14.9	10.8
Agree	7.2	36.3	20.0
Strongly Agree	40.7	24.4	4.6
Total	100%	100%	100%
n	194	336	65

A look at Table 4.18 indicates that Agip and Shell were perceived by respondents to be more willing to negotiate with their host communities to resolve their conflicts. This should not be surprising because the two companies have different reasons to negotiate. Agip, as we have seen in previous analyses, has been the most open and communicative of the three oil companies under study. It, therefore, would like to discuss its disagreements more readily than others.

Shell, on the other hand, has had more conflicts than other companies, probably because it has the largest operations in the Niger Delta. This means that whether it likes it or not, it must negotiate its numerous conflicts, the medium notwithstanding. It is, however, ironic that in spite of the company's perceived readiness to negotiate, almost three-quarters of the respondents were not satisfied with its conflict resolution (see Table 4.17).

Just about a quarter of the respondents said Chevron was ready to negotiate its conflicts with the communities. This is likely to be related to the relative size of the conflicts the company has had to face and perhaps, the size of the sample expressing views on this matter

TABLE 4.19
RESPONDENTS' PERCEPTION OF THE REDUCTION OF CRISES
FREQUENCY THROUGH OIL COMPANIES' COMMUNICATION

Company's Communication	Resident oil company		
reduces crises frequency	Shell	Agip	Chevron
Strongly Disagree	20.6%	11.3%	43.1%
Disagree	14.9	21.1	46.2
Undecided	21.6	17.9	0
Agree	37.6	30.1	4.6
Strongly Agree	5.2	19.6	6.1
Total n	100% 194	100% 336	100% 65

In Table 4.19, Agip's communication was perceived by respondents to have reduced crises frequency in the communities. This finding suggests that effective community relations can actually reduce crises frequency in the Niger Delta. Agip was followed by Shell, with 42.8% of the respondents either agreeing or strongly agreeing that its communication reduced crises frequency in their communities. It is interesting to note that though majority of the respondents had earlier said that Shell was less effective in its communication and they were less than satisfied with its conflict resolution, the company's communication was still perceived as having reduced crises frequency. The answer to this may lie in Shell's readiness to negotiate, as shown in Table 4.18

above. Over three-quarters of the respondents said that Chevron's communication did not reduce crises frequency in their communities. This result is consistent with previous findings in this study. It also suggests that Chevron's relatively fewer conflicts (see Table 4.9) were not as a result of its communication with the communities.

TABLE 4.20 RESPONDENTS' PERCEPTION OF THE OIL COMPANIES' FULFILMENT OF PROMISES

	Resident oil company		
Company fulfils promises	Shell	Agip	Chevron
Strongly Disagree	51.0%	11.9%	53.8%
Disagree	13.4	18.2	29.2
Undecided	14.9	15.8	3.1
Agree	6.7	29.2	6.2
Strongly Agree	13.9	25.0	7.7
Total n	100% 194	100% 336	100% 65

Table 4.20 reveals that Agip has maintained its lead among the other companies. It was perceived as having fulfiled its promises by a majority of 54.2%. This result reveals, perhaps, the most

valuable factor responsible for Agip's perceived cordial relationship with the communities. The company's readiness to negotiate would have been a waste if it did not fulfil its promises. Chevron was, however, perceived as the least trustworthy, followed by Shell. Considering this finding, therefore, it is not surprising that both companies were perceived by more than three-quarters of the respondents as not enjoying cordial relationship with the communities (see Table 4.11).

## 4.3 QUALITATIVE DATA ANALYSIS

As it has been earlier stated in this chapter, this study comprises the quantitative and qualitative aspects. Having presented the quantitative data above, the qualitative data are reported in this section. The qualitative data was generated from eight focus group discussion sessions and thirteen key informant interview sessions. It is important to note, at this point, that Agip, one of the companies under study, declined any interview, thereby reducing the comparison we can make among the oil companies. Nevertheless, a comprehensive analysis of the data generated was carried out. Themes were created to aid clarity and easy presentation.

## **4.3.1** The Community Relations Structures of the Oil Companies

Fig. 4.1 AN ILLUSTRATION OF THE OIL COMPANIES' STRUCTURES FOR COMMUNITY RELATIONS

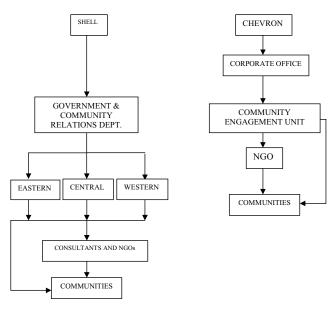


Figure 4.1 illustrates the structures of Shell and Chevron for relating with host communities. Shell's major structure is the

Government and Community Relations Department (GCRD). According to the company's representative, the department has the dual function of maintaining good relationship with the government on one hand and the communities on the other. Maintaining a favourable relationship with the government is crucial for the creation of enabling environment for business.

Also, on the other hand, since the communities inhabit the physical environment in which the business is executed, the company must also seek their goodwill. Considering the audience involvement strategy (GMOU) that has been adopted by Shell, which will be discussed in greater detail later in this work, the GCRD's responsibility does not include identifying the needs of the communities. The communities identify their own needs and present them to the GCRD through their representatives, while the Department makes arrangement for the funding.

The GCRD is further broken into three units for effective operation. The first unit is the Eastern area of operation, which includes Rivers State, Akwa Ibom and Cross Rivers. The second is the Central, and it focuses on Bayelsa State. The third is the Western area of operation, which covers Delta State and Edo State. The primary responsibility of these units is to relate with every party that is connected with any of Shell's current or potential

projects. First, the company identifies such parties; it then develops and maintains a relationship with them. For instance, when Shell wants to explore oil in a community, after making necessary arrangements with the government, it approaches the leadership of the community to seek their consent and support. After this has been done, it tries to develop and maintain a good relationship with the community by opening a line of communication and attending to the complaints of the people while the project lasts.

Shell also makes use of external structures in relating with the communities. External structure, in this context, refers to independent individuals, organizations or bodies that offer professional or humanitarian assistance to the company in the process of building a cordial and practicable relationship with the communities. Shell's external structures include consultants and non-governmental organizations (NGOs).

The consultants are used both to relate with the communities and to enlighten them on whatever Shell is trying to achieve. For instance, if Shell wants to embark on a project in a particular community, it engages the services of consultants to penetrate the community and to enlighten members of the community on the inherent benefits of the project. According to Shell's representative, "Those consultants would have to be professional,

development consultants who understand the dynamics of development and also what the community's perception might be."

NGOs are engaged to help guide the communities with respect to the execution of the agreements in the global memorandum of understanding, which shall be examined in greater details later in this report. Both the consultants and the NGOs are evaluated based on the objectives of their engagements, which may vary, depending on circumstances surrounding such engagements, while GCRD serves as a coordinating office. Shell's representative was of the opinion that they have been effective in their operations so far.

Fig 4.1 also presents Chevron's structure for relating with the communities. Chevron has a Corporate Office which is responsible for the packaging and representation of the organization, among other responsibilities. Packaging in this context, more or less, refers to branding; the entirety of the organization's identity and reputation among its publics. Located in the Corporate Office is the Community Engagement Unit, which is directly responsible for liaising with the communities. Chevron's representative explained, "What we try to do is that each of our braches in a community has in-house somebody who serves as a contact, like a public affairs

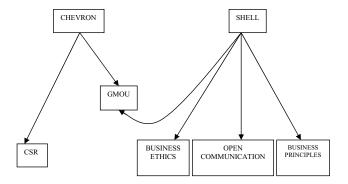
contact." The contacts are known as Community Engagement Representatives (CER).

As in the case of Shell, Chevron also makes use of external structure in relating with the communities. Chevron makes use of NGOs but not consultants. According to Chevron's representative, the company works with NGOs to build capacity in the communities. The NGOs also work with the communities to draw up development plans that will be presented to the company for assistance. He further explained:

We make use of quite a lot of NGOs to create a type of relationship with the communities that is professional when we want to do peace assessment, total relationship assessment. When you want to change the way they think about some things, we use NGOs.

When we compare the structures of Shell and Chevron, we will observe that Shell has a more centralized structure than Chevron. Shell has three regional units attending to the entire Niger Delta area. This style of operation can aid easy administration since there are not too many units to focus on. Chevron, on the other hand, has a structure that is represented in each of the company's branches in the communities. This brings the company closer to the people and can help to establish company presence.

Fig 4.2
AN ILLUSTRATION OF THE UNIQUE COMMUNITY
RELATIONS STRATEGIES OF SHELL AND CHEVRON



The community relations strategies that are unique to each of the oil companies are illustrated in Fig. 4. 2. As can be seen, one of the unique strategies of Chevron is the way it practices its corporate social responsibility (CSR). The company's representative explained that while the host communities are undeniably part of Chevron's most important communities, one should not lose sight

of the fact that Chevron is partly owned by NNPC and even the Nigerian government, thereby making the entire nation its community. Consequently, Chevron makes constant effort to keep in touch with all its communities. According to the company's representative:

We have this volunteer programme; we encourage our employees to go and contribute to the society and we support them. For example, we have someone who was sent to Nasarawa University to go and lecture twice in a semester.

According to him, some other employees teach in University of Lagos (Unilag) and University of Ibadan (UI). He went further to say that:

We know people who will contribute money, even as employees, if you raise 1 million naira, Chevron will give you another 1 million naira to go and do all these services to the community. I can tell you how many computers have been given to students of UI, and so many other things. Just to let you

know that we also go beyond dealing with communities now. We have built several hospitals among other things we are doing (in the host communities).

Another community relations strategy that Chevron utilizes is the Global Memorandum of Understanding (GMoU). This strategy was adopted in 2005. Chevron's representative explained that though the GMoU was originated by Chevron, it has been adopted by other oil companies. Hence, one may not be able to classify it as being unique to the company anymore. According to him, the company has redefined its community engagement strategies in such a way that it does not have to deal directly in developing the communities anymore; rather, the communities are now responsible for their own development. He explained:

The GMoU works to provide the communities in such a way that the ideas are original to them. We then authorize this body to then work with the stakeholders- the communities and NGOs- to draw up their own development plan. So, they draw up their own development plan, and then implement their projects. They are the ones

that will design the project, they are the ones that will get contractors, and they are the ones that will supervise it. If they need a school, they are the ones that know where they need the school and what kind of school they need

Fig. 4.2 shows that Shell also makes use of GMoU as a strategy for community relations. Shell adopted the strategy in 2006, but it became fully functional in 2007. While explaining the reason for adopting the strategy, Shell's representative said that initially, the company signed Memorandum of Understanding (MoU) with each community for activities it wanted to undertake.

For example, if we want to move a rig from Community A to Community B, we go and sign MoU saying what we will do or not do, and the community signs. By the time you want to remove the rig to another place, you sign another thing with another. So, in a typical operation, you may have several MoUs you have signed for that same community. That meant that in most cases, sometimes, the resources to follow them up

or to implement whatever has been agreed, or to even remember that we had signed... to manage it properly became a challenge more or less.

In operating the GMoU, Shell categorizes the communities into groups taking into consideration their local government areas and their ethnic affinities. Members of each group meet together to decide their own development, thereby taking the lead in the developmental process, rather than the company. The company's representative further explained that "GMoU means that out of a thousand-five hundred communities we have been dealing with before, and signing all those MoUs in different forms, we are saying, we are grouping them into 67." The 67 groups of communities are referred to as clusters, and each cluster has a Cluster Development Board (CDB). The CDB serves as the overall governing body that determines what the basic needs of the communities are.

Shell provides each cluster with the financial support by giving it money for a fixed period of five years. Within those five years, it is expected that the money would be used by the cluster as they determine their own development. The fund is renewable after five years. Shell's representative also stated, "They (the clusters) are

also free to go to any other organization and look for money, because by the virtue of their underdevelopment, they have to do a lot more for themselves."

Shell's representative again identified other strategies he considered unique to the company and the company's business ethics was one of them. According to him, "If you claim you are a good neighbour, the things that you do will show that you are mindful of your neighbours." Being mindful, according to him, means doing things that are beneficial to the communities and minimizing any negative impact. For instance, the company should be able to apologise if the communities are offended.

Shell also considers making information available to the communities as one of its community relations strategies. According to the company's representative, "We are always relating with the communities. Because they have to know what is going to happen and how it affects them, and gives them the opportunity to express themselves." He went further to say:

If they feel that you have been consulting them very well, or putting them in the know of what's been going on, you are not hiding anything from them, or you are honest and transparent as it should be or can be, then the level of trust will be very high.

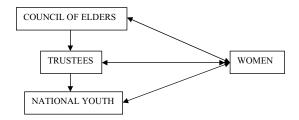
Another unique community relations strategies of Shell is its business principles. The company claims to have what it refers to as the Statement of General Business Principles, which serves as the company's guideline for all its activities. The company's representative claimed that "Even if you do find it elsewhere, it will not be the same way we express it here, so, that may be the uniqueness. Those principles are our guiding principles, the frame work within which we relate"

Shell's representative concluded on the issue of uniqueness of strategy by saying that Shell may use the same tactics that everybody has heard about, but the uniqueness is in how it is actually used to achieve desired results in a particular situation. Hence, uniqueness does not necessarily mean that the strategy does not exist elsewhere. He went on to say:

For example, every organization might have heard of what we call a town hall session or workshops or seminars, and they have it, but the thing is, what is the content of it; what is it you are trying to achieve? If you say, "I want to have a town hall session as a stakeholders engagement strategy or community relations," what will you be discussing? How are you going to start the discussion? Who are you going to invite? Those are the elements that create that uniqueness that I am talking about

## 4.3.2 The Internal Structures of the Communities

Fig 4.3
THE ADMINISTRATIVE STRUCTURE OF TISUN AND
KOLOKOLO COMMUNITIES



Tisun and Kolokolo communities share a similar structure in terms of the leadership of the communities. The Council of Elders is the apex unit which oversees all the activities in the communities. The elders also settle disputes at every level in the communities. The Council is headed by a Chief and as at the time this study was conducted, the chiefs of both communities were residing in Warri, a major city in Delta State. This is because the communities are in the creeks and are grossly underdeveloped. The implication of this is that the chiefs may not be able to adequately represent their people since they are not subjected to the same living conditions.

The next level of leadership is the Trustee or Trust, as the communities preferred to call it. The Trust acts as the executive decision making body of the two communities. It represents the elders in negotiations with the oil companies and also serves as the communities' link with the larger society. The Trust has its own set of executives for easy administration and this includes the chairman, secretary and treasurer among others.

After negotiating with the oil companies for a job, for instance, the Trust takes the allocations to the youth executives for further distribution. According to a member of the youth executive in Kolokolo, "Then we will now sit down and brainstorm and share the work. Then if the job is ten allocations, we will always get some amount that will come to the youth. Then we will fix people up." Some active elders of the communities also get some allocations when such is available

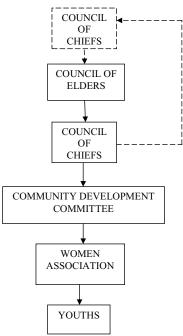
Hence, if the government or the oil companies want to execute a project in the community, the Trust represents the communities in the discussion with them. Members of the Trust too do not reside in the communities; a youth in Tisun community said, "They are members of this community, born and brought up here then, but as their post was beginning to enlarge, they relocated to the township."

The National Youth is the next level after the Trust. The major responsibility of the youths is to work to maintain the community. The youth executives focus mainly on sharing job allocations. The youths report to the Trust while the Trust in turn reports to the elders. The Trust mediates disputes among the youths and the elders do the same for the Trustees.

The women in Tisun and Kolokolo are not officially in the administrative hierarchy; nevertheless, they are a force to reckon with. They have access to every level of leadership in the community and they play an advisory role. Culturally, the women in Tisun and Kolokolo are not seen but they are heard. Though they seem politically passive, they are actually major pressure groups in their communities. An elder in Tisun community said the following about the role of the women in the community:

They are helping us the men; there are some issues that we feel we cannot go into, we can tell the women to represent us. Because, if there is a fight between two communities now, and we see that if we men go there, it will cause problem, we send some women there, and there will be no problem.

Fig 4.4
THE ADMINISTRATIVE STRUCTURE OF OMOKU AND OBRIKOM COMMUNITIES



Omoku and Obrikom, as in the case of Tisun and Kolokolo, have similar administrative structures. The Council of Elders (COE) is the ceremonial head of the communities because it is the traditional institution that oversees the traditions and culture of the communities. This Council is also called the "Amaala". Though the Council of Elders is seen as the first, in the actual sense, the Council of Chiefs (COC) is the highest policy making body of the community. This information is presented in the figure above using dotted lines to indicate the functional position of the COC. Whenever a project is to be executed in the community and the company gets a contractor to undertake the project, such a contractor must first inform the Council of Chiefs before commencing the project.

Next on the hierarchy is the Community Development Committee (CDC). This is a government approved institution that sees to the development of the community. The CDC negotiates with the oil companies on behalf of the community, while reporting to the Council of Chiefs. The committee comprises selected members of the community.

The Women Association is the next in line. Unlike in the case in Tisun and Kolokolo, women are actually given a place on the administrative hierarchy in Omoku and Obrikom. This may be because the latter communities are larger and the women are more enlightened. Another reason that may be responsible for the official recognition of women in these communities is their

organized nature, since the women have an association. Nevertheless, the women in Omoku and Obrikom perform, more or less, the same function as the ones in Tisun and Kolokolo, which is to advise their men.

The youths are seen as the vanguard of the communities; they work and report to the Council of Chiefs. When the communities have needs and there is no favourable response from the oil companies, the CDC usually allows the youths to represent the communities after receiving the necessary clearance from the Council of Chiefs. In some occasions, however, the Council of Chiefs, the CDC and the youths represent the community together, with each of them sending their delegates.

All the units in the communities report directly to the Council of Chiefs. According to one of the chiefs in Obrikom, "Every other ruling arm revolves around the Council of Chiefs; be it CDC, Women Association, Council of Elders, or the youths. The Council of Chiefs is the highest policy making body." This structure is unlike that of Tisun and Kolokolo communities in which one level of the hierarch reports to the one directly above it. Hence, we can say that while the former communities practice the vertical form of administration, the latter communities practice the central form.

The functional structure of Omoku and Obrikom is illustrated in Fig. 4.5 below.

Fig 4.5
THE FUNCTIONAL STRUCTURE OF OMOKU AND OBRIKOM COMMUNITIES

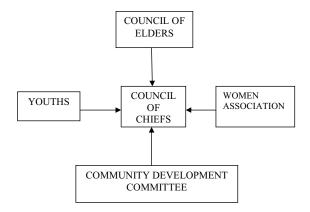


Fig 4.6
THE ADMINISTRATIVE STRUCTURE OF
ERUEMUKOHWARIEN

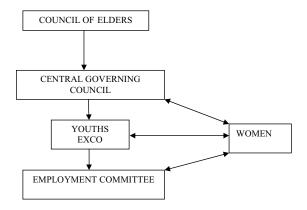


Fig 4.6 shows us the structure Eruemukohwarien community operates. From the figure, we see that the first administrative organ in the community is the Council of Elders. This council serves as the traditional head of the community. It is, however, not directly involved in policy making; rather, it plays an advisory role.

Next to the Council of Elders is the Central Governing Council (CGC). The CGC is the highest policy making body in the community and consists of a president and his cabinet. In the past, the members of the CGC were elected into office, but in recent times, selection has been favoured over election. One of the youths

who participated in the focus group discussion explained, "We used to elect people before, but we realized that with election, people go by violence, threats, etc, so we decided to go by selection from each of the street that makes up this community." This has, however, not reduced the violence. One of the visits to the community, during this research, coincided with the selection day, and the scene witnessed was that of commotion. It was gathered that some youths were not satisfied with the selection, hence, the village was in a state of confusion. Nevertheless, one of the most important functions of the CGC is to represent the community in negotiations with oil companies and the government.

The youth executives coordinate the activities of the youths in the community. The youths usually maintain and clean the community. They also organise protests whenever they are dissatisfied with the activities of the oil companies. The next administrative body is the Employment Committee. This committee identifies employment opportunities and engages individuals who can fill up the space.

The women in Eruemukohwarien are not officially on the administrative hierarchy, as in Tisun and Kolokolo, but they have access to every level of leadership in the community and they play an advisory role. They help to stabilize the community, particularly

in times of conflict. Also, in the event of a conflict, if it gets out of hands and the men will be endangered if they maintain active participation, women are sent. According to an elderly woman, during the focus group discussion, "When the company is not doing well... the whole community women will now gather, they will now dance from here to the Shell yard." Another woman explained it further saying:

If there is going to be a protest, because of Shell with their forcefulness (military engagement), the community will allow the women to do the protest. Because when they see that the youth are there, the forces will become violent, so instead of the youth to go there, the women go for the protest.

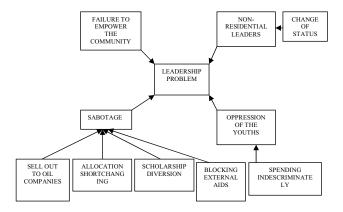
The women in Eruemukohwarien community also make use of symbolic communication in passing across their messages to members of the community. They have a special drum they only beat when there is a serious issue they wish to voice out. Whenever they sense an impending danger, they beat the drum to

converge and holding leaves, they dance around the community. According to one of the youths:

They (the women) have a different drum. If the women's drum sounds, you know that there is something going wrong, because they don't beat the drum anyhow. They call the general meeting, they advice the youths and the elders and whosoever for peace- they want peace, they don't want their children to be scared away from the place- they call their children to order for peace

## 4.3.2.1 Leadership problems in the communities

Fig. 4.7 AN ILLUSTRATION OF THE CAUSES OF LEADERSHIP PROBLEMS IN THE COMMUNITIES



Some of the participants in the focus group discussion (FGD) and key informant interview (KII) sessions identified the existence of leadership problems in their communities. As can be seen in Fig. 4.7, several factors were identified as the causes of their problems. One of the factors that the participants believed were responsible for leadership challenges in their communities was the failure of their leaders to empower the communities. A young woman from

Kolokolo, during an FGD session, claimed that though the community had money and the chief was rich, he never used the money to help members of the community; rather, he built houses in the community. She went further to say:

To me, without the chief in this community, I will make it, because if I can stand, and I can successfully complete my schooling next year, I will become a petroleum engineer. I know my rights, chief will not help me, and with my application letter, I will not come and meet chief because he will not help me. But I want to go to different places to spread my light; so, that is why I am saying that even if chief does not want to help me, how about those people that are here, that have really suffered a lot?

A further discussion revealed that in Kolokolo, the women endured rigors to feed their families. While their husbands were predominantly fishermen, the women made their living from picking Periwinkles; small edible marine snails. They would wade through waist deep mud for long hours before they gather a few.

One of the women had four children to cater for, and according to her, "Periwinkle is 600 naira, garri (Cassava flour) is 350 some people sell 400. If you use that 600 naira to buy garri, there is nothing remaining." The women expressed their desire to engage in businesses, but claimed that they had not been assisted by their chief.

Another factor that was identified as a cause of leadership problem was non-residential leaders. This was particularly the case in Tisun and Kolokolo because the communities were in the creeks. The oldest man residing in Tisun (several indigenes had relocated to bigger cities) said, "Even our leader...he is from this area, yet, he doesn't know this place." One of the youths in Tisun said, "Most of our people that govern stay up land there and don't know what we feel here, they don't feel it. They stay upland there, they stay in light." Even members of the Trust, who negotiated on behalf of the communities, did not reside in the communities. This, therefore, raises the question as to how a leader can effectively represent his people when he does not live among them. A respondent said, "The one that used to pain me most is this, the people that are not staying here, those are the people that used to enjoy the goods of this place."

Some participants also claimed that the leaders in their communities oppressed the youths. They were of the opinion that common fund was spent indiscriminately, thereby endangering the future of the youths. They said there was no plan put in place to invest in the youths. One of the young girls in Eruemukohwarien said, "But most of the things we are seeing in this community are not really helping us. Most of the elders, most of the time, they oppress the youth." Another youth said, "The elder come, the ones that are in the front, pack all the money and give themselves."

Also, sabotage was identified as another cause of leadership problem in the communities. It was observed that this factor cut across all the communities, since it was mentioned by most of the participants in one form or the other. One of the forms in which they believed sabotage manifested was their leaders blocking external aids from coming to the communities. A young woman in the FGD session in Kolokolo said:

Wetin dey even pain mi self be, ... anything you wan do for us, may be they (the leaders) fit block you for town there, them fit say nothing dey there, no mind them. Maybe better thing wan come out now, our leader them go take am. (What pains me is

that, anything you want to do for us, the leaders may block you in town. They may say, "There is no problem there, don't mind them." When good things are coming our way, our leaders would take them.")

Scholarship was another issue in which sabotage was claimed. Some of the respondents in Kolokolo explained that whenever scholarship was due to their community, the community leaders would seize it and keep the money for themselves. During an FGD session, one of the young women said, "We have money in this our community. They (oil companies) give us scholarships. Sometimes, we submit our results, but our leader would seize it. So, we have the money, but our leader is the one that owns the money."

Also, as far as job allocations were concerned, some participants said they were confused because they didn't know who to blame, whether the oil companies or their leaders. A youth from Kolokolo claimed that the youths made several recommendations, but nothing came out of them. A young woman in Kolokolo insisted that the leaders were either bribed or they themselves bribe to fix other people up for job allocations due to the community. She further said about their leaders, "They have work in town, but they

sell the work to another different country (expatriates), some of the countries that are not parties to the assets of this community, yet they give them work."

Another woman said, several times, the leaders would collect the names of the women in the community and use the list to process allocations, "But when the result comes back, our names are not present, then the big women carry the money and run." Emphasizing the same point, a woman said:

You know all of us as we dey here so, they don use our names ehn, e don even pass five times. When dem dey carry book come they say make we write, say they wan give us loan, we go write, after we don write, the loan don come out, them no give us anything. They just use our name collect money. (You know, as we are all here, our names have been used more than five times. They (the leaders) come with books to write our names, saying they want to give us loan. After writing and the loan is given, they would not give us anything. They just use our names to collect money)

Yet, another woman had this to say, "Na so them (the leaders) dey do, oh, na lie. If dem wan give us money, e no go pass \$500 or \$2000, they no dey bring am (loans) come, but dem go use our name. (That is what they do, and it is all a lie. If they give us money at all, it won't be more than \$500 or \$2000. They don't give loans, they only use our names.)"

The last, but not the least, cause of sabotage identified by the participants was that some of the leaders sell out to the oil companies. The leaders who were considered guilty of this were not only elders, but mainly indigenes working for the oil companies, particularly at the management level. According to His Royal Majesty Eze Imordi, the Eze-Ogba Nwadei Ogbuehi (Usomini Mornarch) in Omoku, the oil companies could have meant well for the communities, but the indigenes working for them were sycophants. He said:

Most of our children know as much as the Italians too. There is no reason they should owe allegiance, so much so, that they should betray us. I say betray, yes, betray in the sense that some of them try to protect the interest of the companies they are serving. It is true that they are to protect the interest

because it is where they feed, but if they are over doing it, it's like over pampering a child. The sabotage comes from our people. "Don't mind them, just give them one naira, one naira is okay instead of ten naira they are due for." Sabotage! "I want promotion master; there is a way I can do it. They are my people, I'll talk to them." Sabotage! He wants promotion.

## 4.3.3 Communities' Perception of the Direction of their Relationship with the Oil Companies

Fig. 4.8
AN ILLUSTRATION OF THE COMMUNITIES'
PERCEPTION OF THE DIRECTION OF THEIR
RELATIONSHIP WITH THE OIL COMPANIES

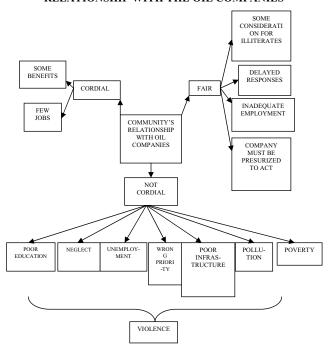


Fig. 4.8 illustrates how members of the communities viewed the relationship between the oil companies and their communities. There were three main response categories; some were of the opinion that the relationship was cordial, some others said it was fair, while some still said it was not cordial. All of these responses were supported by the reasons the participant responded in that particular way.

Participants who responded to the first category, which said the relationship was cordial, were of the opinion that the oil companies had done a lot for the communities for which they were appreciative. One of the reasons given for this position was that the companies provided **some benefits** for the communities. According to one of the chiefs in Eruemukohwarien, who also happened to have worked with the oil companies in the past, "The oil company is our friend because it is developing our village. If not for the oil companies, so many people will not be eating, because the government is not giving anybody food, it's not employing people."

The Chief also mentioned the oil companies' monetary contributions to the Niger Delta Development Commission (NDDC) as mandated by the Federal Government of Nigerian. He

opined that the companies had been playing their part though it was not certain what NDDC was doing with the money. He went further to highlight the contributions of Shell to Eruemukohwarien during his tenure as the president of the Central Governing Council, which included six market stalls, water facilities, and road network. The Chief also said that Shell usually consulted with the community before embarking on developmental projects, and when the community made demands, Shell would tell them to wait for another financial year for it to be incorporated into the company's development plan. He stated emphatically that "Shell has done enough, Shell has done enough; it is the government that matters now."

Also in Obrikom, the women leader said that Agip built a market for the community. The company also built a health center and was already making plans to build a Women Development Center. Considering all of those, she stated that the community had a cordial relationship with Agip.

The second reason that was given by the respondents, who agreed that their community had a good relationship with the oil companies, was that the companies provided **few jobs**. Of course, they believed that the allocations were not enough but they got them notwithstanding. One of the youths in Kolokolo described the

job allocation process. He stated that if, for instance, Chevron has a dredging job, it would be handled by the Nigerian Westminster Dredging and Marine Ltd. According to him:

Westminster Dredging will now bring from their staff- most of their staff will come together with us. The job will last for six months, then they will now tell the community that, since the job will not last more than six months, let us give you four allocations. Then, maybe the community executives will now tell Westminster that the four allocations is not enough for our youths, because we have a lot of youths, that are not working in the community.

Fig. 4.8 also presents a second category of responses, and this includes the participants who were of the opinion that the relationship between the oil companies and their communities was fair. The participants said that the oil companies were making efforts, but there were still some gray areas to be looked into. The reasons they gave for the fair relationship were; some consideration for the illiterate or uneducated members of the communities; the companies' responses were usually delayed,

there were inadequate employment opportunities; and the companies required pressure before they made their contributions to the communities. These reasons are presented below.

The participants who said that the companies had some consideration for illiterates in the communities explained that education should not be made a criterion for everything. They insisted that not everyone could be educated due to uncontrollable circumstances. According to a youth in Tisun:

No be everybody na him be graduate, but them dey push only graduate, graduate for here, that is why militants full everywhere. Some of the boys in this community, not only in this community self, they have nobody to run to. It gets to a time, maybe you lose your father, you left the school because there is no body to help. You can struggle on your own so te, you don tire, you will just be trying to survive, many like that... it is just like a discouragement to those who no go school. (Not everybody is a graduate, but they focus only on graduates here. That is why there are many militants everywhere.

Some of the boys in this community- not even this community alone- have no one to run to. Some have lost their fathers, so they had to leave school because they had no assistance. They struggle on their own until they become tired; merely trying to survive. There are many like that... it is a discouragement for those who can't go to school.)

Some participants also said the oil companies usually offered **delayed responses**. They explained that anytime anything was needed in the communities, or whenever there was an oil spillage and the communities had informed the oil companies, they would delay their response. In most cases, the damage from the delayed response would end up being more than that of the incident itself.

Also, some participants said their communities' relationship with the oil companies was fair because there was **inadequate employment**. They admitted that there was employment, but they were grossly inadequate. A youth in Kolokolo claimed that there were several graduates in the community, but they were not employed by Chevron. He said, "Only very few of us are working, the rest of the boys fish; or if there is any building job in this town,

they roll wheelbarrow to pack concrete before they feed their wives and children." He further expressed his dissatisfaction with the unemployment situation in the community by hypothetically stating that if only five people were employed out of a hundred, what would become of the remaining 95? If on the other hand, 80% were employed, at least the remaining 20% would be catered for.

Another participant from Tisun stated that his community was not benefiting from Chevron as far as job was concerned. He said that for instance, whenever Chevron's representatives came to the community to flag off a project that would last for three months; they would only employ one or two people from the community. According to him, those employed "May not even work two months there self, if you work one and a half months there, thank God. When you now do the work finish, you will now remain like that (without a job) for five to seven years. You will struggle to even get spoon."

A past youth president in Eruemukohwarien explained that the community had no representative in Shell. The few who were employed at all were assigned menial tasks such as cutting grasses, digging drainages and doing security work. Those employed were paid between \(\frac{1}{2}\)10, 000 and \(\frac{1}{2}\)12, 000 only. He lamented the fact

that even those menial jobs had been withdrawn, particularly the security jobs, and the indigenes were replaced by soldiers. He went on to state that only three indigenes of the community worked with Shell and they were mere contract staff. Two of those individuals were employed only when the community staged a protest. According to him:

Last year, after serving about 15 years or so, they were converted to their junior staff. Also, one of our boys was employed this year as a contract staff CLO in Brass. Apart from that, no other person, and we have plenty of them roaming about.

Another youth in the community agreed with the earlier participant by stating that positions that should have gone to the community legitimately, being an oil producing community, were given out to others. He cited the instance of the Community Liaison Officer (CLO) position in Shell that was not given to the indigenes of the community. According to him, "They (Shell) went to the Hausas, Igbos and the Yorubas who did not even have oil, then people who did not have oil you are now using them as a CLO who did not even know our pains."

The last reason that was given for the fair relationship between the oil companies and the communities was that the **companies had to be pressurised** before they make their contribution to the communities. One of the youths in Kolokolo said, "Chevron is a company that always needs iron hand, but we don't want to use anything violence." An elder in Eruemukohwarien observed that while there were tarred roads, water and light in the southern part of Nigeria, until his community fought, they didn't get anything. He said, "Each time we demand things which ought to be given to us naturally, we have to demand it by force, go to demonstrate, go to protest for a long, long time, before they listen." He went on:

Just yesterday, Otorogun was blown up. Otorogun had been attempted many times. They (oil companies) and the government are saying that where there is peace there will be development, we are peaceful here, but we are not seeing development.

Another elder in the same community expressed his agreement saying, "The Federal Government, they like the areas that are operating under militant activities, that is why they normally focus their attention on the people of Bayelsa, and other places where militant is operating."

The third category of responses on the relationship between the oil companies and the communities is that the relationship was not cordial. **Poverty** was one of the major reasons given for this position. The participants explained that they had to struggle to survive and to maintain their families. A young woman in Kolokolo explained that the women in the community usually gathered Periwinkles and sold them to cater for their families. According to her:

Before twelve, you go see all of us dey pack dey go. See how poto-poto dey reach us for here. We dey jump for poto-poto dey pick. We be not pick this thing you dey see for here, we no go eat. Our children no dey go school, unless we get this thing... na suffer we dey, if you dey this village for just two days, you go see the suffer wey we women dey suffer so. (Before12pm, you will see all of us going to pick Periwinkles. We wade through mud as we pick them. If we don't pick what you see here, we cannot feed. Our children will not go to school unless we pick it. We are suffering. If you live in this

community for two day, you will see the suffering the women undergo).

The young woman also stated that of all the women who took part in the FGD, there was none whose husband was working. She said, "Our husband no get anything wey dem they do, so without this thing (Periwinkle), we no dey chop o. So the thing e don tire us." A young girl also expressed her helplessness saying that she came home for holiday, "To have some money to go back to school, my mother doesn't have, my father doesn't have- we need help in this our community." Another young girl explained that she never had the opportunity of going to school. According to her:

Even my mother, my sisters, a lot of our friends, they are really suffering in this place. My mother has a lot of children, we are ten in number. So, since I was a baby, my mother used to use periwinkle to train us. How can you use money to pay for school fees, when the money to eat is not there? So, please, anything you can do to help us in this community.

Another reason that was cited for the not cordial relationship with the oil companies was **pollution**. Pollution was cited as a major problem throughout the Niger Delta. The participants identified water pollution as one of the pollutions they experience in their communities. According to one of the youths in Tisun, whenever the oil companies dredged in his community, there was always a possibility of pollution. He explained that a little leakage could result in a spill, thereby causing the crude oil to flow into the water. He said, "Once it (the leakage) causes the oil spillage, those of us who go for fishing, we will not be able to kill any fish." Another youth in Kolokolo supported this comment by saying, "Since Chevron pollutes the water, nobody can fish; the whole fish run away, some of them die." Yet, another youth said, "Our swamps are polluted, we have lost our original aquatic animals. We used to have shrimps."

Air pollution was also mentioned as one of the pollutions experienced in the communities. Gas was constantly flared in the communities and the air was almost always polluted. A youth from Eruemukohwarien said, "I can tell you, the hazard they (oil companies) expose us to here is much, if you stay here for the next three to four hours now, you will see the flare." Another youth, while describing how polluted the air was said:

As this your shirt is now, if sun is shining and you wash this T-shirt, just go and sun it, within 30mins or 40mins time, come back and look at it- it will be black because of the flare. You know, what we inhale in is dangerous.

The participants stated that the air in their communities was so polluted that it affected the rain water. One of the youths in Kolokolo said, "If we have rain now, the water that drops, tomorrow morning, check it, it is going to be black, and that is what we drink." Not only is the atmosphere polluted by gas flaring, thereby causing acid rain, the flare also corrode the aluminum roofing of the houses. One of the participants said, "Look at our zincs (roofing sheets), when the time comes, you will see it practically- the fume that is falling on top of the zincs. You cannot drink the water coming from the rains." Another participant said, "Our zinc, they go black. And our cloth, when we spread them, they change colour, so it affects us, even our water and our every other things."

The participants also said that the gas flaring usually went with a lot of noise and vibration, which they considered unhealthy. During the FGD session held with the old women in Eruemukohwarien, one of the women said, "Midnight, when you sleep in the night, you will feel the shaking; the house will be making noise. We don't even know now whether in time to come, earthquake will even happen here" This means that there was usually a lot of noise and vibrations at night. According to one of the elders in Obrikom, during the FGD:

Another thing they (oil companies) are doing which is worrying us is pollution- air pollution. We hear this noise, in fact, if you stay here at night, you will not hear people in the next room. Vibration every time; sometime you have this vibration to the extent that the walls crack. All of them are as a result of vibration from the gas plant.

The land was not exempted from the areas the participants had noticed pollution. According to a youth in Eruemukohwarien, "I was made to understand that the village had a very fertile soil of which crop used to grow very well. But now today, not even grass

is growing, talk less of crops." One of the young men in Tisun said, "If you go to the forest, no big tree is growing because of oil activities; there is fire pollution everywhere." Some of the participants were also of the opinion that the oil that was being extracted from the land in their communities was responsible for the lack of fertility of the land.

Poor infrastructure was another reason cited for the not cordial relationship between the oil companies and the communities. It was an irony that communities in the Niger Delta would lack decent water supply, but unfortunately, that was the case. One of the young men in Tisun said, "Look at the community now, common water, we don't have to drink. Assuming we take you to the well we drink from in this community, you will pity us." Another man supported this, saying, "We still drink from the Jacob's well, the well our elders and ancestor left in this place. As you are going to Kolokolo now, you'll see a pond with greenish stuff, that's the water we still drink." One of the elders in Tisun went on to provide a detailed description of the well:

The Jacob's well is where we drink water from, at the bottom of that palm tree. You will have to dig the bottom of the palm tree, as you are digging, when frog comes out, water will just gush out of that place, and we drink it plus the spit of the frog. Jacob's well, the one that was dug during Abraham's days, no elder in this community knows how they dug that well. So, what do we do now? If the thing is drying up, we look for where we can get frog to come out from under the tree, as we dig it. Why won't we engage in mutiny my brother?

A similar experience was reported in Kolokolo. The participants in the village also lamented over the kind of water they had to drink, which was in no way better than the one described above. A young girl who only visited the community during her holidays said, "We used to drink the water before, but I don't even go near the water anymore because it will purge you. We now always drink pure water. We buy it for \mathbb{A}20 here. The pure water that is sold for \mathbb{A}5, we sell it \mathbb{A} 20 here." In Eruemukohwarien, one of the elders said:

Once in a while they (oil companies) throw peanuts at us, they go to the schools, and they give us one or two classrooms, they give us water. Sometimes, we use the water, but it may not function again for the next twenty years. They will not come back until there is uproar again.

Some of the respondents also complained about the state of power supply in their communities. The participants claimed that in Eruemukohwarien, there was no power supply, whereas, there was power at the Shell office close by. A youth in the community said, "That very power there is directly from NEPA to Shell and the power line goes through this land, we also requested for that, but they ignored it. As you can see, there is no light." A participant in Tisun said that the entire village was not electrified. According to him:

See that young man, he's the only young man that managed to buy a generator through fishing, and that is the only way we can see. Every day now, and now that Obasanjo has given us phone, we go there and charge our phones. That's the only man that succeeded in buying generator.

The participants also complained about the state of the roads in their communities. In Eruemukohwarien, one of the elders said that Shell built a road network in the past, but the road was bad and the company would not repair it. Another elder said The only thing we demand from the State Government and SPDC (Shell Petroleum Development Company), they could not do it, they failed woefully. We did not ask you to come and pay us. For example, if you go to Rivers State, you will see that they pay some of the community people. In the riverine area, some of their old men are placed on salary. But here, there is nothing like that. Just to give us road, only road, we demanded and they refused. They went to the army barracks and brought lorries of army men to come and kill us.

A youth in Eruemukohwarien also expressed his displeasure about the road in the community. He said, "We have some roads that have turned into a breeding place for mosquitoes. You cannot sleep well in your environment due to bad roads. No drainage, nothing." While the participants in Eruemukohwarien, Omoku and Obrikom lamented their bad roads, those in Tisun and Kolokolo didn't even have solid ground underneath them to start with. One of the young men in Tisun said, "Look at my shoe, if you don't

wear rain boot, you can't pass here. The tide is low now, if the tide is full, we will begin to readjust our rain boot again." Another man in the same community agreed with him saying, "You see that there is mud, you passed on top of planks, we just set them in case of visitors, otherwise, if it is me and my brother, we just match the mud."

Another infrastructural complaint that the participants had was about the physical structures in their communities. One of the men from Tisun noted that Chevron started building a primary school for the community since 1997 and was yet to complete it as at 2009. Another man in the same community insisted that there was no major infrastructure that indicated the existence of any oil company in the community. He said the oil companies usually claimed to the outside world that they built storey buildings, schools, and borehole amongst others, in the community. He, however, argued that if that was the case, there would still be signs of them. According to him, "Militants no destroy those one o (the structures), there has not been earthquake here, abi? Those things sink inside the ground? No! They say the terrain here is bad, how much will it cause Chevron to sand-fill this place?"

In Obrikom, the women leader complained about the state of health in the community. She said, "We are talking of hospital,

particularly an eye clinic, because the flame of the gas is disturbing us. So, we need something like that, but they've not come up to help us." Also in Tisun, one of the men said:

No health centre here. It is now that they are just building something, but it is not functioning now. If someone is sick here and you have no money, it will not be possible to move the person. If a sick person is coming, those waves and everything, before you can rush that person to Koko or Sapele... many people have died like that, just like that. This has caused a number of deaths

He also claimed that the oil companies did not respond to the health needs of the community, even during emergency. According to him, "If we're sick here, we cannot run to them (Chevron) for medical care or anything; they just lock their gate." An elder in Kolokolo described the difficulty they encountered whenever they want to leave the community for health and other reasons. He said:

If someone wants to travel from anywhere, maybe to Sapele or anywhere at all, if you don't get yourself to the river, you will not get a boat. And before you get yourself to the river, it will take you a long time. We don't have engine (speedboat) that will make the movement short. So, if you want to travel tomorrow, you must leave today so that you can meet up. If you leave here that afternoon, before you get yourself to that side, it will be evening, then you'll sleep at the mouth of creek there, then tomorrow morning, you will board the morning speedboat. That's the way we travel here.

Fig. 4.8 shows us that **wrong prioritising** was listed next among the reasons the participants considered the oil companies' relationship with their communities not cordial. One of the youths who participated in the FGD session in Eruemukohwarien claimed that every company must have a document called "CASHES." According to him:

Each of those alphabets represents words, and those words, the first alphabet which is C represents community, that is, the company must settle community first, then followed by affair, then the S stands for safety, then H stands for health, then E

stands for **environment**, the last S is **security**. So, with the present status here, they forgot the first alphabet which is the community... they jumped to the last alphabet which is security.

He insisted that Shell preferred to invest in employing armed forces for protection rather than to solve community problems. He observed that the initial incursion of the company into the community was without military protection, which he credited to the company's initial willingness to work with the community. He further stated:

They (Shell) will tell the army that, "You must be very careful where you are going; the people are very bad o!" But by the time the army stay one month- I mean one week, two week, three weeks- they see that what they said about the people is not true. They begin to make friends, they come to the town here and they buy drinks. They sit with us and we drink together; they even make friends with our girls.

The participants also complained about **unemployment** in their communities. It was a general situation across the five communities that were used for this study. One of the elders in Eruemukohwarien said, "The oil companies, they do not employ our people, our graduates are not employed by the oil companies. Our engineers, the big ones who go to the big schools, they are not employed by the oil companies." He lamented the fact that the few casual workers that were employed by Shell were even being gradually dropped. He also said that in about 40 years that Shell had been operating in the community, all the indigenous CLOs that had been employed by the company had been on contract. Another elder recounted the experience of a friend:

Recently, a lawyer from this area was annoyed, and he resigned from Shell. He was in Shell for upward of 15 years and was not made a Shell staff. The man was annoyed and said, "I have served you for 15 years and you can't make me a staff!" He resigned. It's as bad as that.

In Tisun community, most of the men resorted to fishing for lack of job opportunities. One of the elders said that the situation usually discouraged youths who had left the community from returning. According to him, "Only those people that have nowhere to go and nothing to face, like us, come back to do the fishing." Another aspect they considered distressing was the fact that other ethnic groups were brought in to work in the oil companies. The issue was raised in each of the five communities used for this study, which implied that it was a general notion among the communities in the Niger Delta. According to a young man in Tisun:

There are people there who didn't even go to school at all, just like us. But they are working there (in Chevron). If you go there, you see Hausa, they are laundry people. Hausa, doing laundry here in the Niger delta! Yorubas, coming here to work! They stay in the house boat, they board chopper, and they board plane.

The youth leader of Obrikom said that the community had a graduate association. According to him, the association was established to deal with the excuse the oil companies gave in the past that there were no graduates in the community to employ. The association's major task, therefore, was to encourage education, monitor the number of graduates in the community, and push for placements in the oil companies. He also expressed

the same sentiment that had previously been expressed by participants in Eruemukohwarien, Tisun, and Kolokolo:

If you go to AGIP now, you will see our boys- young boys and girls- doing menial jobs. You don't see them in big offices. It is the people from the north, the Yorubas, and the Igbos that you see in all the offices. Employment is very hard for our boys.

The youth leader in Eruemukohwarien also explained how his community got committed to education as a means of securing better placement with Shell and how the efforts had not yielded any result. He said:

Formerly, our youths were not the type that went to school. But we saw the day to day activities of Shell, and publications in newspapers that they needed graduate. Sometimes, Shell would tell us that our boys were not educated, so, they would not employ anybody. Today, I can tell you that 75% of the community's boys are graduates. Some have graduated, some are still in

school, but they are all struggling, even to train themselves to become something because of the challenge between us and oil company (Shell). Even then, they are not still helping matters.

Neglect was the next reason given for the not cordial relationship between the oil companies and the communities. In Eruemukohwarien, the participants complained that the community had been neglected by Shell. They claimed that the neglect was such that Shell's flow station in the community was not named after Eruemukohwarien, and there was not even a signboard to indicate the existence of the community.

A chief in the community insisted that all other flow stations were named after their host communities, and felt that it was a deliberate ploy by Shell to ignore the community. One of the youths said, "We are so surprised to see the only land terminal in the whole country, the name of the place (Eruemukohwarien) is not on the map of Nigeria." The power station, flow station, and terminal are named after Ughelli, a major town some miles away from Eruemukohwarien, hence, the grudge the community had against Shell. The leaders of the community feared that, just like

in the case of the name, other benefits too might have been diverted.

The Eze-Ogba Nwadei Ogbuehi in Omoku discussed another aspect of the neglect. He talked about some communities that were referred to as exit communities. Though they were not oil producing communities, the oil must be evacuated through them. According to him:

If the man who owns that access route or pipeline does not allow you to put the pipe, how do you evacuate the oil to the refinery? The people known as exit community landlords are suffering equally as the man who owns the oil wells. A man has pipeline, he has access route, yet you have dug that place to use to do your job, render the place useless. The man can no longer go there to use the place for farming. Sometimes when it rains, it will be over flooded, and some companies are careless enough not to fence it; some children, during the rainy season or flooding, go there to look for either snails or edible frogs. I will say that the law should

state that they must fence the place. These are the calamities that are befalling people. There was such a case I was handling... where two brothers fell into a pit and died.

An elder in Tisun summed up the point by saying, "Grievances between the youths and the company, which brought about this Niger Delta violence, is because of this neglect."

Poor education was the final reason given for the not cordial relationship between the oil companies and the communities. A young girl in Eruemukohwarien complained about the state of education in the community. She said that most parents could not afford to train their children. She also pointed out that there were no teachers in the school so the students roamed the streets. She went on to say, "Science students in our schools hardly do practical, and you know that without practical, a science student cannot go anywhere."

An elder in Tisun also said of his community, "Chevron will build school, but for them to bring teachers to come and teach these children, they will not bring them; they just put the school there like that." A young girl in Kolokolo explained that she stayed most of her life in the village without education. The crisis that occurred

in the community, which led to her escape to the city, gave her the opportunity to go to school.

A woman in the same community raised the issue of scholarship. She said, "Children full ground and they no go school; we no get scholarship. (There are many children and they don't go to school; we have no scholarship)." In Tisun, one of the men also said, "Even those of our people that Chevron gave scholarship to for two three years now, they have not even be able to pay the money to the beneficiaries. Most of all those things cause crises."

Fig 4.8 shows that all the factors highlighted in the third category above, if unchecked, have the tendency of degenerating into **violence** or crisis. They are, in fact, part of the reasons for the current conflicts. It was observed during this research that though the communities claimed to be peaceful, most of the participants displayed violent tendencies or support for conflict due to their frustration. For instance, one of the youths in Eruemukohwarien said, "When one is tolerant to some extent, he will like to react. You see, I have no other choice than to react." Another youth in Kolokolo, while reacting to the oil company's excuse that there was no employment for the uneducated said:

If you tell me say I no go school, so I no fit work for Chevron, na bad thing. If na gun I fit carry, I go carry am. So anything thing I fit do I go do make I survive. This is what cause calamity. (If you tell me that because I did not go to school, I cannot work for Chevron, it is bad. If I can take up arms, I will, because I must survive. That is the cause of this calamity)

The FGD sessions stirred up some emotions among the respondent and one of the men in Tisun said, "Even as we are talking to you, I'm feeling another grudge like taking a cutlass." Another man concluded his own contribution by saying, "It's worth carrying gun for. I'm telling you, it's worth carrying gun for. Then people will stay up there (in government) and begin to blame people saying, 'Kill them, kill them'." Yet, another man said:

If they want to solve these issues, they should come, because they are saying amnesty, the thing may degenerate again to another thing. Personally, I can decide to do undo. Do you think this boys will not do undo if they are treated like this? From what

we are seeing now, we will always continue to get war.

# 4.3.4 Factors Responsible for Crises or Non-Crises in the Communities

Fig 4.9
AN ILLUSTRATION OF THE FACTORS INFLUENCING
THE PRESENCE OR ABSENCE OF CRISES IN THE
COMMUNITIES

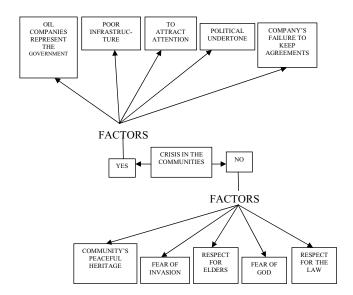


Fig 4.9 illustrates the responses of the participants to the question of whether or not there had been crises in their communities with the oil companies. The figure also presents the factors that determined whatever position that was taken. As expected, all the responses to the question fell into two categories; those who admitted to crises in their communities and those who denied same.

The participants who admitted that crises had, at one time or the other, occurred between their communities and the oil companies offered different reasons for their position. One of the reasons given was that the **oil companies represented the government**. While the government could not be attacked directly, the oil companies could. Hence, the companies were attacked so as to get at the government. According to one of the elders in Eruemukohwarien:

That is why the tension grows on Shell. No matter what Shell does, it cannot pacify the community because it is Shell that is seen in the community; they don't see the government. The government is not coming here to work, but Shell is coming here to

work. So, it is you (the oil company) taking my land that I'm seeing, but the government is standing at your back.

He opined that the government was the reason for all the militancy in the Niger Delta. He said, "They (militants) are not doing it because they are angry with Shell, no, they are doing it because they are angry with the government; but the government is hiding." He also said that the government collected money from the oil companies just to divert same for their own benefit. Another elder in the community insisted that notwithstanding the Federal Government's law that the land belongs to the government, some people still reside on it and farm it. Hence, the government owed the communities some compensation. He cited United States where he claimed the owners of the land owned the oil.

Another cause of crises in the communities is **poor infrastructure**. The poor state of the roads was a major concern for the communities. One of the youth in Eruemukohwarien observed, "From the entrance of this our community to Shell yard, they tarred that place to their facility. Shell tarred the road to their facility, but when you enter the main village, it is a mess." He stated that the road was the cause of the community's recent conflict with Shell. Another youth said that in the first place, Shell

destroyed the roads with its heavy trucks; therefore, it ought to take responsibility for it.

Some of the participants also said that crises were allowed in their communities so as to **attract the attention** of the oil companies and the government. They explained that the government seemed to be focusing on the communities where there were conflicts, while the relatively peaceful communities were ignored. They therefore argued that a way to gain the attention of the companies and the government was to allow crises.

One of the elders in Tisun said, "Those people that are harsh to them (oil companies), we used to hear that they used to satisfy them. But we who are lenient with them now, they don't satisfy us." An elder in Eruemukohwarien also said that it was when Shell reported the community to the government because of the conflict, that the governor knew for the first time that there was an oil company in the community.

Some participants were also of the opinion that some of the conflicts experienced in the Niger Delta had **political undertone**. The Eze-Ogba Nwadei Ogbuehi in Omoku was of the opinion that politicians gave guns to the youths to help them rig elections. According to him:

They (politicians) trained our boys; they used them to win election and then abandoned them. Now, some of them (youths) go into crude oil; they give it to our enemies. Our friends who turn to be enemies, who sell the guns, train them there at the high sea. The pirate people are our boys.

One of the men in Tisun also agreed with the suggestion of political involvement. In his own case, he felt that the act was perpetrated by some influential persons in the communities, not for elective offices, but for personal gains. He said:

Some riots and demonstrations are masterminded by the big people in the community for selfish ends. They may be seeking contracts, so, if they are not given, they will go and motivate the people to demonstrate- with the people thinking that they are demonstrating for roads and water to the oil companies. But the masterminds go back (to the oil companies) to say, if they been given the had contract, the

demonstration would not have happened.

They would even assure the company that the next demonstration may be bloody.

The last cause of community crises that was mentioned was the companies' failure to keep to agreements. An elder in Eruemukohwarien stated that whenever a Memorandum of Understanding (MoU) was signed, the oil companies would selectively fulfil the agreements. According to him, "The bad thing there is that they don't carry out this MoU to the fullest. They will do some things; if you talk about employment, they will abandon those ones. They will do some road projects and leave some."

The second category of responses to the question of whether or not there were crises in the communities comprises participants who denied the occurrence of crises in their communities. These participants also identified the factors responsible for their opinion. One of the reasons they gave was that their communities had **peaceful heritage**. One of the elders in Obrikom explained that from the origin of the community, their forefathers had told them that the community must be calm and peaceful; hence, militancy was not condoned in Obrikom.

One of the youths in Eruemukohwarien also claimed that the community was peaceful and that they always tried to avoid anything that could cause trouble. The Omoku youth leaders also said, "We are peace loving people, we are not violent. That is why you can't find any militant activities in this place." He went further to say, "If we see the militants crossing the boundaries, we always alert the soldiers or armed forces, for them to be aware of what is trying to encroach into our area."

The **fear of invasion** was another reason given by the participants who denied the occurrence of crises in their communities. This sentiment cut across the five communities; the need for safety. According to one of the youths in Eruemukohwarien:

We know quite well that if we go by that (violence), the Federal Government will just troop in army to bomb the whole place, and we know that we cannot fight the government. You can see we are in the land; the Ijaws are in the water. When they do anything at all, they just enter the creek and that is all. Where do we run to? We have no place to run to. Before you do anything, soldiers have rounded you up. So, if we do it

(blow up installations) now, we are just punishing ourselves. Most of us here, our fathers and mothers are from this town, if we destroy it, where do we run to?

One of the men in Tisun also explained that his community did not stand a chance against the military force employed by the oil companies and the government. According to him, "We don't fight. Who are we going to fight with? Can somebody with spoon go and fight someone with hammer? The issue is that there is subjugation, total subjugation. The powerful are oppressing the less privileged."

One of the youths in Eruemukohwarien stated that a lot of Shell's facilities were based in the community, such as gas plant, flow station, compressor station, fire safety station and the only land terminal in Nigeria. He said:

Tampering with anything there will cause problem. It's a small thing! One can just go there and do something small, and cause explosion. Then when there is explosion, Shell will come and say, "What is happening, let us settle". But if you do it, what of your safety?

Another youth from the community noted that the oil companies surrounded themselves with solders and mobile police (MOPOLs), hence, making them inaccessible. He said, "There is no room to make or create crises because of what is guiding the companies. Like I said, they brought the soldiers, the MOPOLs, and the police, to guard them in order to siphon our oil without compensation."

Fig 4.9 shows that **respect for elders** is another reason for the absence of crises in some communities. One of the youths in Eruemukohwarien said, "We are hearing of the Ijaws blowing up the whole place there. We cannot do that because we have elders here, and we the youths, we listen to our elders." Another youth explained further saying:

Sometimes our youths, once we are about to do something, the elders would call and say, "Stop there." Everybody will just listen to the elder because we have fathers at home. Otherwise, maybe something bad would have happened in this community. Yes, it is as a result of the respect the youths give to the elders.

Some of the participants also cited the **fear of God** as one of the reasons for the absence of crises in their communities. They claimed that they knew what they could have done to the oil installations in their communities. According to one of the youths in Eruemukohwarien, "If not for God, we know what to do now! We know where to go to blow all those things up. But we don't want to do that. Even forget about security there, we know what to do, but we don't want to do it."

Some of the participants claimed, lastly, that their **respect for the law** was another reason for their restraint. One of the elders in Eruemukohwarien said, "We want to abide with the government laws, we don't take laws into our own hands to do something bad to the company." The Eze-Ogba Nwadei Ogbuehi in Omoku said:

As a non-violent community, we cry out, we follow our matters constitutionally. We don't believe in violence because violence can never do well to any man at all. When you are shooting, you don't know who the bullet will touch; whether your brother is passing through the way it touches, you don't know

## 4.3.5 Effects of Crises on Host Communities and Oil Companies

#### 4.3.5.1 Effects of Crises on Communities

It is very important, at this point, to mention that as far as crises are concerned, the experiences tend to differ from community to community. The crises experienced in Eruemukohwarien, Omoku and Obrikom were generated as a result of their protests against the oil companies, while those of Kolokolo and Tisun were as a result of them hosting oil companies. What this means is that Kolokolo and Tisun communities were allegedly attacked by the Ijaw communities because of the perceived benefits they enjoyed from the oil companies, which in actual fact, according to the participants, were only mirage.

The Ijaws launched an attack against the Itsekiri communities and according to a young girl in Kolokolo, "They even burnt a lot of villages in this place, to make those people run for their dear lives." One of the men in Tisun also said, "I'm above 40 years, we (Itsekiris and Ijaws) have been living together for so many years, and even intermarried- no crisis. But the crises started when oil companies started coming here."

The secretary of the Trust provided further explanation about the crises by stating that the Ijaws fought the Itsekiris for two years, because they believed that the Itsekiris were blocking them from the oil. According to him, "They laid siege and it was as though they launched a genocide against the 23 Itsekiri communities, because they have more oil than the Ijaws." He said the Urhobos also join the Ijaws, until they realized that the Itsekiris were not the problem, so they faced the government. According to him, "Most communities were razed to the ground and all escape routes were blocked. The attacks were mostly at night. They even went to Warri to kill the Itsekiris there."

Having identified the two dimensions of crises experienced in the communities under study, the following sub-sections examine the effect of the crises generally on the communities.

### Loss of Lives and Properties

One of the major effects of the crises on the communities was the loss of lives and properties. According to one of the men in Tisun, the crises devastated the entire community, causing people to lose the little possession they had gathered over the years. He narrated the experience:

People died. Behind that house, about three people were buried. This man participant) was living with about four boys; nearly all of them were killed, I think he was the only boy left among them. Some women were butchered and their heads were carried away. The eldest man in this community, the eldest man that governed the community, was beheaded too, and they took his head away. He had a block house; they demolished it, and set fire everywhere, they set it ablaze. Some people died, not because they shot them, not because they beheaded them; some people slept in the bush, some corpses were not found. For instance, one woman, Akele, the corps was not even discovered. She just ran inside the bush, died there and was buried by crabs or anything.

Another man in Tisun said that the crisis really reduced the population of the community. The entire community was reduced to nothing and everybody had to start building from the scratch. One of the women in Kolokolo said, "Those who had, they have

nothing now because of the crisis. So, this crisis has caused us a lot of things and it has destroyed a lot of things in our community."

### **Neglect by the Oil Companies**

Most of the participants complained that the oil companies usually withdrew during or after crises. A man in Tisun noted that before the crises, the community's relationship with Chevron was so cordial that representatives of the company would come and discuss with the community and inquire about their problems. He explained that, even at that time, the community felt cheated by the oil companies, but at least they showed up. He said:

They came here frequently. They made promises and we clapped to those promises. But the promises didn't yield any dividend; though it sometimes encouraged us that maybe tomorrow they would come, tomorrow they would come, until the crises came. So, the only thing we benefited from that regime was that it encouraged us, "don't worry, it will soon be better." Those were the only benefits we benefited, because we saw their faces.

Another man said, "We no longer see Chevron around this area. All we know is that they cut us off; they barricaded the place. If you go where they are now, they have barricaded it." An elder in the community said, "They (Chevron) are using what other people are doing to react to the community." A youth in Kolokolo said that despite the fact that he and a couple of other youths did surveillance work for Chevron, guarding oil installations and oil wells, they were not allowed into Chevron's facility. He said that their reports were submitted to the security operative at the gate of the company.

The women leader of the Obrikom Women Association also agreed that the oil companies usually withdrew in the event of crises. According to her:

We had little clashes- crises I should say, here in Obrikom community. But they have been somehow resolved now. Since those crises, the community has not been having normal/nice relationship with them (Agip). You know Agip, they even like a community that makes problem. Because when your community is making problem, when these

people (community representatives) go, they (Agip) will say, "Go, go, go (stay away), your community is making problem." They don't want to put their mouth (intervene), and indirectly, they're using that time to their own gain. They use that to excuse themselves.

The youth leader in Eruemukohwarien agreed with the views of the Obrikom Women Association leader about the oil companies' disposition towards crises. He said, "Let me tell you one thing first of all, if there are crises in a community, all these oil companies are happy, because they make their money through that process." He went further to accuse the oil companies of instigating intercommunal crises. He created a scenario about Efeoto and Eruemukohwarien communities to explain his point, saying:

Shell can manipulate to set problem between both communities. So, when there is problem in these two communities, Shell would be happy in their operations. They would make more money because they would not come here (Eruemukohwarien) to do anything, and they would not go there (Efeoto). We would then say, "If Efeoto man reach there (Shell office), there would be problem," and they will say, "If Eruemukohwarien man reach there, there will be problem." So, Shell on their own will be happy; instead of settling issues, they cause the problem. They will not settle it; they will just leave the matter like that. Not until both parties understand themselves that, "We are losing o, let us settle," they will not settle, because they make their money from there.

He also explained that Shell may randomly select a person in the community and pay him a small amount to get a job done. Not only would the company get the job done cheaper than if it were to go through the official community channel, it would also set the entire community against the person who did the job. Hence, while the community would be divided over the issue, Shell would carry on its business. He said:

Instead of settling crisis, they believe in setting more fire. Like all this boys (militants), if you look at it critically, Shell contributed to the problem that is bringing

these crises today. But the thing is now robbing both Shell and state government, and even other companies around. So, I do not think Shell has any way of settling matters, in fact, they believe in 419 to dupe people and get whatever things they want and get out.

The Eze-Ogba Nwadei Ogbuehi in Omoku complained that before the crises, any time there was a case of spillage and it was reported to the oil companies, they would respond and even compensate the community. After the crises, however, they stopped responding. He said, "Yes, everybody is aware that while there are crises, we get nothing."

#### Harassment by members of the Armed Forces

Another major effect of crises on the communities was the harassment by military men. Of course, the forces were engaged by the oil companies and the government. A youth in Eruemukohwarien recalled the protest staged by the community, in which the community women denied Shell's staff access to the company's facility. According to him, "The next thirty minutes, there were forces all over the whole place; there were heavy forces from the government." He explained that after government's

intervention and the eventual promise by Shell to repair the road, the road still remained as it was. He said:

Then by tomorrow, if we cry back again to say we would rather do or die, they will troop in their army and just start killing people innocently here. And the army, they themselves, they know quite well that this people are suffering, but they are under the control of the Federal Government, they asked them to go and do mess there.

The participants also complained that the oil companies labeled members of their communities as criminals. Hence, it became a standard procedure to always surround themselves with forces and also use same against the communities, without waiting for reasons to do so. One of the youths in Eruemukohwarien said:

There is something that Shell has been doing and I don't like that thing. Maybe if they have a contract, like Abaimuna, when the contract starts, you'll be seeing them bringing in soldiers, MOPOL (mobile police), to disturb us and we are not disturbing them. We are not disturbing them from not doing their work.

#### Lack of Development

The participants were of the opinion that their communities were underdeveloped as a result of the crises. An elder in Tisun explained that the crises led to the destruction of the structures in the community, both physical and social, thereby making the community not conducive for habitation. According him:

You hardly see babies like these in the town anymore because there is no school. The ones who can afford to take their children to the township do. But you will still see some, maybe as you were coming you saw some, those ones, they don't even go to school, they can't read "A."

The eldest woman residing in Kolokolo complained that she had only suffered since she returned to the community; having escaped along with every other person in 2004, when the crises occurred. While most of her mates never returned for fear of recurrence, she claimed that she could not desert the community. Having returned, however, she returned to nothing. According to her, "Crises are

very bad. The crises have destroyed many things in this Niger delta. It is the crises that made us to come down, down, down."

As at the time the FGD was conducted in Kolokolo, the few villagers had just returned to the community, therefore, the community was still largely deserted. According to another woman in the community:

Na the crises make us come down small, make us fall this way. If you come this village before, wey them never pump this oil, we get things, but since the crises, everything has gone down. We no fit go thief, we no fit go be ashawo, na him dey make us suffer this way. (The crises reduced us this way. If you came to this village before oil exploration began- we had things, but since the crises, everything has gone down. We cannot steal and we cannot go into prostitution, which is why we suffer this way.)

#### Fear of Future Attacks

Some of the participants expressed the fear that their attackers might return, particularly in Kolokolo and Tisun. Consequently, they did not feel safe living in the community. One of the men in Tisun noted, "Even some of us that survived the crisis are not willing to come down again and experience that one in life. Those who have relations who can take care of them in town, they don't come back." Another man stated that some members of the community lived in the township even though they were not accustomed to the terrain. According to him, "Those men and women that were born and bred here, they are not used to the town. So, when they stay there, they don't live long. They die; people will just die any how like that."

#### 4.3.5.2 The Perceived Effects of Crises on the Oil Companies

The participants also expressed their views on how they felt the oil companies were affected by the crises. Among the effects they mentioned are:

#### Insecurity

One of the major ways in which the crises affected the oil companies was in the area of security. The crises had generally made the companies automatically suspicious of the communities, thereby reducing the amount of direct interactions between them. One of the youths in Eruemukohwarien observed, "You go to the yard (Shell installation) now, you will see army. They (Shell) will tell the army that, 'You must be very careful where you are going; the people are very bad o!' "But after a while, according to him, the army men would develop a cordial relationship with members of the community.

In Tisun, the participants explained that the oil companies were always suspicious of the community, including the youths they employed as casual staff. According to one of the youths:

Even us, there are some youths that they (Chevron) have engaged in the surveillance business i.e. guarding their own oil installations and oil wells. Even those that are working as surveillance, they don't allow them to enter the company, they just get to the gate, and submit their report to the gateman and go back.

Another youth agreed with him saying:

Like we now, we work there (Chevron). We cannot stay there except Yoruba's... come to

work there. It is the forest we trek through. Someone like me, I trek from here to go and work there, then in the night, I trek back. Inside the forest! Not as if they created a road there o, we pass the forest and we use our feet to create the road- foot path ourselves.

### Low Productivity

The participants observed that the productivity of oil companies usually drops during crises. One of the chiefs in Eruemukohwarien opined, "When there is problem in the Niger Delta, when there is a lot of uproar in the riverine, I think it's only half they (oil companies) produce, so, that's why the oil producing now is costly." For instance, the protest in Eruemukohwarien led to Shell's facility being closed for a week, which disrupted the production schedule of the company.

## 4.3.6 Oil Companies' Community Relations Strategies for Conflict Resolution

Fig 4.10
OIL COMPANIES' COMMUNITY RELATIONS
STRATEGIES ADOPTED FOR CONFLICT RESOLUTION

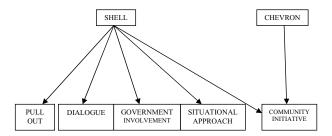


Fig. 4.10 presents the community relations strategies the oil companies claimed they use during crises. It can be observed from the figure that one of the strategies of Shell was to pull out of the community during crises. Shell's representative was quick to differentiate between a crises and an issue. According to him, "When something becomes crisis, it's like you've run out of all avenues of dealing with an issue." He explained that he was more comfortable with the term "issue" since there were always issues in the communities. He went on to say:

The issue might be development, they (communities) may say, "Well, we have not seen the impact of what the company is doing," or they may say "The government has abandoned us," or all kinds of things that they may have at the back of their minds. So, we tend to see them as issues. It may even be about the environment, they may talk about environmental degradationit's an issue.

He admitted that Shell had witnessed some issues escalate into crises and the Ogoni experience was a case in point. Hence, whenever an issue became a crisis, according to him, the company adopted appropriate strategies in dealing with it. Giving the example of Ogoni, he said, "We (Shell) then said, 'Let this not become complex, we can't let this escalate. So, in that case, we are going to pull out.'" He went on:

In the Ogoni issue, the best way, as far as the company was concerned, was to pull out, so that people can sit down and think critically about what needs to be done. And I don't think we have any regrets for pulling out. It helped the community to rethink and it also helped us as well. So, what we have done in Ogini, like I said, is more or less in the extreme. We have not had any other crisis, that has got to the stage of us pulling out.

Another community relations strategy that Shell claimed to use during crises was dialogue with the communities. Shell's representative said that the company did a lot of discussion with the communities. He also said that the company carried out its stakeholders' engagement in a proactive manner by making all efforts to help the communities understand its own side of the story. Not only that, Shell's representative explained, "We also try to put our feet in their shoes to say, 'What if we live in those communities? What if what they say is true?' "The company tried to achieve all that through dialogue.

Shell also solicited the help of the government during crises. Shell's representative explained that it was not the company's responsibility to lead the processes of development; hence, the government was usually engaged. He was of the opinion that some of the crises in the Niger Delta were as a result of transferred aggression by the communities; the communities were dissatisfied with the government and they took it out on the oil companies. He explained that the communities had expectations that were mostly unfulfilled. He said:

Whose fault is it? They (communities) may start telling you it's because of Shell, but that is not the truth. Because, if Shell wasn't there, maybe they still wouldn't have had electricity. But because they cannot see the government, which is supposed to take the lead in the development, they cannot feel the impact. They have a State Governor who hasn't been to their communities, they have a Local Government Chairman who sits in Abuja and does not go to see the communities. And they know that the government makes X amount of money from oil, and the money doesn't get to them. The next person they see is the oil company, which will then tell them, "Listen, I pay my tax to the government, go and collect from

the government." So, it becomes an issue of who really should they be looking up to. That's why I'm saying that it's all about perception.

As far as Shell's representative was concerned, the company's engagement of the government was for the sake of challenging it to take responsibility for its people. He said:

Engage government officials; get them to understand that development really should be what they should be thinking about. How they use the resources from oil production is paramount because that will bring stability. So, indirectly, we are saying, "government, you take the lead and we will follow you, we will support you." That's another strategy in itself.

Shell also made use of situational approach when dealing with conflicts. The company believed that the situation determined the approach. Shell's representative said, "It's not a hard and fast rule for the ones that we have used for specific situations, because it depends on the situation." He explained that what happened in

Ogoni may not recur in other communities. Events may be of a different scale and magnitude; hence, the company would adopt the best strategies considered most suitable for current situations. He went on:

That's why I say a lot has changed, and our strategies have changed over times, so, it's not static. If we feel- based on experience and what we feel, or we see happening, or what people are telling, or the communities are telling us- that there is need for change, we also adapt and move on. So, it becomes a process; community relations is a process. It's not a static activity, it's a process, and it's quite dynamic.

Community initiative was another strategy that Shell's representative claimed the company used during crises. He explained that it involved allowing the communities to initiate the idea of their own development. According to him, that would ensure their satisfaction and consequently, a resolution of the crises. He further said, "If for example, in a particular cluster says 'Education is our major need,' it could decide to focus on

education. Another group might say, maybe infrastructure; roads. They decide what they need to do."

Shell's representative explained that there were two major factors that informed the company's reaction or position in situations; first, Shell would determine the nature of the issue and second, it would try to understand what its role should be. According to him:

It has to be noted that Shell, as a company, does not have the primary role of developing communities. It's not our primary responsibility. The primary responsibility of development in the communities is the government's. So, whatever we do in the community is a contribution to the development process. That's why we said we need to know where we draw the lines.

It can be derived from the above that Shell determines its level of involvement as well as what it considers to be its legitimate responsibility before it embarks on any community engagement programme. Chevron also identified community initiative as the major strategy it used during crises. In fact, the company's representative considered other techniques subsumed under it. According to him, community initiative, as a strategy, "Makes the communities the driver of their own development. I think it makes the communities responsible for their development." He asked rhetorically, "When you (the community) are the one who is responsible for what a company does in your community, what do you want to fight that company for?" Hence, he considered community initiative as a strategy that was both preventive and mitigating in nature, as the case may be.

Fig 4.11
THE COMMUNITY RELATIONS STRATEGIES
IDENTIFIED WITH THE OIL COMPANIES BY THE
COMMUNITES DURING CONFLICT AND THE
COMMUNITIES' RESPONSES

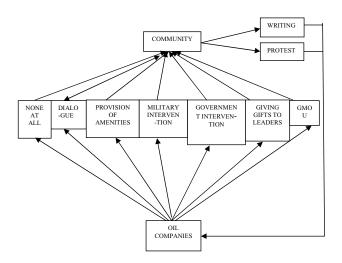


Fig. 4.11 shows the community relations strategies that the communities have identified with the oil companies during crises. Having considered the strategies that the oil companies claimed they used during crises, it becomes pertinent to examine the

perception of the recipients on the subject. Hence, the strategies identified by the participants are presented below:

#### No Communication at all

Some of the participants claimed that one of the ways they had seen the oil companies deal with crises situations was to cut off all lines of communication with their communities. They were of the opinion that the companies usually withdrew rather than make efforts to establish a viable line of communication with the communities. One of the elders in Tisun observed, "No way to pass, you cannot pass; you cannot communicate with them (oil companies)."

#### Dialogue

The participants also identified that the oil companies used dialogue as a community relations strategy during crises. One of the youths in Eruemukohwarien explained that Shell sometimes invited the leaders of the community for meetings where the problems on ground were discussed. In Kolokolo, one of the youths said that whenever the activities of Chevron negatively impacted the community, the leadership would go to the company to negotiate compensations. One of the elders in Obrikom recalled that there was once a better relationship between the community and the oil companies, than what was being witnessed at the time.

He was of the opinion that dialogue played an important role then. According to him, "Far back in 1980s, Agip was sending people to come down to the playground for Agip and the community to discuss, and the community will tell them the way things affect them."

A youth from Tisun said that the Trust of the community usually negotiated with Chevron on sensitive issues. He further said that sometimes, the community would force the company into dialogue. Giving an instance, he said:

When the community mobilized the women to stop Chevron's operation for two weeks, Chevron now sent their PA, public affairs; some of them are working in Leki, and some of them are working in Port Harcourt. They will now bring these people to come and negotiate with the executives in the village.

One of the elders in Obrikom also said that the oil companies did not usually initiate the dialogue; they merely responded whenever they were invited. According to him, "They don't send their own representatives into the community to meet with the head and other members of the community. No, they don't do that; unless when they are invited by the Traditional Rulers' Council." The leader of the Obrikom Women Association also agreed, saying that the oil companies forcibly embraced dialogue when they wanted to douse tension.

Some of the participants also described how the oil companies engaged the communities in dialogue. One of the chiefs in Eruemukohwarien said that the companies would usually send the Community Liaison Officers (CLO) to discuss with the community. Another elder in the community said that the CLO "Links with the community to have the discussion, he then carries the discussion back to the management."

A closer look at Fig. 4.11 will reveal that the arrow pointing from dialogue to the community is bidirectional. This means that not only did the oil companies make use of dialogue to communicate with the communities, the communities also used it in return. According to one of the elders in Obrikom, "What we do is that we do not go into violence, we talk to them, trying to call them."

#### Provision of amenities

The participants claimed that the oil companies sometimes embarked on some development projects just to placate the communities. They were, however, of the opinion that most of those projects were either shabbily done or not completed. According to one of the elders in Obrikom, "They (Agip) were able to build for us a health centre here, but if you go there, no drugs; it is not equipped. If you see the civic centre that we are just coming from now, it is uncompleted. These are the things we are suffering." Nevertheless, a chief in Eruemukohwarien claimed that Shell had tried in his community as far as amenities were concerned. He said, "In fact, they always come up with one or two projects."

### **Military Intervention**

Military intervention was a strategy that the participants believed all the oil companies under study had in common. In fact, in Eruemukohwarien, the participants were of the opinion that military intervention was Shell's most preferred strategy. According to one of the youths in the community, "They (Shell) prefer using force, but that will not bring peace to the community." Another youth said, "When they go round, they go along with army and MOPOL (Mobile Police) to scare the owners of the resources out of their facility." He went on:

For now, the oil company (Shell), they look at the host community as a thief, a robber or what have you. Because, those Shell people, when they want to come to the community, they come with a number of army, police, and the rest. Even going there, they force you not to be close to where they operate.

Another youth from Eruemukohwarien explained, "They believe in the security, so that if we say we demand something, and they say no, because of the security, we cannot force them to do it." Still, another youth was of the opinion that the money that the oil companies should have used to develop the communities was diverted into security. A youth from Tisun also said, "They've left us in abject poverty and now they even chase us with guns."

The situation became further complex because, apart from the military men's primary assignment of protecting the oil companies, they also resorted to harassing the communities. According to the youth leader in Omoku:

Even the military men, instead of doing what they were supposed to do, they started extorting money from people. Look at this place, Omoku Timber Market, if people here want to go and carry their wood, they will pay the military men; at every check point where an army man is on duty, they will pay the army man \$\frac{\partial 3}{3}00\$ or \$\frac{\partial 4}{2}00\$ just like that, before they cross with their wood.

#### **Government Intervention**

The participants stated that the oil companies made use of government intervention as one of their strategies during crises. As far as the participants were concerned, the oil companies and the government were partners in the business of depriving the communities of their entitlements. One of the youths in Eruemukohwarien said that the military invasion in the community was a product of the agreement between the oil companies and the government. While recounting a particular conflict witnessed in the community, in which the women blocked Shell's access route, he said:

At the end of the day, Shell took us to the State Government. They didn't know what to do, but they took us to the State Government. At the end of the day, the governor said we should go, that they are going to do the road.

Recounting the same incident, an elder in the community said, "Shell now ran to the government. Some legislators came and said the governor was not on seat, he travelled, 'When he comes back, we will put up a system, before the well finishes, we will tar the road.' "He complained that it was about a year since the incident occurred and construction was yet to begin on the road. Another youth in the community felt that Shell pushed them to the government, and the government deceived them about the construction of the road. He further said, "Government is backing it (Shell) up, that's why we are not having a good relationship."

Apart from hiding behind the government, the participants said that the oil companies also blamed the government for the underdevelopment in the communities. The participants felt that it was quite convenient for the oil companies to direct them to the government while expecting that the government would not be intimidated. One of the youths in Eruemukohwarien said:

What we are even saying now is that Shell now, they are even telling us that our problems are not in their hands but in the hands of the State Government, under the Federal Government. They said whatever thing they are suppose to do in the community, they are supposed to pay part of it and State Government will pay part of it. But at times, State Government is not trying to do anything.

## Giving Gifts to Leaders

Some of the participants also claimed that the oil companies gave gifts and contracts to some of their leaders. According to a youth in Kolokolo, "Chevron gives contracts to our people, gives contracts to our Trust, gives contract to our executives; even they give contracts to the youth." As far as he was concerned, the contracts had positive impact on the community. The youth leader in Omoku, however, saw the gifts given to community leaders during crises as an influence to make them compromise. According to him, "Whenever the chiefs raise their protests, they (oil companies) find an avenue to maybe send some token to them to calm them down." He further explained:

When the oil companies see that the demise (damage to the community) is high, they will now find a means of going to, maybe, one or two of the chiefs, and give them some token to calm them down. Whenever they do that, and other people discover that these people

are signing away, and the companies are liaising with one or two people, while it is something that concerns the community in general, they (community) will now revolt against it. When they (companies) now want to have a situation with the community, they will now invite you to come to Port Harcourt and they will lodge you in a hotel, so that at the end of the day, they will corrupt you. You forget about why you were sent there, you forget your mission to that place.

# Memorandum of Understanding (MoU)/Global Memorandum of Understanding (GMoU)

In the earlier presentation of the community relations strategies of the oil companies, it was revealed that both Shell and Chevron differentiated between the MoU and the GMoU. It was also obvious that they both adopted the latter as an improvement on the former. Consequent on Agip's decline to grant an interview, the inability to establish through any literature that the company adopted GMoU, and the constant mention of MoU by the participants from Omoku and Obrikom where the company operates, it was concluded that Agip still made use of MoU. In respect to MoU, therefore, one of the elders in Obrikom said, "The

MoU is the major thing which we write sometimes once in three years, four years, or even seven years, as the case may be." He further said:

Let me say for the past ten years, they don't just come to do any project; they do the projects according to what we agreed in the MoU. And the MoU, once written, they don't do any other projects apart from what is in it. The bad thing there is that they don't carry out this MoU to the fullest. They will do some things; if you talk about employment, they will abandon those ones. They will do some road projects, and leave some.

The next strategy the participants said the oil companies used during crises was the GMoU. From the focus group discussion and key informant interview sessions, it was clear that only very few of the participants knew what the GMoU was. One of the men in Tisun said of the GMoU: "They (Chevron) said they have an MoU with all the communities around here, all around here, that they had a negotiation." An elder in Kolokolo also said:

There is one committee in this community, called the GMoU. The GMoU people, these are the community people who represent all the six communities, all the Itsekiri communities. These are the houses they have built for almost about four or five years they have been in position now... these two bedroom flats wey see so.

The clearest understanding of the GMoU was displayed by an indigene of Kolokolo, who was the secretary of the Trust. According to him, the GMoU was the brainchild of Chevron and it catered for 23 oil producing communities in five oil fields. He said, "Anything that has to do with funding is under the auspices of the GMoU." He mentioned the five oil fields, and they were Dibi, Olero, Ughoegungun, Escravos and Abiteye fields. He explained that Chevron no longer dealt directly with the communities, rather, it went through the council; the Itsekiri Rural Development Council (IRDC). A distinction was made between the Trust and the IRDC; Trust was a set of community representatives cutting across all interest groups within the community at the community level, and the IRDC comprised two representatives from each community Trust within the cluster and other stake holders at the cluster level

The Trust's secretary further said, "The primary aim of the GMoU is to address the issue of development and employment. In the last 3 years, the communities have witnessed the presence of Chevron more than the previous 33 years." He said the GMoU was first signed in April 2005 and then reviewed in June 2009. He further explained that there was a working document that stated the terms of the agreement. According to him, "Chevron does not give room for negotiation. The company only negotiates with sub-contractors on the job available, and they then release it to the council. So, the council does not have a say or negotiate." This is contrary to the impression of the participants from Tisun and Kolokolo that the Trust negotiated with Chevron on behalf of their communities. Still, he claimed that Chevron was making good effort in the area of funding, particularly for the council. He also said that the company usually fulfilled its promises.

The other participants from Tisun and Kolokolo, however, did not agree with the secretary on the benefits of GMoU and the efforts of Chevron. One of the youths in Kolokolo said:

In 1997, after the community leaders don go (to Chevron), we as youth, we will go on our own, we will meet the director of the company and say, "abeg please o, we are from Kolokolo community. Abeg, we need some things o", they will honour us, and give us. But after they don bring the GMoU come, nothing like that dey happen. (In 1997, after the community leaders would have gone to Chevron, we, the youths, would also go to meet with the director of the company saying, "Please, we are from Kolokolo community. Please, we need some things." They would honour us and give us. But after they brought the GMoU, things like that don't happen anymore.)

The women in Kolokolo also agreed that they got less from Chevron after the introduction of the GMoU than they did before it. According to one of the women, "When the GMoU start, we no dey see any Chevron for this town. That time wey GMoU never start, we still dey see Chevron for this place. (Since GMoU started, we have not seen Chevron in this town. Before GMoU stared, we used to see Chevron in this place.)" Another woman said, "Before, before, Chevron people dey give us some small money to help us, but since the GMoU, we did not achieve anything, no money, no anything self. (In the past, Chevron used to give us little amount of money to assist us, but since the GMoU, we have not seen

anything; no money, nothing.)" Yet another woman agreed with the previous two saying:

We no dey get helper for Chevron that side. Before Chevron start wetin they start (GMoU), them they give job and them still dey pay better money, but this one wey Chevron don start so, no work, no money. Na suffer head the boys take commot for this community. (We are not assisted by Chevron. Before Chevron started what it started, it used to provide good employment with good pay, but now that Chevron has started it, there is no job and no money. It is the suffering that drives the boys away from the community.)

The oldest man living in Kolokolo also described the benefits he enjoyed from Chevron before the GMoU was adopted, saying:

Chevron dey give food every two weeks, the food wey dey give us, na dat one we go survive on, because as I dey so, I no fit work for here, if my pikin no give me, I no fit

chop. But that time when the food dey come, I dey feel fine because I no dey stress dey find these things. (Chevron used to bring food every two weeks and we lived off that food. Because, as I am now, I cannot work; if my child does not give me money, I cannot feed. But that time when food was provided, I felt fine and did not undergo stress to get food.)

On the other hand, the communities also made use of some strategies to communicate with the oil companies. One of those strategies was dialogue and it was presented earlier in this work. The other strategies claimed by the participants were writing and protest.

## Writing

The participants identified writing as one of the major ways their communities communicated with the oil companies. The youth leader in Eruemukohwarien said, "If we need anything from the government or we want anything from the Shell, which we do and they neglect, there is nothing than to write." He further explained that the letters were always written through the leaders in the community. In Kolokolo, one of the youths stated that whenever

there was a spill and the water was polluted, "The executive would write a letter to Chevron, asking for a percentage for the fishermen in the community." Also, whenever Chevron sent allocations to the community, the Trust usually wrote to the company to present the nominations.

The Obrikom Women Association leader said that the community wrote whenever Agip's attention was needed. According to her, "When you write to them, that is, Letter of Audience, they will give you audience date. And at times, they prove stubborn." One of the youths in Eruemukohwarien also agreed that his community wrote to book appointments. He said, "In this area, it is just writing; booking an appointment with them by writing a letter of an audience. That is how we use to relate with them." He also claimed that the companies sometimes failed to respond. According to him, in case of any need, "We put it in writing, but still, we are not getting anything out of it."

One of the elders in Eruemukohwarien said that the community did not only write to demand for things from the oil companies, they also wrote to express gratitude. According to him, "When we get projects, we write a letter of appreciation to them for what they've done, and this brings more because you are encouraging them."

#### **Protests**

Another strategy the communities used to communicate with the oil companies was protest. One of the youths in Eruemukohwarien said that the community did not embrace violence; hence, protest was the next option available to them. He said:

We talk to them (Shell), trying to call them. If the worst comes to the worst, what we do is to go in numbers, in large numbers, to go and protest with placards, to tell them that, "What you are doing is not good." At that stage, we may draw their attention to come and discuss or they will invite us to discuss.

The Obrikom women leader also agreed that sometimes the oil companies did not respond to mere discussions and writing. According to her:

When you write to them (Agip), and they refuse, then you use force to go, by mobilizing people. Like women now, there are things we're looking for, so, a time will come now, we will write to them again. When they refuse, we will mobilize ourselves

and go for demonstration. That time, at least they will hear us. Like last week, the youths had a demonstration over there, and now they've called them to make peace with them.

The youth leader in Omoku said that the only way the youths displayed their displeasure concerning any undesirable activity of the oil companies was to protest. He emphasized that the community was not given to violence. The Eze-Ogba Nwadei Ogbuehi in Omoku also agreed that protest was one of the most effective ways to secure the community's entitlements. According to him, "We cannot be tired to fight on. If a man does not say, "I am here!" I know for sure they would not know he is there. Unless you cry out, and when you cry out, you will surely be heard. So we will cry the more."

## 4.3.7 Assessment of the Effectiveness of the Oil Companies' Community Relations Strategies

Having presented the perspectives of the companies and the communities on the community relations strategies used by the oil companies during crises, it becomes pertinent to evaluate the effectiveness of those strategies also from both perspectives.

## Oil Companies

When asked about the effectiveness of the strategies engaged by Shell, the company's representative was positive about the results generated so far. He commented on the use of the GMoU, saying that while he might not be in the position to speak for other companies who also engaged the strategy, Shell's version had achieved much of the desired impact. Nevertheless, he said that the company would still work more to improve its achievements, because it could not claim to have reached the mark yet. While explaining the indicators of the effectiveness of Shell's GMoU strategy, he said:

Before now, they could have been the same communities that would have come here to demand that Shell should give their children scholarship. But because of the way the GMoU is structured, they know they have to take development in their own hands, sit down in their communities, and think of what they want development to mean for them, and how they want to do it.

He cited the example of a particular community that decided that instead of pressuring Shell for scholarship, they would use the money provided by the company for their development to make the scholarship available. Since each community was to decide on its own development focus, that particular community decided on education.

On the other hand, Chevron's representative also said that the company's strategies had been effective. He said that there had been significant improvement in the company's relationship with the communities since the strategies were adopted. According to him, "We have not had any crisis that has led to them (communities) shutting us down. When you (the community) are the one who is responsible for what a company does in your community, what do you want to fight that company for?" He emphasized that things are getting better between Chevron and the communities. He said, "I mean, if you pick out the issues of militants and criminalities, I can say that we have a very positive operational community."

### Communities

Considering that the communities were the recipients of all the community relations strategies of the oil companies, it became pertinent to examine their views of the companies' efforts. Of all the participants who took part in this study, only one person said that the companies' strategies were effective. The participant, an elder in Eruemukohwarien, specifically commended Shell's communication with his community. He said, "It's very effective. Very, very, effective, their communication is very effective."

Some other participants felt that the oil companies' strategies were just fair. For instance, the Obrikom women leader said that the oil companies' activities were forced by the communities and were not willingly done by the companies. One of the chiefs in Eruemukohwarien also said that Shell was making fair effort to pacify the community by offering some assistance. He too was, however, not satisfied with the company's overall performance. An elder in Obrikom also said, "We are partially satisfied, but not much, not 100%, really. They've not done enough to our own satisfaction, but we know that we can say they are trying to their own little power, but that is not our own satisfaction"

The largest group of participants said that the community relations strategies of the oil companies were not effective at all. Most of them opined that the best strategy any oil company could adopt was to go to the grassroots. They said the companies would miss

the point of the whole situation if they observed the communities from a distance. One of the men in Tisun said:

Now, if really they are not wicked- and I see the reason many people carry guns- if they were not wicked, this is the source of their oil, can't they one day, come here and talk with us and see things for themselves? They can't come and discuss with us! They will not come here, they will send some groups of people who may, "may", I'm not specific, who may not even represent the people well. They are not coming here, that's the problem, because they don't see for themselves.

Another reason some of the participants claimed that the strategies of the oil companies were not effective was the oil companies' failure to respond to their demands. The women in Eruemukohwarien said that whenever there was a need in the community, they would dance to Shell and the company's representatives would persuade them to return home, promising that the company would look into it. However, the promises were hardly ever fulfilled. One of the women said, "It's been one year

now since we protested for the road. You can see the whole town today; if you walk round the whole town, you will see how it is that nothing is coming." The youth leader in the community also said, "They (Shell) never come o, they don't do anything on their own unless when you ask. They don't hearken to our cries, they come to deceive us and go."

One of the chiefs in the same community said:

Since 1958, see the road in the community, see all the cracks in all our houses and all the zincs, see them. They have been burnt by the smoke from the gas which they flare into the air. There was a time they came, they said they wanted to assess all those things; they assessed, they went, but there was no response or compensation at all.

Some participants also mentioned failed promises as their reason for claiming that the oil companies' strategies were not effective. The youth leader in Eruemukohwarien said that even when the community dialogued with Shell and promises were made, there was never a result. Hence, he concluded that dialogue was not working. He went further to cite an incident in which Shell failed to live up to its promises. According to him:

There was a time we tried to arrange a kind of seminar with them (Shell); they said they were going to arrange it. I think they called Participatory Rural Appraisal something like that. So, we really organised it and they asked us to list 30 projects that could make this community a nice one. We listed them. But up till now, since the year 2001 or so, it was only one project that was done and I think that was the coastal bus, We've been two coastal buses. dialoguing since how long now? If somebody tells you that this is a place where oil has been extracted from since 45 years ago and the community is still like this, will you actually believe it?

One of the elders in the community recalled the protest staged against Shell concerning the community road. He said, "They (Shell) talked all sorts of political issues here; they talked, talked, and talked, and then they left. So, what happened? They finished their job, and they left. The road is still there." One of the youths in the community accused Shell of not coming to fulfil the

agreements made in the MoU. According to him, "Sometimes, they (Shell) don't use to do it, like what they signed last year, it has not been implemented till now. They will just do something very trivial and forget about the others." He went on:

They (Shell) will like to deceive you. The issue is that, whenever they come, they will respond to your call, but after the MoU, they will go back, being blocked to the degradation of the community. And that is why they are not effective, because what makes you effective is when you have a Memorandum of Understanding and you implement it. That means you are active, you are effective, and there will be peace. Everybody will smile.

He also stated that Shell saw the leaders as "automatic control buttons," that once the company could meet with them and pacify them, everyone else in the community would fall in line. He blamed the poor relationship between the company and the community on that method of operation. As far as he was concerned, the leaders represented the community and they should project the interest of the community and not theirs.

## 4.3.8 Communities' Preference for Community Relations Strategies

Fig. 4.12
OIL COMPANIES' PERCEIVED COMMUNITY
PREFERENCE FOR DEALING WITH THEM

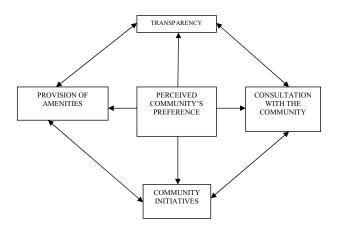


Fig. 4.12 presents the strategies the oil companies perceived to be the preference of the communities. Having examined, so far, the oil companies' perceptions of the challenges in the communities, the communication structures of both parties and the community relations strategies engaged by the oil companies, it becomes

necessary to evaluate the companies' perceptions of the strategies the communities actually prefer. If there is an affinity between what the companies think the communities prefer and what the communities actually prefer, the foundation would have been laid for a cordial relationship. Hence, the following are the communities' preferred strategies, as perceived by the companies:

### Transparency

The oil companies believed that the communities wanted to be informed about the activities of the companies taking place on their land. They were also of the opinion that the communities required transparency from them in terms of the development projects that were embarked upon. According to Shell's representative:

For one, the community will want the company to be as transparent as possible. But at the same time, obviously, that transparency will mean that you have to give as much information away, and that information is commercially sensitive, so, you can't just tell them everything they want to know at that particular point in time.

This means that information would be made available to the communities excluding the commercially sensitive part.

#### Consultation with the communities

The companies were also of the opinion that the communities wanted to be consulted when making decisions that affect them, such as the dredging of new sites, execution of development projects and other related matters. According to Shell's representative:

If they(communities) feel that you have been consulting them very well, or putting them in the know of what's been going on, you are not hiding anything from them, or you are honest and transparent as it should be or can be, then that level of trust will be very high.

Chevron's representative also stated that consultation with the communities was a very important community relations strategy. He said, "It is also the community strategy that provides maximum power, that maximizes communication between company and community, which ensures transparency."

#### **Community Initiative**

Another community relations strategy that the oil companies believed the communities preferred was community initiative. The companies were of the opinion that the communities would rather draw up their own development plans, than depend on outsiders to do it for them; since they were more conversant with the challenges they were faced with. Shell's representative explained that making decisions on behalf of the communities would be difficult because such a task would require asking the question, "What do the communities want?" and according to him, "It's a very broad question because communities are different. What Community A prefers may not be what Community B prefers." The representative from Chevron also agreed that the communities should take responsibility for their development. According to him, the strategy the communities would prefer is "The strategy that makes the communities responsible for their development."

#### **Provision of Amenities**

The companies also identified provision of amenities as one of the strategies they believed the communities preferred. According to the representative from Shell, "Most communities have aspirations of development; they want electricity, they want water, and they want schools." He said the company made the money available while the communities determined their own development priorities. He gave an instance, "One of the clusters (of communities) decided that they were not going to be building

schools or roads, they wanted to be sending their children outside this country on full scholarship to go and study. And they sent 12 of them to the US."

The representative of Chevron also agreed with Shell by identifying the provision of amenities as a viable strategy. According to him, it is a strategy "That upholds the rule of law, and that can assist the development of the community with respect to infrastructure and other forms of development."

Fig. 4.13 COMMUNITIES' ACTUAL PREFERENCE OF STRATEGIES

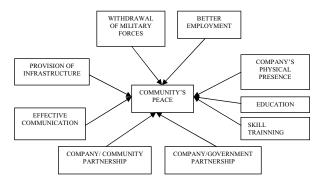


Fig. 4.13 presents the actual community relations preference of the communities. As can be clearly seen, the elements that constitute the actual strategic preference of the communities are more elaborate than those identified by the oil companies. The elements are the following:

## Withdrawal of Military Forces

The first strategy the communities wanted the oil companies to adopt for better relationship was to withdraw the forces from the communities. They said it would be the first step that would lay the foundation for peaceful cohabitation. According to one of the youths in Eruemukohwarien:

If they (Shell) want to work successfully, let them go back to the first time, that first time when they came as civilians. They should forget security and face the community. But now, we do not understand each other, the security now differentiates us; they cannot hear from us, we cannot hear from them. So, to make cordial relationship, they should stop all those nonsense-running to the state governments, running to JTF.

The youth leader also agreed with this:

We are looking to the government to also come in, and also advice the oil companies, because if the government had come in and advised the companies, the company wouldn't have been using the soldiers and some other war forces to intimidate the community.

## **Better Employment**

The participants also said that it would be a strategic move for the oil companies to look into the issue of employment in the communities. They believed it would get the youths off the streets and make them less susceptible to restiveness. According to the leader of Obrikom Women Association:

I will say it is a very simple thing because the oil companies know that the place they're working is the people's land. At least, they are supposed to provide employment, as much as possible, to help people from that community. I feel that if they provide employment, there would be fewer militants.

The Eze-Ogba Nwadei Ogbuehi in Omoku also commented on the issue of militancy. He explained that the amnesty granted by the Federal Government would be pointless if employment was not provided. According to him:

The young men are dropping the guns. We have been watching as they are dropping them. If they drop and they have no job, and the government does not fix them somewhere, they can decide to return. Government should give them job, they should do something: the government should not play fun over this issue.

One of the elders in Eruemukohwarien argued that it would be useless for the oil companies to give scholarships to students if there was no employment for them after their education. He then suggested that the oil companies should identify the staffing needs at their oil wells, and request for qualified indigenes to fill them. He stated that if about three indigenes were employed every year,

on a rotational basis among the communities, the companycommunity relationship would be cordial.

Also, the youth leader in Omoku advised the oil companies to empower the youths by creating employment opportunities, "So that peace can reign, not only in our domain, but also in Nigeria as a whole." The women in Eruemukohwarien also appealed to the companies to empower women by creating women friendly jobs. They also recommended, "They (Shell) should place women that are from 50 years upward, who cannot work, on salary."

One of the youths in Eruemukohwarien insisted that the companies must employ indigenes as community liaison officers (CLO). He said, "When you (oil companies) talk of Community Liaison Officer, you should employ somebody from the oil producing community; that person will mediate the problem. So, without all these things put in place, the relationship will not be there." He also suggested a raise in the salaries of casual workers. Some other participants also believed that employing indigenous CLOs would give their communities a representation within the companies.

#### Company's Physical Presence

It was discovered in this study that the most popular strategy among the participants, which they believed would go a long way in resolving company-community problems, was the companies' physical presence in the communities. When crises began in the communities, the oil companies became recluses, surrounding their facilities with high fences and security men. One of the youths from Eruemukohwarien said that the oil companies should leave out the military forces and come to the communities themselves. He said, "If they really want a good relationship, they should come down and put things in place." He warned that if the situation was not attended to immediately, it might degenerate further and become uncontainable.

One of the men from Tisun also agreed that the oil companies should go to the grass root. He said:

They (Chevron) should come down to the community to discuss what we need and what we want to get, not that they negotiate with the people in the township, and it doesn't affect us. Because those people will go and negotiate with them, and thereafter, we that are suffering the mosquitoes will not know anything. They have to come and hear our problem, to know what we are suffering.

He lamented that the American manager of Chevron would go to Lagos, a non-oil producing state and sometimes fly straight to Escravos, which he described as a mere reservoir from which oil is lifted, yet the oil producing communities were neglected. He said, "Like here now, we have over thirty-something wells here that produce oil. They can fly from Warri to Escravos, and then back to Lagos where they go back to America."

Another man said that the oil companies should not believe all they hear about the communities; rather, they should visit them. He went on:

We heard that the deputy president is an Ijaw man; has he gotten to the place where they drill the oil? The president, has he gotten here? But he is benefitting from this place, they carry the money abroad. Let the company's representatives come here and see for themselves.

The youth leader in Omoku also agreed that the best approach was for the oil companies to visit the communities. He said: We have a Civic Center, they can come to that place, and stop calling people to come to Port Harcourt and lodging them in hotels and deceiving them. They should come down, we have a civic center, and everybody would see them. So that the people that the community would have chosen as their spokespersons would then speak and the entire community would hear whatever thing they are discussing.

#### Education

Another strategy that the participants said they would prefer was education. In Tisun, one of the men suggested, "The children here are supposed to have free education from primary to university because we don't have much population." One of the elders in Obrikom also said, "If the oil companies were able to say, "Ok, create job opportunities and create scholarship awards for the youths," it will enable peace to reign in the community, and even in the company itself."

Some of the young girls also advocated for female education. One of the girls in Eruemukohwarien suggested that female education

would prevent teenage pregnancy which was rampant in the community. According to her:

They (Shell) should try, at least, to create a kind of education for the females. Because what's happening nowadays is that you see young girls, they're nursing their babies, young girls of let me say fifteen, fourteen, downwards, you see them carrying babies.

She also suggested sex education for the girls in the community. She said that though formal education might keep them off the streets and get them occupied, sex education would enlighten and help them to take responsibility for their lives.

#### **Skill Training**

Some of the participants emphasized their preference for skilled training as a strategy for achieving crises resolution. They were of the opinion that not everyone could have the opportunity to go to school; hence, provision should be made for the uneducated members of the community. One of the youths in Eruemukohwarien said, "They say all fingers are not equal. For those who cannot further their education, where they can learn all those work should be provided." He went on to suggest:

Even some of the educated ones are still trying to make something out of their lives; to get one job or the other, because in Nigeria today, work is not easy to get after leaving school. So, at least, if they can establish the training institute in this community, it will help the younger ones who are coming up, particularly those who can't afford education, to learn a trade and make a living.

One of the men in Tisun was of the opinion that learning a skill in the community would also stem the migration of youths to the township. He said:

They (Chevron) should bring skill acquisition here, because a few days ago, we had some of our brothers, when they got tired here, they just went fishing. Some, to get fire wood, they would say "No, I no fit again, I wan go learn scaffolding," "I wan go learn rigging." They all ran to town to learn. But if such a thing is here, we will

know that an oil company is working around us.

Some of the participants also suggested that the oil companies should train youths in the technical areas the companies would need, so that they could be gainfully employed. One of the youths in Eruemukohwarien also suggested the adoption of school-on-wheels that would provide mobile training for several communities. He cited the example of the one organized for the community girls earlier, saying:

At the end of the exercise, they gave our young girls some sewing machines, hair dressing materials and other things. So, they can reorganize it. There are so many of them (youths) who cannot further their education because they came from very poor families, and because of the poverty of their parents, they cannot go to school.

One of the elders in Eruemukohwarien further suggested a technical school or a skill acquisition centre since the community is an industrial area. He also supported the idea of the school-onwheels, explaining his role in organizing the previous one in the community. According to him:

When I was in government (as the president of CDC), I brought the school-on-wheels into this community, and about four other communities- tailoring, welding, electrical, e.t.c.- for six good months. Many of those children are now working in NEPA, doing their own self help, and some doing business. So, if we build that skill acquisition centre, people like us, who have retired home now, can go there and give a touch. Give a touch and give our knowledge without even taking a kobo. This is our contribution; teach them so that they can acquire skills. This guy will go down and look for his own job and do things on his own.

## **Company-Government Partnership**

Some of the participants stated that they would appreciate the strategy that would involve a partnership between the oil companies and the government. They believed that the joint venture would help to develop the communities better. This partnership would also terminate the regime of trading blames between the two parties.

#### **Company-Community Partnership**

The participants also suggested that there should be cooperation between the companies and the communities. The women leader in Eruemukohwarien pleaded for the community and Shell to work together. She said it would make receiving things easier, and the women in the community would be happy with that. One of the elders in Kolokolo said, "Our people say hand wash hand makes hands clean, that's the most important watchword for the community and the oil company. So, let us parley, we have to be our brother's keeper, we have to hold them and they hold us." He also said that peace should be the watchword in the relationship between the two parties. The women leader in Obrikom gave the following advice to the communities where militants operate:

I would say that they have to put their heads together to stop violence because it would give them bad names, and they would not actually get what they're looking for. If they continue to drive away all the workers and the white men, it would be hard for them to get what they're looking for; everybody would be afraid of living in that place. And if there is nobody in those offices in the oil company, I don't know if they will go and talk to the guards.

#### **Effective Communication**

The participants considered effective communication indispensable if there would be peaceful cohabitation between the oil companies and communities. The youth leader in Eruemukohwarien advised:

Whenever they (Shell) come for a Memorandum of Understanding with the traditional rulers, with the CDC, and the youths, whatever has been agreed on must be implemented. By so doing, there would be effective results for the people in question. The company should be sincere with the host community.

One of the youths in Eruemukohwarien advised that if the oil companies communicated with the communities through the proper channels, they would enjoy a cordial relationship with the communities. According to him:

We listen to our elders, we do not kill our leaders, we respect them. So, they (oil companies) can easily meet our leaders and say, "Look o, look o," and our leaders will call general meeting, saying "Look o, Shell came o, this is what they said o." At the end of the day, we must reach an agreement; instead of them intimidating us with the state governments and forces and all those things.

#### Provision of Infrastructure

The last strategy that was stated as the preference of the communities was the provision of infrastructure. One of the men in Tisun said that the community suffered without electricity while Chevron's facility always had power supply. He said, "If these people could extend their light to us, if they could extend their water to us, at least they would have done something better for the community." The women leader in Eruemukohwarien said that the roads in the community were bad and they inconvenience commuters. She appealed to Shell to help repair the roads.

The oldest man in Kolokolo also said that infrastructure was very important. He dwelt particularly on the issue of transportation. According to him:

This jetty now wey we dev walk so, we need concrete jetty, not this wood because the wood no dey last, na every year we dey put am, this wood is not good. Because if water dry, all the water-side dey dry dey go, so, without that jetty now, we cannot move forward like that. Even if stranger dev come for the community now, if water dry, your boat go stop for a far distance, then you go come dey enter water dey trek to where you dey come, before you go come enter town. (We need concrete jetty because this wooden one does not last; it has to be replaced annually. During the dry season, the water dries up, thereby hindering easy movement. If a stranger comes to the community, and the water has dried up, the boat will stop a long distance from here, and the stranger will have to walk the distance.)

In conclusion, the participants in this study agreed that there could be a better relationship between the oil companies and their communities. They expressed their readiness to get along with the companies provided the companies demonstrated a sense of responsibility in executing their businesses. They also insisted that all middle men must be excluded while both parties foster a direct mutual relationship.

## 4.4. DISCUSSION OF RESULTS

#### 4.4.1 Introduction

This section synthesizes and simultaneously interprets both the quantitative and qualitative data that are presented in the preceding section of this section. Not only is the discussion based on the data presented, it is also based on existing literature on the subject. Furthermore, the discussion is carefully guided by the adopted theories for an insightful understanding of the complexities that characterise the relationship between oil companies and their host communities.

#### 4.4.2 Discussion

The data generated in this study are discussed according to the research questions that precipitated them. Hence, the research questions are presented first and then the data are engaged in answering them.

## 1) How often have conflicts occurred in the Niger Delta involving Shell, Agip and Chevron and what are the causes?

Conflict is a complex phenomenon arising from human interactions. Sociologists, social psychologist and scholars in other related fields have noted in their studies of human interactions that conflict is inevitable in human societies (Otite, 2001; Zartman, 1991; Folarin, 1998). Some scholars have even contended that conflict is a normal process of development in the society (Park & Buress, 1921). Hence, that there is conflict in the Niger Delta is not abnormal. The abnormality, however, arises because the situation defers solutions because every effort made to resolve the conflicts has failed to yield positive result. Also, the conflicts in the Niger Delta have further underdeveloped the region, thereby contesting the assertion that it is a normal process of development.

The society is perceived by conflict theorists as an arena where groups contend for power or benefits (Wallace & Wolf, 2006). Members of the society may or may not be fully aware of this contention, depending on their level of involvement. The findings of this study show that people of Eruemukohwarien, Obrikom, Omoku and Kolokolo communities were more aware of conflict situations than those in Tisun community. Table 4.7 shows this clearly. It is ironic that residents of Eruemukohwarien who were

the most aware of conflicts in their area also said conflicts rarely occurred in the community. This seeming contradiction arose from the respondents' misinterpretation of conflict to mean crisis. They explained that though they had experienced some conflicts in the community, violence was rare.

Hence, considering that a crisis is a situation that degenerates into a critical stage in which extraordinary intervention is needed to remedy, it becomes understandable that majority of the respondents claimed its rarity. Therefore, while the communities were familiar with conflicts, they rarely experienced crises. The results also reveal that Shell was more involved in conflicts in the communities than Agip and Chevron. This may be due to Shell having the largest operations in the Niger Delta.

From the foregoing discussion, it has been established that conflicts occurred in four of the five selected communities at varying frequencies, while Tisun claimed that it had not witnessed conflicts. It becomes pertinent, therefore, to explore the reasons behind the two positions and their implications for the oil companies. The qualitative data provide us with insight into the conflict prone and conflict free communities. Fig. 4.9 illustrates the reasons provided by the two parties; those who acknowledged conflicts and those who denied them.

One of the reasons given by the participants who acknowledged the occurrence of conflicts in their communities was that the oil companies represented the government. They insisted that the government and the companies conspired to rob them of their dues. They also observed that the oil companies ran to the government when there were conflicts in the communities, which further proved the governmental support they enjoyed. This situation is explained by the conflict theory which posits that individuals or groups struggle to maximize their benefit in a society, which inevitably contributes to social change. The government and the communities struggled over the natural resources in the Niger Delta because the economy of Nigeria depended on the oil and the communities believed that they were not well compensated. This struggle, therefore, led to social strain in form of conflicts and a not cordial relationship between the two parties.

By aligning with the government, the oil companies earned themselves an enemy in the communities. The implication of this for them was that for as long as the government continued to fail in its responsibilities in those communities, the oil companies would continue to be victims of transferred aggressions. It would be risky, therefore, for the companies to push the blames of underdevelopment to the government and hide behind it, because

whichever way, they would serve as the "body-shield" for the government by taking most of the attacks.

In any society, the government has the sole responsibility of ensuring development. Political campaigns are focused on proposed development agenda and electorates vote based on their judgement of the candidate with the best development plan. Though there have been arguments back and forth on the roles of businesses in the development process, the concept of social responsibility has come to be generally accepted. In fact, companies that fail to be socially responsible are liable to conflicts.

The participants of this study complained about the state of infrastructure in their communities. While they were aware that the government had the main responsibility of improving their infrastructure, they also said that it was the oil companies, and not the government, that undertook oil exploration in their communities. Hence, the companies were expected to stand up to the challenge. The situation became more complex when they observed that the facilities in the oil companies residing in their communities were modern and well maintained, while the communities were left without such amenities.

Some scholars also noted the affluence exhibited by many oil workers as well as political office holders in sharp contrast to the social deprivation of most residents of the Niger Delta (Ibaba, 2005; Obi, 2004; Esparza & Wilson, 1999). Akinola (2009) observes that among the major infrastructural challenges in the communities are poor roads. For instance, the only transportation in island communities in the Niger Delta was by water ways through the aid of in-board and out-board engine boats, flying boats, and canoes.

Also, it was noted in this study that some of the communities engaged in conflicts so as to attract the attention of both the oil companies and the government. They claimed that the duo paid more attention to communities that posed threats to them while they abandoned the ones that were relatively peaceful. Though the participants insisted that their communities did not condone militancy, they expressed the possibility of adopting violence if it would guarantee them the same attention that the restive communities enjoyed. The stakeholder theory supports this finding by explaining that diffused publics may become functional publics when there is conflict (Dougherty, 1992; Ray, 1999; Stephens, Malone & Bailey, 2005). This means that the relatively peaceful communities may be considered inconsequential by the oil

companies until they become actively involved in conflict, thereby winning the full attention of the companies.

Another important cause of conflicts that was identified by the participant was politics. It was revealed that during electioneering periods in the past, some politicians engaged some youths as political thugs. Those youths were given arms, which were not retrieved after the elections. Since the politicians did not have any use for the thugs afterwards, they resort to violence.

A different dimension of the politics that was identified was the one used by influential members of the communities. It was discovered from the FGDs sessions that some leaders used the youths in the communities to demonstrate against the oil companies to achieve their ends. That was a betrayal of trust because the demonstrators were led to believe that they were demonstrating for public good, whereas, they were only being used to win contracts. The case would be more pathetic if some of them lost their lives in the process, while fighting another man's war.

One of the complexities of the situation was that the oil companies would give the contracts to those leaders, and the people would continue to demonstrate; while the companies would not be able to comprehend what else the people wanted, the people would be

frustrated with the companies' "lack of response." Hence, both the oil companies and the masses were victims of the plot by the elite in the community (Edafejirhaye & Edafejirhaye, 2008). This further underscores the complex nature of the Niger Delta conflicts.

The Gramcian Marxist perspective of conflict theory states that one of the ways the ruling class gets its subordinates to consent to its domination is by linking its interests to those of the subordinate class (Pease, 2003). This means that the influential members of those Niger Delta communities made the people believe that they were aiming at the same goal, thereby allowing themselves through their own consent, to be used against the oil companies.

The last cause of conflicts that was identified by the participants was the oil companies' failure to keep agreements. The companies were accused of either selectively implementing, or not implementing at all, the agreements reached with the communities. In a bid to force them to keep the agreements, therefore, the communities resorted to conflicts. The implication of this for the oil companies is bifurcated; firstly, the companies would lose their credibility among the people, and secondly, the violence against them might continue. Folarin (1998), while identifying sources of

conflict, says that communication breakdown can result in conflict and it can be engendered by failed promises.

According to Wallace & Wolf (2006), for conflict to be controlled, one group must be able to, at least temporarily, suppress its rivals. If this assertion is true, we can also argue that one group may deliberately submit to its rivals to control or avoid conflict. Fig 4.9 reveals that some of the participants denied the occurrence of conflicts in their communities. Though they were exposed to similar conditions as the conflicting communities, they presented some interesting reasons for deliberately avoiding conflicts. Among the reasons was the peaceful heritage of their communities. The participants claimed that their forefathers had instructed them to maintain peace in the communities. Hence, from one generation to another, they had made efforts to keep to that instruction. They also claimed that it was the insensitive attitude of both the oil companies and the government that forced them into uncharacteristic demonstrations and protests.

Another major reason given for the lack of conflicts in the communities was the fear of military invasion. It was discovered in the course of this study that this was one of the strongest reasons for peace in some of the communities. Some participants admitted that they would have engaged in violence to force the oil

companies and the government to respond to their requests but for the safety of their families. They stated that jeopardizing the security of the communities was too much a price to pay for any benefit. Omoweh (2010, p. 5) also acknowledges this finding when he states, "...the state deploys its military to oppress and dominate the people to foster its ruthless exploitation of the region."

While some of the participants condemned militancy, others identified with the militants saying that they were fighting for the entire Niger Delta. A major concern that comes to the fore at this point is that, though the selected communities for this study claimed they did not condone militancy, they might still find other violent means of expressing themselves in the future. This is because they have the motive and the intense emotion to become violent; all they lack is the will, and this may change if, according to them, the communities remain neglected. Hence, there is the tendency for them to shift from being passive communities to active ones. This may also result in a shift in the balance of power as it has been witnessed in the communities where militants use terror to subdue the oil companies and the government.

Some of the participants also identified the youths' respect for the elders in the communities as one of the reasons for the lack of conflicts in their communities. This displays the role played by the

cultural setups of the communities. While the youths were more vibrant, the elders were considered wiser. Hence, the youths claimed that whenever they felt like reacting with violence against the oil companies, the elders would call for restraint, and they would listen. This may be a major sphere to explore while seeking a lasting solution to restiveness in the Niger Delta. The oil companies and the government can sincerely explore the cultural setup to foster a better relationship with the communities.

It was also interesting to discover that the fear of God was mentioned as one of the reasons for the lack of conflicts in some communities. Some respondents claimed that they could have attacked the installations of the oil companies "If not for God." While a comment such as this could have been ignored as just a matter of speaking, it was observed that the respondents made a lot of references to God during the FGDs and KIIs. There were also side comments about the communities depending on divine intervention for solutions to their problems and the people praying to God for peace. Also, during the interview session with the women leader in Obrikom, she mentioned that a special prayer session was organized to pray for the community. Considering all the above, therefore, it becomes clear that religion plays an important role in the lives of the people in the selected

communities; hence, this channel can be explored for the sake of peace in the Niger Delta.

Lastly, the participants in this study mentioned that their respect for the law also helped to prevent conflicts in their communities. They insisted that they would follow the legal process to express their displeasure with the oil companies. As far as they were concerned, the law, though slow, was better than violence.

All the responses provided here show that the selected communities for this study were active publics (Baskin, Aronoff & Lattimore, 1997). The situational theory identifies active publics as those who recognise the problem, recognise the constraints and are actively involved in the situation. As can be seen, the respondents recognised their major problem to be lack of development in the communities, they considered the oil companies and the government as their constraint, and they believed that the problem was a threat to their well being.

# 2) What are the consequences of the conflicts on host communities and oil companies?

Functionalists consider societies and social institutions as systems in which equilibrium is created through the interdependence of all parts. While they do not deny the existence of conflicts, they believe the society naturally evolves means of controlling it. Sandole (1993) bases his argument on this when he identifies the stages of conflict as initiation, escalation, controlled maintenance, abatement, and termination, and claims that peace is the ultimate target of conflicts.

In the Niger Delta, conflicts have not resulted in peace; therefore, the functionalist approach is not applicable. Though the conflict theory focuses on the shifting balance of power among rivals rather than the creation of equilibrium, the theory still falls short of addressing some peculiar situations in the Niger Delta. For instance, both oil companies and host communities have incurred losses in the course of the conflicts. In this context, therefore, the stakeholder theory is more applicable. The theory posits that the interrelationship between an organization and its stakeholders engenders a kind of connectivity that makes any situation, whether positive or negative, bear consequences for both parties.

In agreement with the foregoing, the findings in this study reveal that conflict is like a double edged sword that cuts on every side. Both the oil companies and the communities were affected by the conflicts. While reflecting on the consequences of conflicts on the communities, some participants said that there had been loss of

lives and properties. As much as violence might have seemed a practical way of attracting the attention of the government and oil companies, the participants claimed that it also destroyed, in just a moment, what had been built over time. The conflicts left behind bitter memories that those who experienced them would rather forget. The participants in Tisun and Kolokolo explained how their communities were razed to the ground, leaving the survivors to begin their lives all over again. They also noted that the population of their communities had been drastically reduced, either by death during the crises, or unwillingness of some survivors to return to the communities afterwards.

The participants observed that their communities suffered neglect from the oil companies whenever there was a conflict. As could be expected, the oil companies usually withdrew from the communities during conflicts. The participants stated that at such times, they did not get anything from the oil companies. It was observed that whenever there was an inter-communal conflict, the oil companies would refuse to get involved, insisting that the communities settle their differences before coming to make requests.

It was even suggested that the oil companies appreciated intercommunal conflicts because it made the communities turn against one another, thereby paying less attention to the companies, and making less demands. Hence, having become aware of this, the communities tried to maintain peace with one another so as to forge a formidable front against the oil companies and the government. Aaron & Patrick (2008) agree with this notion by stating in their report on a study carried out in the Niger Delta that host communities to oil companies, particularly Shell, are usually divided due largely to the companies' notoriety for playing off one group against another.

This creates the impression that while the oil companies claim that the communities are their stakeholders, they actually place the interests of the shareholders above that of the communities by seeking to make profit at all cost. It is also noteworthy that had the conflicts been between the oil companies and their shareholders, withdrawal would not have been an option. But then, the shareholders would not have resorted to vandalism because of their investments. Nevertheless, Freeman, Wicks & Parmar (2004) argue that the competition between shareholders and stakeholders does not arise because values are created for shareholders when they are created for stakeholders. Hence, the oil companies should not sacrifice one for another.

Another major consequence of conflicts in the communities was the invasion by military forces. The oil companies engaged the services of security agents to forestall vandalism and abductions. The participants, however, complained that the forces interfered with the normal flow of communal activities by restricting movements and harassing commuters. They even mentioned that the force members extorted money from commercial drivers at their various check points. The participants were particularly disturbed because they felt that the oil companies brought in the armed forces so as to make them untouchable while they syphon the communities' wealth. While the companies considered themselves safe due to military presence, the communities considered themselves unsafe for the same reason.

It is an understatement that conflict underdevelops. If there was anything that all the selected communities had in common, it was the lack of development. Though this was considered by the participants to be the outcome of the conflicts, it was also noted that there was no remarkable development before the conflict. The participants identified education and infrastructure as some of the areas in which their communities lacked development. The vicious cycle was such that the communities resorted to conflicts so as to address the lack of development, but the conflicts ended up underdeveloping them further. Hence, whichever way, the

communities always had developmental challenges to contend with. Watts (2009) agrees with this finding by observing that there was no running water, electricity, roads and functioning primary schools in the oil producing communities in the Niger Delta.

The participants also identified the fear of future attacks as another consequence of conflicts. They admitted that there was always the fear, whether active or latent, that the conflicts might recur, hence, their inability to be at rest. Consequently, members of the communities migrated to the cities, thereby depopulating the communities and over populating the cities. This also has its implication for development because some of the communities now lack the formidable number that can make them a force to reckon with. The United Nations Development Programme (UNDP) report in 2006 says, "People fear attacks by hijackers, oil bunkerers, hostage takers, youth gangs, ...and the crossfire between militants groups, and between them and the government law enforcement officials," (UNDP, 2006: 306-311).

On the other hand, the participants also identified the consequences of conflicts for the oil companies. One of the consequences that were identified was insecurity. The participants said that the oil companies felt insecure in the communities as a result of the conflicts. A tell tale sign of it was the engagement of military

security operatives and their inaccessibility to the communities. The participants recalled that before the conflicts in their communities, staff of oil companies visited the communities frequently without fear. In recent times, however, the companies have kept their distance. It was so bad that the companies even kept their indigenous staff members at arm's length. The companies probably feared that those staff would be used to work against them from inside. Watts (2009) quoted the International Herald Tribune of April 22<sup>nd</sup>, 2007 as follows:

Companies now confine employees to heavily fortified compounds, allowing them to travel only by armored car or helicopter...One company has outfitted bathrooms with steel bolts to turn them into "panic" rooms, if needed. Another has coated the pylons of a giant oil-production platform 130 kilometers, or 80 miles, offshore with waterproof grease to prevent attackers from climbing the rig... Some foreign operators have abandoned oil fields or left the country altogether. (p. 37)

Low productivity was the second consequence of conflicts for the oil companies, as suggested by the participants. They explained that anytime there were conflicts, the production of the oil companies would reduce because there would not be a conducive environment for business. The several protests and demonstrations that led to the closure of the companies' facilities for some days

also disrupted the anticipated volume of production. As much as the oil companies avoided questions on the effects of the crises on their operations, there was a consensus among them that losses incurred due to spillages during vandalisms and shut-ins during protests and demonstrations run into billions of dollars.

## 3) What are the community relations strategies employed by oil companies to avoid/resolve conflicts with host communities?

Though some scholars have argued that the community was fast disintegrating in the face of globalization as engendered by increase in mobility and communication, others have countered the argument that the community was a reality that could not be ignored (Baskin, Aronoff & Lattimore, 1997). In recent times, individuals and agencies have begun to pay special attention to the reality of the community. They emphasized that though organizations might be preoccupied by regional, national, and international community relations programmes, they ought not to forget their immediate communities, i.e. their host communities. This, therefore, necessitates the adoption of viable community relations strategies by the oil companies.

As illustrated in Fig. 4.10, one of Shell's community relations strategies during conflicts was dialogue. The company's representative stated that the company discussed a lot with the communities. He explained that dialogue was part of the company's efforts to understand the communities. During the process, the company usually attempted to view issues from the perspectives of the communities so as to understand their challenges. The *Independent Monitor* of May 10, 2010 reported that Shell organized a workshop in which it engaged the members of Degema Local Government Area (DELGA) Cluster I, in Rivers State, on developmental issues, particularly as related to the GMOU execution.

Another strategy that Shell's representative stated that the company used during conflicts was the involvement of the government. Shell insisted that it was not in its place, but the government's, to lead the process of development. Hence, the company involved the government so as to encourage it to take responsibility for its people. He stated that the conflicts the company endured in the communities were as a result of the communities' displeasure towards the government. He explained that if the government would take responsibility for the development of the communities, the challenges would reduce, and the violence against the company would stop.

Shell's representative also pointed out that but for the presence of the company in the communities, some of them would have still been without basic amenities such as water, power supply and good road. He stated that some governors and local government officials had not even been to some of the communities; hence, much of the development so far was owed to Shell. This claim, however, may be misleading because some of the Niger Delta communities did not have those said amenities. In some communities where they were available, they were mostly not functional.

Nevertheless, personal observation during this study revealed that in the communities where the amenities were available, oil companies' presence was felt more than that of the government. Hence, the situation might have been responsible for the perceived attitude of the oil companies that the communities did not have a choice but to settle for whatever was provided.

Shell also made use of the situational approach to deal with conflicts in the communities. The strategy was reactive in nature rather than proactive, because it was the issue encountered that determined the strategy that was adopted. Shell's representative explained that the company had been exposed to different issues,

and sometimes conflicts, in the communities that required different techniques to resolve. He insisted that there were no hard and fast rules as far as conflicts were concerned because the technique that worked for one might not work for another.

For instance, since Shell had to pull out of Ogoni, there had not been any need to repeat the action elsewhere. He stated that another characteristic of the situational approach was its dynamic nature. It changed with time while drawing from past experiences. He saw community relations as a process which required its strategies to be adapted to situations constantly. It can be observed from the above, therefore, that the situational approach determined the application of the other strategies used by Shell during conflicts. Whether or not Shell would pull out, dialogue, or involve the government would depend on the situation being encountered.

Community initiative was identified as another strategy that Shell made use of during conflicts. The strategy involved pushing the development decisions to the communities so that they could take responsibility for themselves. Shell's representative said the strategy had the potential of satisfying the communities and eventually resolving conflicts, since the development plans would be initiated by them.

Shell also pulled out of the concerned community during conflict. Shell only reserved the strategy for extreme cases, which had not occurred since the Ogoni crisis. The company's representative explained that Shell decided to pull out of the community to keep the conflict from escalating. He also insisted that the company had not regretted the action because it gave the people the opportunity to sit and critically think on what ought to be done, and it also helped the company to reassess its relationships. The strategy involved the company shutting down its operations completely in the community and evacuating its equipment so as to discontinue productions. This result agrees with the conflict theory which says that for conflict to be controlled, a group must be able to suppress its rival, even if it is temporarily. The Ogoni community was able to win both national and international support to pressurise Shell into withdrawing from the community before the crisis could be controlled.

Here, Shell's claim raises the question as to whether the company vacated Ogoni community voluntarily or not. Media reports at the time showed that after the execution of Ken Saro-Wiwa, the company came under much pressure from Ogoni community, the entire Niger Delta region, human right organizations, international communities and sections of its shareholders (AM News, 1995). In view of that, the pull out can hardly be referred to as voluntary.

Nevertheless, the company also admitted that pulling out was only an option when there was none other.

In the case of Chevron, community initiative was the only community relations strategy that was mentioned. While Shell believed that the situational approach comprised the other strategies, Chevron claimed that whatever strategy it would adopt for any conflict would be based on community initiative. Chevron's conception of community initiative was similar to that of Shell because it involved allowing the communities to chart their own path for development. Chevron considered its use of the strategy as being preventive rather than curative. The logic was that a full-fledged conflict could be prevented by allowing the communities to adopt their own developmental approach. The communities would not have to fight the company if they were the determiners of their own fate.

Jones (2004), while explaining the stakeholder theory, states that the existence of an organization depends on its ability to create value and acceptable outcomes for its different stakeholders. The community relations strategies adopted by the oil companies show their realization that their existence in the Niger Delta depends on their ability to create value for their host communities. From the

above, it can be seen that the companies are making deliberate effort to court the communities, which is a clear indication that they have identified the communities as a fundamental part of their stakeholders.

Bronn (2006) also comments on the need to adapt strategies to communities. He explains that multinational companies operate in different countries; hence, they must note that the acceptance of initiative in one country does not necessarily mean its acceptance in another. By implication, the oil companies must always take the communities into consideration before designing strategies. In order to keep existing in the Niger Delta, the oil companies are making efforts to build profitable relationships with the communities. The question now is whether the outcomes are acceptable to the communities or not.

Since community relations is premised on the principles of communication, and communication is bidirectional at least, it stands to reason that community relations strategies cannot be assessed without considering the views of the recipients. Hence, the participants in this study shared their views on the community relations strategies they identified with the oil companies during conflicts. One of such strategies was that the oil companies never communicated with the communities during conflicts. Some of the

participants claimed that the companies usually withdrew from the communities, thereby becoming inaccessible to the people. They said that the companies would fence off their facilities and cease to communicate with the communities during conflicts.

Considering the strategies claimed by the oil companies, it can easily be seen that withdrawal from the communities was not one of them. This, therefore, shows that there is a contradiction between the active participations claimed by the oil companies and the withdrawal identified by the communities.

Some other participants identified that the oil companies made use of dialogue during conflict. They said that the oil companies sometimes called the leaders of the communities for dialogue. They also said that some other times, the companies would require some pressure before agreeing to a dialogue. Some participants in Eruemukohwarien explained that whenever Shell wanted to dialogue with their community, the community's liaison officer (CLO) would be sent to discuss with them, who would then report to the company. It can be observed in this case that there is congruence between the strategy claimed by the companies and the one identified by the participants.

Provision of amenities was also identified as one of the community relations strategies used by the oil companies during conflicts. The participants said that the oil companies provided some amenities so as to placate the communities. While some claimed that the projects were either shabbily executed or not completed, like the uncompleted and dilapidated school in Tisun and the nonfunctional water projects in Eruemukohwarien, some others said that their efforts were commendable, like in the case of the Health Centre in Obrikom. When we compare the strategy identified here and the ones claimed by the oil companies, it will be noticed that the companies did not mention the provision of amenities as one of their strategies. In fact, according to the companies, the communities were responsible for their own development.

The participants also identified military intervention as another strategy used by the oil companies during conflicts. According to them, the companies engaged the military for protection from the communities. They observed that the companies did not come with securities during their initial incursion into the communities and could not understand why the new development was necessary.

Since the selected communities for this study considered themselves relatively peaceful, they insisted that they were being misjudged by the oil companies and the government. Some

participants insisted that bringing in the military was not in good faith; it was done to protect the oil companies from having to compensate the communities. Some participants also observed that the military personnel mounted road blocks in the communities from which they extorted money from the people.

The traditional Marxist perspective of the conflict theory explains the oil companies' use of forces by stating that one of multinational companies' modes of domination is the use of military force (Pease, 2003). In the Niger Delta scenario, the oil companies' initial domination was economic, but consequent on the evolution of conflicts, military intervention was introduced as a protective measure. Notwithstanding other purposes for introducing military forces into the communities, it also seemed to have served as a means of subduing the communities.

Comparing the communities' responses here with the companies' claims of strategies used during conflicts, it can be observed that there was no single mention of military engagement by the companies. While the companies claimed that they concentrated on working with the communities to resolve conflicts, the communities insisted that the companies' military protection made them inaccessible. Considering the rate of kidnapping and vandalism in the Niger Delta, it is only logical to expect the oil

companies to take precaution by engaging military protection. This, however, does not explain why the oil companies did not mention military engagement as part of their strategies for dealing with conflicts in the communities. It also does not excuse the alleged excesses of the military personnel as reported by the participants.

The participants also agreed that the oil companies involved the government in their community relations during conflicts. But unlike the claims of the companies, the participants saw the companies and the government as partners in business-looking out for each other. The oil companies were accused of running to the government during conflicts, while the government in turn made promises that were never kept. They were also accused of blaming the government for the undeveloped state of the communities, thereby absolving themselves of responsibilities.

Omoweh (2010) also notes that there is a joint venture between the oil companies and the government, in which the companies are the junior partners; therefore, the companies expect the government to shoulder the development responsibilities in the communities. This may explain why the oil companies frequently refer the communities to the government in cases of conflicts.

The participants also claimed that the oil companies gave gifts to community leaders during conflicts, though this was not reported by the companies. While some participants were favourably disposed towards the idea, some others were not. Those who favoured the idea claimed that contracts were given to their leaders and even sometimes the youths. It can be seen in this situation that the benefits from the companies were not limited to the leaders, which explains why those participants favoured the idea.

On the other hand, those who did not favour the idea claimed that the benefits were targeted at corrupting their leaders. They explained that some of those gifts were given to their leaders to help manage protests in the communities. Not only would such gifts prevent the leaders from representing their people effectively, they would also cause strife within the communities. It can be observed in this case that the oil companies appeared to be selective in their generosity; some individual were identified and they were given special treatments due to their abilities to influence other people.

The global memorandum of understanding (GMoU) was another strategy that the participants identified with the oil companies during conflicts. Though the companies did not list the GMoU as one of the community relations strategies they used during

conflicts, it was mentioned among the unique strategies to both Chevron and Shell. As conceived by the oil companies, the strategy was meant to reduce the number of MoUs signed between them and the communities by making a single arrangement that covered several communities at a time. The strategy was designed so that the communities could determine their own development. The communities were grouped into clusters and each cluster selected its development projects while the companies provided the funding. In the case of Chevron, the clusters were administered by Itsekiri Rural Development Council (IRDC), while Shell had Cluster Development Boards (CDB).

The findings in this study reveal that though the respondents were familiar with the acronym "GMoU," most of them could not tell what it meant. Notwithstanding, there was a consensus among most of the respondents that their communities felt less impact of the oil companies after the GMoU than before it. They were of the opinion that the companies became inaccessible after the advent of the strategy. Before the agreement, the communities had direct contacts with representatives from the companies, but afterwards, only the IRDC and CDB made the contacts on behalf of the communities.

The participants complained that they had not seen any tangible impact of the oil companies since the GMoU strategy was adopted. This finding agrees with Faleti (nd, p. 23) who discovered in his study that most of the communities that signed the agreement regretted it soon afterwards because they lost access to benefits they enjoyed previously by the virtue of their host community status. He claims that the benefits included "Unemployment allowance, payment for 'ghost workers,' compensation for environmental disruption, Christmas and New Year gifts, etc." He also notes that environmental issues pertaining to degradation due to dredging and spills, among others, were not reflected in the agreement.

It was observed in this study that most of the participants, particularly in Tisun and Kolokolo, felt that the strategy was not achieving whatever it was meant to achieve. There was, however, a different view from the secretary of a council the participants referred to as Trustees; the council representing each Itsekiri community. He claimed that the communities had felt the impact of Chevron more in the last three years than they had felt in thirty-three earlier years. He stated that the primary aim of the strategy was to address issues relating to development and employment. Of all the participants in this study, he displayed the clearest understanding of the origin, purpose, and nature of GMoU.

From the above, it becomes obvious, therefore, that there was information gap between the Trustees (or IRDC) and the rest of the communities. It is also a paradox that the secretary of the council claimed that the communities felt the impact of Chevron more after the GMoU was adopted, while the rest of the communities claimed the opposite. From the claims of the communities and the observations made during this study, it could be seen that the communities lacked schools, portable water, power supply, and a good road network, among other things. It was also obvious that poverty was a reality in those communities.

The GMoU, as conceived by the oil companies, is no doubt a laudable strategy due to its people centered philosophy. It may, however, be faulty in its execution. The strategy may have succeeded in solving the problem of multiple MoUs signed by the oil companies, reducing the seemingly unending demands made by several groups within the same community, and making the communities take responsibility for their development, thereby lacking reasons to blame the companies. But it has also succeeded in creating an opportunity for a few people to determine the fate of several communities.

Considering that the Trustees representing Tisun and Kolokolo, for instance, did not even reside in the communities, how would they make developmental decisions that would affect the people? Since the oil companies claimed that they would no longer determine the development of the people because they did not experience their peculiar challenges, it is arguable, therefore, that the Trustees are neither qualified for the same reason.

If indeed Shell's CDBs and Chevron's IRDCs were effective, they would have served as extensions of the companies, bringing their benefits closer to the people. Consequent on the foregoing discussions, it is arguable that the councils or boards may continue to present the oil companies with development plans and the companies may continue to support same while the communities continue to lack development.

The oil companies may not be bothered by the politics between the CDBs/IRDCs and the communities if all they care about is the positive publicity generated by the GMoU; but if they are actually interested in the development of the communities, the strategic execution of the GMoU must include a grass root monitoring scheme. This will ensure that the communities are actually benefiting from the arrangement. The failure to ensure that the grass roots benefit from the GMoU may return the companies to

the era when the communities felt that their leaders were benefiting from the oil companies at their expense.

From the participants' evaluation of the oil companies' community relations strategies, we see that the oil companies have not created acceptable outcomes for the communities. Though they have made efforts to create values, those values have not been considered satisfactory by the communities. This explains why their existence in the Niger Delta is threatened. Also going by Broom & Dozier's (1990) suggestion that the level of agreement and accuracy between an organization and its publics can be used as an indicator of the quality of their relationship, we see that both parties differ on the strategies used by the oil companies. This, therefore, indicates a poor relationship between the companies and their publics.

## 4) What structural differences are inherent in the community relations strategies adopted by the selected oil companies in the Niger Delta?

Some scholars have observed that the twentieth century brought with it a better understanding, among organizations, of the need to be more organized and proactive in respect to community relations activities (Baskin, Aronoff & Lattimore, 1997). They insisted that organizations must, at all cost, guard against negative acts and also work to preserve existing relationships through proactive and positive actions. Hence, oil companies also engage specific community relations strategies to create and maintain profitable relationships with their host communities.

Also, considering that the companies differ, it is to be expected that some differences would be inherent in their strategies. The oil companies under study also claimed some uniqueness in their strategic approach to community relations. Fig. 4.7 shows the unique community relations strategies adopted by Chevron and Shell. Agip declined all interview requests; hence, its strategies were not reflected the discussion.

According to the Fig.4.7, one of Chevron's unique strategies was its corporate social responsibility (CSR). No doubt, other companies also practised CSR; nevertheless, Chevron claimed that its design was unique because it focused, not only on the immediate communities, but also on the broader community being Nigeria. Chevron's representative stated that the company donated computers and other facilities to universities, as well as encouraged staff members to contribute to knowledge by teaching in

universities. The strategy was designed to create a crossfertilization of ideas between the industry and the academia.

Another community relations strategy that Chevron made use of was the GMoU. The strategy could be considered unique to the company mainly because Chevron originated it in 2005. Though the strategy had since been adopted by Shell and some other oil companies, it still remained unique in that no two organizations could engage it the same way. The strategy was a redefinition of Chevron's community engagement method by making the communities responsible for their own development. The company allowed communities to originate development ideas and they were made to work with non-governmental organizations (NGOs) to draw up their own plans to achieve the ideas. The secretary of the Trustees in Kolokolo also explained Chevron's GMoU design by stating that it catered for 23 oil producing communities in five oil fields. He explained that the communities were represented by the Itsekiri Rural Development Council (IRDC).

According to its design, the strategy allowed the communities to draw from the fund provided by Chevron to address any developmental challenge of their choice without waiting for the company's direct intervention. It also empowered the communities

and promoted sound decision making, since they must evaluate all their needs before choosing the most important one to address.

As earlier stated, Shell also made use of the GMoU. The strategy was adopted by Shell in 2006 and became fully functional in 2007. Shell's representative explained that the strategy was adopted to avoid the challenges created by the signing of several MoUs in the same and several other communities. GMoU made the agreements easy to manage because they were all contained in a single document that was applicable to several communities at the same time.

According to Shell's GMoU design, the 1,500 communities in which the company operated were divided into 67 groups, either by their local government areas or their ethnic affinities. Each group was called a cluster and had an overall governing body known as the Cluster Development Board (CDB). The communities in each cluster met to decide on their development plans while counting on Shell's financial support for the execution. The fund provided by Shell was for a fixed period of five years after which it was renewable. Shell also made allowance for the communities to seek funding elsewhere whenever such was necessary.

Another of Shell's unique community relations strategies was the company's business ethics. Shell's representative claimed that the company exhibited good neighbourliness and was mindful of its host communities. He defined being mindful as doing things that were beneficial to the communities and minimizing negative impact on them. He claimed that it also meant being ready to apologise to the communities when they were offended.

Shell again identified openness as another unique community relations strategy. The company's representative expressed Shell's readiness to make information available to the communities. He claimed that the company always put the communities in the picture of whatever related to them. Not only were the people given information about the activities of the company in their communities, they were also allowed to express themselves. He was of the opinion that the level of trust between the company and the communities would be very high if the communities were consulted and nothing was hidden for them.

Shell also claimed that its business principles were part of its unique community relations strategies. The company's representative referred to the set of principles as the Statement of General Business Principles and said that it served as the guideline for all the activities of Shell in a different way from what was

obtainable in other companies. He explained that the principles served as the frame work that determined the way the company would relate with the communities. From the above, it can be said that Shell's community relations was ingrained into the companies' business principles.

The responses of the oil companies revealed the uniqueness of their strategies. Those strategies were products of the companies' policies; therefore, they represented their corporate characters. The decision at the management level to adopt the strategies showed that community relations was a management function. This reveals the link between our findings and the stakeholder theory, since Freeman, Winks & Parmar (2004) claim that the stakeholder theory is managerial in nature. They say it reflects and directs how managers operate in respect to their stakeholders, who in this case are the Niger Delta communities. It also provides assistance to managers through the promotion of analysis of how the communities fit into their larger environment.

While the oil companies presented the uniqueness of their community relations strategies from an organizational point of view, the respondents assessed the strategies from the recipients' point of view. One of the areas in which the oil companies were assessed was the perceived direction of their relationship with the

communities. Table 4.11 shows that of the three oil companies selected for this study, most of Agip's respondents said that its relationship with their communities was cordial. This percentage is relatively high compared to that of Chevron and Shell. On the other hand, more than three-quarters of the respondents claimed that Shell's relationship with their communities was not cordial, and exactly three-quarters also claimed the same for Chevron.

A comparison of the respondents' views above with the preceding responses of Chevron and Shell reveals a contradiction in the claims of both parties. While the oil companies reported their unique community relations strategies, which were obviously people centered, the respondents claimed that the relationships of the duo with their communities were largely not cordial. Considering that the oil companies' community relations strategies were meant to help establish a mutual relationship between them and the communities, it raises some concern that a very high percentage of the respondents felt that their communities were not favourably disposed towards Shell and Chevron. There is, no doubt, a missing link between the oil companies' design of their well articulated strategies and their delivery to the communities.

Also, the respondents assessed the oil companies on the perceived frequency of their communication with the communities. Of the three oil companies, most of the respondents claimed that Chevron never communicated with their communities, four out of every five said that Shell communicated once in a while and Agip was considered to have communicated often. Although Agip had its highest percentage among the respondents who said it communicated once in a while, compared to Shell and Chevron, more respondents said Agip communicated often.

As presented earlier, Chevron's unique community relations strategies included the company's CSR and the GMoU. Considering the nature of the strategies, it should have been taken for granted that communication with the communities would be the driving force of the process. This, however, did not appear to be the case since this study shows that almost three-quarter of the respondents claimed that Chevron never communicated with their communities. A possible explanation for this paradox may be found in the structure of the GMoU strategy. Since, Chevron no longer communicated directly with the communities, the tendency was there for the respondents to see less of the company and thereby believe that communication was not taking place. Also, considering that the representatives of the communities who related with Chevron did not reside in the communities, it is plausible that whatever communication they had with the company might be unknown to the people.

Also in the case of Shell, most of the respondents said that it only communicated once in a while with their communities. Looking at the combination of strategies adopted by the company, one would have expected an assessment better than this. For instance, how could the company have practised openness if there was no constant communication? Shell also made use of the GMoU; hence, the same situation described for Chevron might apply to a certain extent. In Shell's case, however, the host communities did not make any claim about their leaders not being residential. This means that the communities were likely to be aware of whatever communication that went on between their leaders and the company. This might account for the "once in a while" assessment given to Shell's communication with their communities.

Again, the respondents expressed their views on the oil companies' contributions to development in their communities. The findings reveal that of the three oil companies, Agip had the highest rating among the respondents who agreed that it contributed to the development in their communities. Three-quarters of the respondents said Shell sometimes contributed to their development while most of the respondents said Chevron did not contribute at all

Talking about contributions to development, it can be observed that Chevron, while presenting its unique CSR strategy, focused more on the general community (Nigeria) rather than the immediate communities. This might have determined the amount of attention that was given to the immediate communities. On the other hand, it is noteworthy that though Chevron had the highest claim of not contributing to the development of the communities at all, 43.1% still claimed that it did once in a while. The close call between the two categories, therefore, shows that rather than conclude that Chevron did not contribute at all, it can be said that the contribution was minimal.

Shell was rated highest by respondents who said that it contributed to community development once in a while. This also corresponded with the company's previous assessment of communicating with the communities once in a while. Notwithstanding the strategies adopted by Shell, this finding suggests that the communities have not seen enough of the company's efforts. This may raise the question as to whether or not the communities can ever see enough of the oil companies' efforts. The Agip situation may provide an answer to this, since the perception of the respondents of the company has been mostly positive. Unfortunately, Agip's rating cannot be explored further in

light of its strategies because the information was not provided by the company.

As far as consultation with the communities was concerned, most of the respondents said Chevron never consulted with their communities and Shell consulted once in a while. On the other hand, Agip was considered to have consulted often. Going by Shell and Chevron's GMoU strategies, one could say that the oil companies were no longer directly involved in planning and executing development projects in the communities, therefore, the need for consultation might not arise.

Considering how old the strategies were as at the time this study was conducted, the host communities of Shell and Chevron would have done without direct consultation for three to four years respectively. If in spite of this arrangement, Shell was still considered to have consulted with the communities once in a while, then the company must have found a way of sustaining partial contact with the communities which Chevron had not. Nevertheless, more than partial contact would be required to foster favourable relationship with the communities.

## 5) How do the host communities perceive oil companies' community relations strategies?

Over the year, several scholars have emphasized the role of perception in human relationships. According to Perreault & McCarthy (2005), perception is how we gather and interpret information from the world around us. Considering how valuable the perceptions of the relevant publics are to an organization, this study also examines the host communities' overall assessment of the community relations strategies of the oil companies.

The finding in this study shows the respondents' views of the oil companies' influence on their communities. Agip was considered to have had a positive influence on the communities while opposing views were held of Shell and Chevron. Without any doubt, perception is one of the determinants of the success or failure of any organization and the oil companies are no exception. The companies require the goodwill of their significant publics to function effectively.

Moon (2001) notes that community perceptions mostly form the basis for community choice to either support or disrupt corporate activities. As can be seen from the discussion so far, a large percentage of the respondents said that Shell failed to positively

influence their communities. The qualitative data, however, show that some of the participants in the interview sessions were of the opinion that Shell did not completely fail; it only did not measure up to the expectations of the communities. An elder in Eruemukohwarien said that Shell made some efforts to pacify the community by providing some facilities, but it could do more.

Chevron too was adjudged not to have influenced the communities positively. Agip, on the other hand, was perceived by the respondents as having positively influenced their communities. The qualitative data show that the women leader in Obrikom stated that Agip had to be pressurized before it contributed to the community. This might suggest that the positive influence the company had on the communities would not have been the case if pressure was not applied.

A good relationship is built on effective communication. As can be seen from the explanation above, the respondents were of the opinion that Chevron and Shell did not communicate effectively with their communities. Not only can this situation complicate existing conflicts, it can also engender fresh ones. The oil companies should endeavour to establish a communication system that will extend to the grassroots. This is necessary because the

people at the grassroots are the ones that are actually affected by the challenges in the communities.

The respondents also expressed their satisfaction with Agip's conflict resolution strategies while they were dissatisfied with those of Shell. Chevron returned the worst assessment, however. A possible explanation for this was provided during the men's FGD session held in Tisun. They were of the opinion that Chevron lacked the grassroots approach since the GMoU was introduced. They claimed that they could not be sure whether or not their leaders were representing them well with Chevron.

Hence, it was a failure on the part of the company not to have gone to the grassroots where the actual problems were. Chevron's representative, however, was of the impression that the company had made significant improvement in its relationship with the communities since the strategy was adopted. He said that the company had never been shut down on the account of any conflict; rather, it had enjoyed a positive operational community.

Conflict is undesirable in any community; hence, decisive actions must be taken to either forestall or resolve it as soon as possible. It is interesting to note that in the explanation above, Chevron had the highest rate of respondents' dissatisfaction with its conflict resolution, while it was also reported as having the least conflict acknowledgement of the three oil companies. It is also a paradox that in the above explanation, more respondents were satisfied with Agip's conflict resolution, yet, more than three-quarters of the respondents also acknowledged its involvement in conflicts. Shell was the only company that the respondents' dissatisfaction with its conflict resolution corresponded with the acknowledgement of conflict occurrence.

In order to rule out coincidence, it can be observed (see Table 4.8) that majority of the respondents from the five communities under study claimed that conflicts rarely occurred in their communities. However, a further observation reveals that Omoku and Obrikom, where Agip operates, had the highest percentages among respondents who claimed "often" and "very often" conflict occurrence in their communities. This means that more conflicts were reported for Agip than any of the other two companies. If indeed Chevron's conflict resolution was not satisfactory, it would have been expected that there would be more conflicts associated with the company, and the opposite would also have been expected for Agip.

Again, most of the respondents said Agip was usually ready to negotiate during conflicts, followed by Shell and with Chevron coming last. This corresponds with the claim made by the Secretary of the Trustees that Chevron never gave room for negotiation. By implication, even the councils administering the GMoU clusters were denied the opportunity to negotiate with the Company.

Also, most of the respondents said that Agip's communication reduced the frequency of conflicts in their communities, followed by Shell. On the other hand, more than three-quarters of the respondents said that Chevron's communication did not reduce conflicts.

This is understandable, since earlier results had shown that most of the company's respondents claimed that its communication was not effective. While the responses on Chevron and Agip correspond with earlier result, that of Shell is contradictory. Here, more of Shell's respondents claimed that its communication reduced the frequency of conflict, while earlier, the respondents had claimed that its communication was not effective. Considering that the respondents also acknowledged that Shell was ready to negotiate, it is not farfetched that conflicts were reduced through its communication with host communities.

Respondents also assessed oil companies based on their abilities to keep promises. The entire process of conflict resolution is based on the ability of both parties to keep to the terms of their agreement. This should be more so for the oil companies because they tend to be the dominant party in the agreement. For Chevron, more than three-quarters of the respondents said the company did not usually keep its promises. Also, more than half of the respondents said Shell never kept to its promises.

During the FGD session in Eruemukohwarien, the women also agreed with this finding. They explained that the company would not go to the community unless by invitation, and after the visit, nothing would be done. Recalling the protest that was staged in 2008, they claimed that Shell made promises (which could not have been covered by the GMoU since negotiation with individual communities had been stopped), but had not fulfilled them. However, Shell's representative claimed that the GMoU had achieved much of the desired impact. He explained that the communities made less demands and more decisions. This means that the company did not have any development promise to fulfil since development decisions had been left to the clusters. As for Agip, more than half of the respondents claimed that it usually kept to its promises, which was the highest percentage among the three companies. Generally, it can be concluded that most of the respondents perceived Agip to be far better in keeping promises than Chevron and Shell

From the responses of the communities, it can be seen that they had strong opinions of the oil companies. Those opinions were formed in the process of seeking and processing information concerning the companies and their activities in the communities. Hence, the communities can be referred to as active publics (Baskin, Aronoff & Lattimore, 1997), thereby establishing a link between them and the behaviour described in the situational theory.

## 6) What community relations strategies would host communities prefer in their relationship with oil companies?

The question of the community relations preference of the host communities is one of the most important questions that must be answered if a cordial relationship will be developed between them and the oil companies. This is because the oil companies can keep making efforts without their being appreciated by the communities, because they are not desired. The companies are the sources of community relations efforts and the communities are the

recipients. Fig 4.12 reveals that the oil companies identified transparency, consultation, community initiatives and the provision of amenities as the perceived preference of the communities. While it is important to know what the companies think those preferences were, it is more important to find out what the communities identified as their own preferences.

Fig 4.13 shows that the first strategic preference of the communities was the withdrawal of the forces by the oil companies. They claimed that it would foster a better relationship that would be void of suspicions and threats. The participants were also of the opinion that the companies enjoyed better relationships with the communities at their initial incursion, when the military forces were not involved.

The oil companies, however, did not identify the withdrawal of armed forces as one of the preferences of the communities, since they did not even admit that they used the forces in the first place. The companies, probably, did not want to create the impression that any situation was beyond control, thereby warranting the involvement of armed forces. Or, the companies may see the involvement of the armed forces as a protective measure rather than a strategy for relating with the communities. Whatever be the case, the communities were of the opinion that any medium of

communication or compulsion used by the companies was their strategy.

The participants also identified better employment as another strategy that would help ensure company-community peaceful cohabitation. They said that the provision of employment would keep the youths occupied and make them less susceptible to restiveness. Employment was recommended as a potent remedy for militancy. It was also suggested that the government should make proper employment provision an integral part of the amnesty program it was running. This is to avoid the undesirable possibility of the ex-militants returning to the creeks if they are not properly engaged. They acknowledged the oil companies' contributions in terms of scholarships, but they also pointed out that scholarships would be useless if there were no job opportunities after graduation.

One of the major complaints of the participants as far as job was concerned was the employment of other ethnic groups such as Yoruba and Hausa into key positions, while Niger Delta indigenes were given casual appointments. They insisted that they had educated and qualified individuals who could fill such positions.

Another strategic preference indicated by the respondents during the FGD and KII sessions was the physical presence of the oil companies. This strategy was stressed by all the participants in this study. They insisted that if the oil companies were really interested in building a good relationship with their communities, they would go down to the grassroots. Some participants said that if the oil companies failed to go to the grassroots, they would only be negotiating with the people in the townships who could not be affected by any of the challenges in the communities. It was also advised that the oil companies should stop inviting community leaders to the townships where they would be pampered with hotel accommodations and other benefits, thereby corrupting their sense of judgement.

It is necessary, at this juncture, to recall that the GMoU strategy adopted by Chevron and Shell, as explained by the companies' representatives, did not make provision for the physical presence of the companies. Since the communities now make and execute their own development plans, there is little or no need for the oil companies to visit the communities, unless probably to commission projects. Though Agip did not seem to have adopted the GMoU, the participants still complained of the lack of its physical presence in the communities. Consequently, it is

important for the oil companies to stay connected with the grassroots to ensure the effectiveness of their strategies.

The communities also suggested that the oil companies should adopt education as part of their community relations strategies. No doubt that scholarships and school buildings were part of the benefits enjoyed from the oil companies in the past, there could be more. In Tisun for instance, a school was built for the community and was never used until the building became dilapidated. One of the reasons for the non-usage of the school was the lack of teachers. Considering that the community is located in the creeks and is far from any major town, it may be unrealistic to expect teachers from the city to be deployed there. A better arrangement would be to train indigenes as teachers so that they can teach in their own communities. Female and sex education were also suggested so as to reduce the rate of teenage pregnancy in the communities.

Another popular strategic preference of the communities was the focus on skill training. It may not be realistic to expect an entire community to be educated. Hence, proper provision should be made to cater for those who do not have the opportunity to attend school. It was also suggested that skill training in the communities would prevent urban migration and develop the potentials in the

communities. The communities also said that the oil companies should help train the youths in the companies' needed areas of technicalities so as to guarantee their employment after training them. School on wheels was also suggested to serve as a mobile training centre for several communities at a time.

The participants in this study also suggested company-government partnership as another community relations strategy that would help to resolve the conflicts. They were of the opinion that there would be progress if the two parties could stop trading blames and they cooperate to develop the Niger Delta. Company-community partnership was also suggested to ensure peaceful cohabitation between the oil companies and the communities. Except an extreme case like that of Ogoni reoccurs, the communities and the companies would continue to interact closely; therefore, efforts must be made to achieve mutual understanding.

Also, the communities identified effective communication as another of their preferred strategies. They considered it a compulsory ingredient in building a mutually profitable relationship. This strategy corresponds with two of the ones identified by the oil companies; transparency and consultation with the communities. In terms of transparency, the companies believed that the communities wanted to be updated on every activity of the company that concerns them and their land. Shell's representative

claimed that the company usually kept the communities informed except for commercially sensitive information. The companies also believed that consulting with the communities would boost their sense of relevance and also help to build mutual trust.

The final strategy that was identified by the communities was the provision of infrastructure. They noted that a clear difference existed between the communities and the oil companies' facilities; while the companies had electricity, portable water and good roads, the opposite was usually the case in the communities. They insisted that one of the ways the companies could demonstrate their commitment to development of the communities was to extend the amenities

The companies also identified the provision of amenities as one of the preferred strategies of the communities. Shell's representative explained that the company was aware that various communities had their aspirations as far as amenities were concerned. Hence, the company made money available to the clusters, under the auspices of GMoU, so that they could determine their own development. Chevron's representative also agreed that the provision of amenities assisted the development of communities.

One strategy that the oil companies felt the communities would prefer, but which was not mentioned in any of the communities was community initiative. The companies, particularly Shell and Chevron, believed that the communities would rather draw up their own development plans than depend on the companies to do for them. Since development preference differed from community to community, it was better for those communities to drive their own development plans. From the perspective of the oil companies, that singular strategy subsumed most of the others as might be mentioned by the communities, since they did not need the companies anymore to develop their communities.

Community initiative was one of the driving principles of the GMoU. One major argument in favour of the strategy was that, as at the time the companies attempted to develop the communities, they could not put the entire challenges and needs of the people into perspective. As currently practised, the GMoU allowed them to simply provide the fund and technical assistance while the communities made the decisions. By design, the strategy was foolproof, but in reality, there were some missing links. The major challenge that was expressed in the findings of this work was the gap between what the companies claimed and what the communities experienced. The companies ought to have a system

for making sure that development reaches all the communities in each cluster, and that it reaches the grassroots in particular.

The findings above are supported by the situational theory because they portray the characteristics of active publics. First, the communities recognised that there was a problem, conflict, which was why they expressed their views. Second, they recognised some of the constraints or obstacles in the way of finding a solution and among them were military intervention, unemployment, lack of companies' physical presence, and lack of provision for skill training. Third, they did not stop at the point of recognition; rather, they went on to make suggestions as to how the obstacles could be removed, which clearly demonstrated their level of involvement.

### CHAPTER FIVE SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 INTRODUCTION

The major aim of this study is to investigate the community relations strategies used by oil companies to manage the company-community conflicts in the Niger Delta. Chapter one is the introductory aspect of the study, which provides background information on the oil exploration process in the Niger Delta, as well as the attendant challenges that have led to the company-community conflicts witnessed in the region. The problem stems from the environmental degradation engendered by the exploration process and the depravation in the communities (Naanen, 1995; Akinola, 2009; Watts, 2009; Nafzinger, 2009).

The Niger Delta communities are undeveloped and the people blame this on both the oil companies and the government. The community relations perspective of the company-community conflicts is also examined. Considering how valuable the communities are to the oil companies, they cannot afford not to maintain a mutual relationship with them, or they will continue to encounter threats, not only to their operations, but also to the lives

of their staff. Therefore, this study aims at examining the community relations strategies used by oil companies in managing the conflicts in the Niger Delta.

Chapter two focuses mainly on the review of relevant literature for this study. The chapter begins with the conceptualization of the term "conflict" by examining various definitions of the word, as well as arguments on what it is and what it is not. Sources and nature of conflicts are also discussed in the chapter. Furthermore, there is a review of materials on the Niger Delta conflicts, their oil dimension, as well as the involvement of multinational oil companies. Conflict is also examined with focus on the role of public relations, and specifically community relations, in managing and resolving it. The chapter concludes with an explanation of the theories that are adopted to help impose a structure on the study, and these include Conflict theory, Situational theory and the Stakeholder theory.

In Chapter Three, the methods adopted for this study is presented. The study makes use of survey, focus group discussion (FGD) and key informant interview (KII) designs to gather the data. The study population comprises the community relations units of oil companies in the Niger Delta (among which Shell, Chevron and Agip are selected) and the indigenes of Omoku and Obrikom

communities in Rivers State, and Eruemukohwarien, Tisun and Kolokolo communities in Delta State. The sample size is made up of 595 respondents for the survey, 58 FGD participants and 13 KII participants. The instruments used for data gathering include questionnaire, interview guide and question guide. The data were analysed and then presented using tables and figures.

Chapter Four presents the results from the survey, FGDs and KIIs. The results are discussed and the research questions raised earlier in this study are answered. Chapter Five provides a summary of the entire thesis and the conclusion, as well as the recommendations drawn from the findings.

#### **5.2 SUMMARY**

After investigating the questions raised in this study, it was discovered that:

 Majority of the respondents were aware of companycommunity conflicts in four of the five selected communities (Eruemukohwarien, Kolokolo, Omoku and Obrikom), while those in the remaining community (Tisun) claimed that they had not witnessed any conflict. It was also discovered that the four communities reportedly experienced conflicts rarely, though Omoku and Obrikom reported more frequent occurrence than Eruemukohwarien and Kolokolo.

In respect to the oil companies' involvement in the community conflicts, Shell had the highest percentage of perceived involvement overall and particularly among respondents from Eruemukohwarien. Next was Agip, with specific acknowledgement from Omoku and Obrikom. Chevron had the least overall acknowledgement of conflict involvement, which included both acknowledgement and denial from Kolokolo and Tisun respectively.

The study further reveals that the communities that claimed the occurrence of conflicts identified the following as the causes: oil companies representing the government, poor state of infrastructure, need to attract companies' and government's attention, politics and the oil companies' failure to keep to agreements. On the other hand, those who claimed the absence of conflicts also attributed it to the following: the communities' peaceful heritage, fear of military invasion, the youths' respect for elders, the fear of God and respect for the law.

2. The conflicts between the oil companies and the communities had serious implications for the two parties.

The communities were affected because they were neglected by the companies during conflicts, military forces invaded them, there was lack of development and there was a lingering fear of future attacks on the communities, which kept some of the indigenes away. The oil companies, on the other hand, were affected because they constantly felt insecure and they experienced low productivity.

3. The oil companies adopted several community relations strategies for conflict resolution in the Niger Delta. Shell identified pulling out of the community as an option in extreme cases. It also made use of dialogue, the government, situational approach and community initiatives to resolve conflicts with the communities. Chevron also made use of community initiative to resolve conflicts. On the other hand, the communities, which were the receivers of the community relations efforts of the companies, identified the following strategies with the companies: withdrawal of any form of assistance from the communities, dialogue, provision of amenities, military intervention, government involvement, the Global Memorandum of Understanding and giving gifts to the leaders in the communities.

- 4. The oil companies claimed that they had some unique community relations strategies. Chevron claimed that its strategies comprised a unique style of corporate social responsibility and the Global Memorandum Understanding (GMoU), which it originated in 2005. Shell also adopted the GMoU in 2006. The Company still had some other unique strategies such as its business ethics, business principles and openness with the communities. The communities expressed their opinions about the companies' strategies by assessing different aspects of their relationships. The communities claimed that they had cordial relationship with Agip, while their relationships were not cordial with Shell and Chevron. Also, as far as effective communication, contribution to community development and consultation with the communities were concerned, Chevron was given a negative appraisal, Shell performed the above once in a while, while Agip was positively appraised.
- 5. The communities shared their perceptions about the oil companies. As far as the companies' positive influence on the communities, satisfaction with their conflict resolution and their keeping of promises were concerned, the communities rated Chevron and Shell poorly, while Agip was highly rated. Also, the communities were favourably

disposed towards Agip and Shell on effective communication, readiness to negotiate during conflicts and the reduction of conflicts through communication, while they were unfavourably disposed towards Chevron.

6. The oil companies expressed their opinions of the community relations strategies preferred by the communities as the following: transparency on the part of the companies, consultation with the communities, provision of amenities and community initiatives. The communities, however, had a longer list of preferred strategies which included: withdrawal of military forces, better employment, companies' physical presence, proper education, skill training, company-government partnership, company-community effective partnership, communication, and the provision of infrastructure.

#### 5.3 CONCLUSION

Based on the foregoing, therefore, the conclusion of this study is that the community relations strategies adopted by the selected oil companies are not adequate in preventing and resolving companycommunity conflicts in the Niger Delta. The most important reason for this is the lacuna that exists between the strategies the oil companies believed host communities preferred for conflict resolution and the ones actually preferred by those communities. The gulf seemed to have consumed efforts made by the companies, thereby leaving little proof of their responsibilities to their hosts. The lack of grassroots approach also reduced the effectiveness of the strategies, since oil companies quoted large sums of money being spent on development and host communities said they got none of it. The communities' representatives appropriated the fund earmarked for development while the companies believed that since they represented the communities, they were delivering the benefits. Hence, a grassroot approach would serve as a check for the excessiveness of community representatives.

#### 5.4 RECOMMENDATIONS

The study has shown that good community relations strategies are indispensible if conflicts between oil companies and host communities would be resolved. Having examined the relationship between the selected oil companies and communities, the following recommendations are made:

 The oil companies should pay specific attention to the factors identified by the communities as being responsible for the occurrence of conflicts. For instance, the companies should be mindful that the performance of the government in the state or country in which they operate would have immense implications on the perception they enjoy from their host communities. Hence, they should use their strategic economic position to encourage or pressurise the government into being responsible. Also, the oil companies should make efforts to spread their contributions to all the communities in the Niger Delta rather than paying too much attention to the restive ones. This is because some of the conflicts that occurred were due to the need for attention by some of the communities.

ii. The community members should be properly enlightened by NGOs, which are more readily accepted than the government, on their rights as individuals and their roles in national development. This will prevent them from being used by deceptive politicians as tools for winning elections. It would also protect them from some influential community leaders who may incite the people to protest for their own ends. This is because the people would seek out information and facts for themselves before they act, rather than depending on the instructions of some privileged class.

- iii. The oil companies should note that some of the communities in which there were little or no conflict occurrences did not attribute their seemingly peaceful disposition to the oil companies' community relations strategies. Rather, they attributed it to their respect for their elders, peaceful heritage, fear of God and respect for the law. This, therefore, challenges the oil companies to work harder on their strategies. It also gives an insight into the areas the companies can explore to maintain a good relationship with the communities.
- iv. Both the oil companies and the communities should constantly bear in mind the double edged consequences of conflicts; hence, they must be avoided at all cost. The companies must not be seen to be covertly instigating communal conflicts so as to make more profits while the communities are busy warring.
- v. Considering that majority of the respondents were not satisfied with the community relations strategies of the oil companies, more efforts should be made by the companies to improve on their strategies. Since the communities are the recipients of such efforts, it would be risky for the companies to ignore their feelings.

vi. The oil companies using the Global Memorandum of Understanding (GMoU) should improve the strategy by including a grassroot scheme that will help ensure the desired result. Considering that majority of the respondents complained of not feeling the impact of the companies since the GMoU was introduced, and that the councils and boards constituted to represent the communities sometimes did not deliver the benefits to the people, the oil companies cannot afford to withdraw completely from the communities. The model below is suggested for a more effective execution of the GMoU:

Communities

CDB/IRDC

Grass root monitoring scheme

Oil Companies

Government

Development

Agents

Fig 5.1: GMoU Monitoring Scheme

What is currently obtainable is the communities relating with the Cluster Development Boards (CDB)/Itsekiri Rural Development Councils (IRDC), while they in turn relate with the oil companies, government and other development agents such as NGOs. Hence, the only addition to the process is the inclusion of a grass root monitoring scheme that will perform three important functions: restore the oil companies' contacts with the communities, monitor the productivity of the CDB/IRDC and ensure the even distribution of benefits.

- vii. The oil companies should work harder to improve the communities' perception of their positive influence on the communities, effective communication, conflict resolution, readiness to negotiate during conflicts and keeping of promises.
- viii. The companies should try as much as possible to reduce the presence of military forces in the communities. If they are really interested in building a good relationship with the people, they should not treat them as enemies. Military involvement should be limited to the protection of the companies and their staff, rather than giving them the unbridled access to subdue the communities and extort money from them.

- ix. Skill training should be encouraged so as to cater for members of the communities who are not educated. The fact that they are uneducated does not mean that they are useless. Training can be provided in the technical areas that the oil companies would need their services.
- x. The government should implement the policies that regulate the activities of oil companies. This will help to curb the excesses of the companies and reduce as well as make them take responsibility for environmental degradations and other poor business practices.
- xi. The government should co-operate with the oil companies to develop the Niger Delta communities, rather than trading blames. It will be difficult to achieve development if the communities do not know who to turn to for their various needs. The government and the oil companies should clearly define their individual and joint responsibilities so that the communities can rightly channel their requests.

#### 5.5 SUGGESTIONS FOR FURTHER STUDIES

The findings of this study have revealed other areas that could be explored in further studies. One of such areas is the implication of the amnesty programme for peace building efforts in the Niger Delta. While the present study focuses on the strategies used by the

oil companies to build a favourable relationship with the communities, further studies can evaluate the objectives of the amnesty programme and its ability to restore peace in the Niger Delta.

Further studies could also examine the nature of partnership that exists between the oil companies and the Nigerian government, and the implication of this for community development. Since the two parties are in joint venture, it is necessary to investigate the extent to which they protect each other's interests and at what expense? The study could also find out the degree of influence that one party enjoys over the other and the effect of this on the Niger Delta communities.

Another important area that could be explored is the role of the Niger Delta leaders in the development or the underdevelopment of the region. This becomes necessary as a result of the findings of the current study that some leaders prosper at the expense of their communities.

#### 5.6 CONTRIBUTION TO KNOWLEDGE

This study has expanded the frontier of knowledge in the field of public relations, particularly community relations. It is an exploratory study of the community relations strategies used by the oil companies for conflict resolution in the Niger Delta. The study is unique because, unlike several other studies that focused either on the communities or the oil companies, it presents reports from both the oil companies and the communities' perspectives. This enables us to evaluate the positions of both parties, find common grounds and identify areas of divergence.

The study reveals the community relations strategies used by the oil companies for conflict resolution. It also presents the peculiarities of the strategies adopted by each of the oil companies. This serves as a backdrop against which we can place the diversity in the communities' perception of each company. The study also identifies the strategic preferences of the communities, thereby helping us to determine whether or not the companies are able to meet up with those expectations. We are also able to compare what the oil companies consider to be the preferences of the communities and what the communities actually prefer.

This study offers an addition to the process of the GMoU so as to ensure the achievement of its purpose. This is based on an examination of the oil companies' conception of the GMoU and the communities' understanding and perception of it. A Grassroot monitoring scheme is suggested to help to maintain the contact between the oil companies and the communities. This is the only

way the companies can be in touch with the realities in the communities and monitor their development.

The study also establishes that there is indeed a gap in communication between the oil companies and the communities. This results in the companies claiming that they invest a lot into community development while the communities insist that the companies do not do enough to justify their presence. The study raises a possibility that the middlemen selected to represent the communities with the oil companies may be receiving the benefits without passing them on to the people.

#### REFERENCES

- Aaron, K. K. (2008). The failure of corporate social responsibility in the Niger Delta: Toward a re-interpretation. In International Conference on the Nigerian State, Oil Industry and the Niger Delta, 11-13 March 2008 (pp. 267-274). Yenagoa, Bayelsa: Department of Political Science, Niger Delta University.
- Aaron, K. K. & Patrick, J. M. (2008). Oil TNCs, CSR practices and conflicts: A comparative analysis of three oil companies in selected oil producing communities in the Niger Delta. In *International Conference on the Nigerian* State, Oil Industry and the Niger Delta, 11-13 March 2008 (pp. 433-444). Yenagoa, Bayelsa: Department of Political Science, Niger Delta University.
- Adefemi, V. I (1998). Oil and minority ethnic nationalism in Nigeria: The case of Ogoni (Unpublished Doctoral dissertation). University of Ibadan, Ibadan, Nigeria.
- Adkins, S. (2000). Cause related marketing, who cares wins. Oxford, UK: Butterworth-Heinemann
- Agagu, A. A. & Adu, F. (2008). Problems and effects of oil industry on the Niger Delta: Matters arising. In *International Conference on the Nigerian State, Oil Industry and the Niger Delta*, 11-13 March 2008 (pp. 433-444). Yenagoa, Bayelsa: Department of Political Science, Niger Delta University.
- Agip (n.d.). History of the company. Retrieved 2010 from <a href="http://travel.eni.com">http://travel.eni.com</a>
- Aiyetan, D. (2008, February 18). Oil has been a blessing and a curse. *Tell*, p 11.

- Akinola, S. R. (2008). Coping with social deprivation through self-governing institutions in oil communities of Nigeria. *Africa Today*, 55 (1), 89-105
- Akinola, S.R. (2009). Polycentric planning and community selfgoverning as panacea to the Niger Delta crisis. *Journal of African Development*, 11 (2), 79-104
- Ako, R., Okonmah, P. & Ogunleye, T. (2009). The Niger Delta crisis: A social justice approach to the analysis of two conflict eras. *Journal of African Development*, 11 (2), 105-122
- Alabi, R.A. (2008). Analysis of socio-economic conditions in Niger Delta and its implications on policy interventions. A paper presented at the International Conference on the Nigerian State, Oil Industry and the Niger Delta.
- Alagoa, E.J. (2005). *A history of the Niger Delta*. Port Harcourt, Nigeria: Onyoma Research Publications.
- Alao, O. A. (2005). Impact of Niger Delta crises on Nigeria's national security. Unpublished master's dissertation, Institute of African Studies, University of Ibadan, Ibadan, Nigeria.
- Alexei, M. (2000). Stockholder theory. Retrieved 2008 from <a href="https://www.istor.org/doi/xm/10.2302/3858020">www.istor.org/doi/xm/10.2302/3858020</a>
- Aliyu, H. & Mohammed, S. (2008). Public relations and conflict management. In E. M. Mojaye, E. Arhagba, E. Soola, & L. Oso, (Eds), Media, dialogue, peace building and reconciliation: Conference proceedings, 6-8 August, 2008 (pp.588-592). Abraka: ACCE, Delta State University.
- AM News (1995, November 2). Private investors dump Shell shares in Britain. AM News, p.16.

- Argenti, P.A. & Forman, J. (2002). The power of corporate communication. New York: McGraw Hill
- Asakitikpi, E. A. & Oyelaran, A. P. (2000). Oil extraction and the socio-cultural impact on peoples of the Niger Delta. In A. Osuntokun (Ed), *Environmental problems in the Niger Delta* (pp. 173-188). Lagos, Nigeria: Frederich Ebert Foundation.
- Baskin, O., Aronoff, C. & Lattimore, D. (1997). Public relations: The profession and the practice. New York: McGraw-Hill Companies, Inc.
- Bassey, N. (2006). Trade and human rights in the Niger Delta of Nigeria. Retrieved from <a href="http://www.worldhunger.org/articles/06/africa/bassey.htm">http://www.worldhunger.org/articles/06/africa/bassey.htm</a>
- Bennett, R. (1999). *International business*. England: Pearson Education Limited.
- Bertlett, C. A. & Ghoshal, S. (2000). Transnational management: Text, cases and readings in cross-border management (3<sup>rd</sup> ed). US: McGraw-Hill Companies, Inc.
- Bridges, J. & Nelson, R.A. (2000). Issues management: A relational approach. In J.A. Ledingham & S.D. Bruning (Eds), *Public relations as relationship management: A relational approach to public relations* (pp. 95-116). Mahwah, NJ: Lawrence Erlbaum Association.
- Bronn, P. S. (2006). Building corporate brands through community involvement: Is it exportable? The case of the Ronald McDonald House in Norway. *Journal of Marketing Communication*, 12(4), 309-320

- Broom, G., Casey, S. & Ritchey, J. (1997). Toward a concept and theory of organization-public relationships. *Journal of Public Relations Research*, 9(2), 83-98
- Broom, G.M. & Dozier, D.M. (1990). *Using research in public relations: Applications to program management*. Englewood Cliffs, NJ: Prentice-Hall
- Burton, J. W. (1993). Conflict resolution as a political philosophy. In D. J. D. Sandole & H. van der Merwe (Eds), Conflict resolution theory and practice integration and application. Manchester: Manchester University Press.
- Cannon, T. (1994). Corporate Responsibility. London: Pitman Publishing.
- Carroll, A.B. & Buchholtz, A.K. (2000). Business and society, ethics and stakeholders management. Cinn, OH: South-Western College Publishing.
- Chase, H. W. (1982). Issue management conference: A special report. Corporate Public Issues, 7 (23), 1-2
- Chevron (n.d.). History of the company. Retrieved from <a href="http://www.chevron.com/about/leadership/">http://www.chevron.com/about/leadership/</a>
- Chevron (n.d.). Nigeria: Highlights of operation. Retrieved from http://www.chevron.com/countries/nigeria/
- Children kidnapped in Niger Delta. (2007, October 22). BBC News. Retrieved from <a href="https://www.bbcnews/nigerdelta/kidnap">www.bbcnews/nigerdelta/kidnap</a>
- Chronology of Nigeria militants' attacks. (2007, February 21).

  Nigeria Masterweb. Retrieved from http://www.nigeriamasterweb.com

- Civil Liberty Organization (2002). Blood trial: Repression and resistance in the Niger Delta. Delta, Nigeria: CLO
- Coombs, T. (2000). Crisis management: Advantages of a relational perspective. In J.A. Ledingham and S.D. Bruning (Eds), Public relations as relationship management: A relational approach to public relations (pp. 73-93). Mahwah, NJ: Lawrence Erlbaum Association.
- Coser, L. A. (1956). The function of social conflict. London: The Free Press.
- Cutlip, S. M., Center, A. H. & Broom, G. M. (1985). *Effective* public relations (6<sup>th</sup> ed). Englewood Cliffs, NJ: Prentice-Hall
- Cutlip, S. M., Center, A. H. & Broom, G. M. (1994). Effective public relations (7<sup>th</sup> ed). Englewood Cliffs, NJ: Prentice-Hall
- Daramola, A. C. (2003). Fundamentals of professional public relations: A global overview. Lagos, Nigeria: CMCIN
- Dawson, S., Manderson, L. & Tallo, V. L. (1993). A manual for the use of focus groups. New York: International Nutrition Foundation for Developing Countries.
- Donaldo, T. & Preston, L. (1995). The stakeholder theory of modern corporation: concepts, evidence and implications. Academy of Management Review, 20, 65-91.
- Dougherty, D. (1992). Crisis communications. New York: Walker and Company

- Edafejirhaye, V. & Edafejirhaye, E. (2008). Effective public relations and sustainable development in Niger Delta. Warri: Vinbeth Publication
- Edeogu, C. F. O. (2008). Peace building strategies for peace in the Niger Delta: A comprehensive four phased peace model. In International Conference on the Nigerian State, Oil Industry and the Niger Delta, 11-13 March, 2008 (pp. 64-80). Yenagoa, Bayelsa: Department of Political Science, Niger Delta University.
- Esparza, L. & Wilson, M. (1999). Oil for nothing: Multinational corporation, environmental destruction, death and impunity in the Niger Delta. A US Non-governmental Delegation Trip Report, 6-20, September 1999.
- Ezeobi, (2008, February 17). 50 Depressing years of oil in Nigeria. *Punch*, p 20.
- F.O.E. (2005). Communities sue shell to stop Nigerian gas flaring.

  Retrieved from

  <a href="http://www.foe.co.uk/resource/press\_releases/communities\_sue\_shell\_to\_s\_20062005.html">http://www.foe.co.uk/resource/press\_releases/communities\_sue\_shell\_to\_s\_20062005.html</a>
- Ferguson, M. A. (1984). Building theory in public relations: Interorganizational relationships. Paper presented to the public relations division, at the annual conference of the Association for Education in Journalism and Mass Communication, Gainesville, FL, August.
- Folarin, B. (1998). *Issues in applied communication*. Ibadan, Nigeria: Stirling-Horden Publishers (Nig) Ltd
- Folarin, B. (2005). *Theories of mass communication: An introductory text.* Lagos, Nigeria: Bakinfol Konsult

- Freeman, E. & Reed, D. (1983). Stockholders and stakeholder: A new perspective on corporate governance. In C. Huizinga (Ed). Corporate governance: A definitive exploration of the issues. Los Angeles: UCLA Extension Press.
- Freeman, E. & Reed, D. (1983). Stockholders and stakeholder: A new perspective on corporate governance. *California Management Review*, 3 (25), p88-106
- Freeman, E. R. (1984). Strategic management: A stakeholder approach. Boston: Pitman
- Freeman, R. E., Winks, A. C. & Parmar, B. (2004). Stakeholder theory and "The corporate objective revisited". *Organizational Science*, 15 (3), 364-369.
- Friedman, M. (1970, September 13), The social responsibility of business is to increase profit. *The New York Times Magazine*. Retrieved from <a href="http://www.colordo.edu/tudentgroups/libertarian/isues/friedman-soc-respo-business">http://www.colordo.edu/tudentgroups/libertarian/isues/friedman-soc-respo-business</a>.
- Furneaux, B. (2006). Stakeholder theory. Retrieved from http://www.istheory.yorku.ca/stakeholdertheory.htm
- Grunig, J. E. & Hunt, T. (1984). Managing public relations. New York: Holt, Rinehart, Winston.
- Grunig, J. E. & Huang, Y, -H. (2000). From organizational effectiveness to relationship indicators: Antecedents of relationships, public relations strategies, and relationship outcomes. In J.A. Ledingham, and S.D. Bruning (Eds), Public relations as relationship management: A relational approach to public relations (pp. 23-54). Mahwah, NJ: Lawrence Erlbaum Associates.

- Grunig, J. E. (1993). Image and substance: From symbolic to behavioural relationships. *Public Relations Review*, 19 (2), 121-139
- Grunig, L.A., Grunig, J.E. & Ehling, W.P. (1992). What is an effective organization? In J.E. Grunig, D.M. Dozier, W.P. Ehling, L.A. Grunig, F.C. Repper & J. White (Eds), Excellence in public relations and communication management (pp. 65-90). Hillsdale, NJ: Lawrence Erlbaum Associates.
- Harper, E. (2003, July). Nigeria oil economy. Online NewsHour. Retrieved from http://www.pbs.org/newshour/bb/africa/nigeria/oil.html
- Hartman, L. P. (2005). Perspectives in business ethics (3<sup>rd</sup> ed). New York: McGraw-Hill Companies, Inc.
- Hinman, P. (1993), Greenpeace exposes shell's pollution record. Retrieved from http://www.greenleft.org.au/1993/112/5579
- History of Corporate (n.d.). *The history of the large company model: Chevron corporation*. Retrieved from <a href="http://www.thehistoryofcorporate.com/companies-by-industry/energy/chevron-corporation/">http://www.thehistoryofcorporate.com/companies-by-industry/energy/chevron-corporation/</a>
- Hon, L.C. & Brunner, B.R. (2002). Measuring public relations among students and administrators at the University of Florida. *Journal of Communication Management*, 6(3), 227-238
- Hon, L.C. and Grunig, J.E. (1999). Guideline for measuring relationships in public relations. Gainesville, FL: Institute for Public Relations.
- HRW. (2003). The Warri crises: Fueling violence. [Electronic version]. *Human Right Watch*, 15(18), 1-30.

## <u>http://en.wikipedia.org/wiki/sustainable-</u>development

http://www.nigerdeltacampaign.com/html/enviromental\_polution.html

- Huang, Y, -H. (1997). Public relations strategies, relational outcomes, and conflict management strategies. Doctoral dissertation. College Park, MD: University of Maryland
- Human Rights Watch (1999). The price of oil: Corporate responsibility and human rights violations in Nigeria's oil producing communities. Washington D.C.: Human Rights Watch/Africa
- Ibaba, S.I (2005). Understanding the Niger Delta crises. Port Harcourt, Nigeria: Amethyst & Colleagues Publishers.
- Idemudia, U. (2007). Community perceptions and expectations: Reinventing the wheels of corporate social responsibility practice in Nigerian oil industry. *Business and Society Review, 112 (3),* 369-405
- Igben, H. G. O. (2008). Public relations, issues and conflict management in Nigeria. In E. M. Mojaye, E. Arhagba, E. Soola & L. Oso (Eds), Media, Dialogue, Peace Building and Reconciliation: Conference Proceedings, 6-8 August, 2008 (pp.602-610). Abraka: ACCE, Delta State University.
- Ikalama, C. (2006). Grievances and the emergence of militant groups in the Niger Delta, its implication for Nigeria's national security (Unpublished master's thesis). Institute of African Studies, University of Ibadan, Ibadan, Nigeria.
- Jones, G. R. (2004). Organizational theory, design, and cases: Text and Cases (4<sup>th</sup> ed). New York: Pearson Education Ltd.

- Ledingham, J. A (2008) A chronology of organization-stakeholder relationship with recommendations concerning practitioner adoption of the relational perspective. *Journal of Promotion Management*, 14, 243-262
- Ledingham, J. A. (2003). Explicating relationship management as a general theory of public relations. *Journal of Public relations Research*, 15(2), 181-198
- Mayer, D. O. (nd). Stakeholder theory. Retrieved from http://www.referenceforbusiness.com/encyclopedia/selstr/stakeholder-theory.html
- Mojaye, E.M.V. (2007). Communication for people-centered development of Nigeria's Niger Delta in the globalization era. In E. V. Mojaye, A. Salawu & O. O. Oyewo (Eds.). Ebenezer Soola Conference on Communication: Proceedings (Pp 74-79). Ibadan: Ebenezer Soola Conference on Communication.
- Moon, J. (2001). Business social responsibility: A source of social capital? Reason in Practice: Journal Philosophy of Management, 1 (3), 385-403
- Mtchell, R., Agle, B., & Wood, D. (1997). Towards a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22, 853-886
- Mustapha, A. R. (2000). Transformation of minority identities in post-colonial Nigeria. In A. Jega (Ed). *Identity transformation and identity politics under structural adjustment in Nigeria*. Stockholm: Nordiska Afrikainstitutet.

- Naanen, B. (1995). Oil producing minorities and the restructuring on Nigerian federalism: The case of Ogoni people. *Journal* of Commonwealth and Comparative Studies, 32 (1), 46-78
- Nafzinger, E. W. (2009). Economic regress and Niger Delta. Journal of African Development, 11 (2), 57-77
- Niger Delta Development Commission (NDDC) (2006). NDDC Acts.
- Niger Delta situation will determine direction of oil sector. (1999, November 29). *The Guardian*, P. 28.
- Nwajiaku, K. (2006) Between discourse and reality. *Cahiers d'etudes Africaines*, 178, 496-496
- Nwankwo, C. & Ezeobi, O. (2008, May 15). Nigeria lost N150bn to pipeline vandals in eight years. *The Punch*. Retrieved from www.punchng.com/articles.aspx
- Nwaobi, G.B. (2005), Oil policy in Nigeria: A critical assessment (1985-1992). Retrieved from http://ideas.repec.org/e/pnw1.html
- Obi, C. I. (1999). Globalization and environmental conflict in Africa. African Journal of Political Science, 4 (1),
- Ofehe, S. (2008), Environmental pollution. Retrieved from
  - http://www.nigerdeltacampaign.com/html/enviromental\_polution.html
- Ogbogbo, C.B.N. (2006). Niger Delta and the resource control conflict, 1960-1995 (Unpublished Doctoral dissertation).

- Institute of African Studies, University of Ibadan, Ibadan, Nigeria.
- Ogedengbe, K. (2005). Principles and practice of community relations. Lagos, Nigeria: PR Plus Consulting.
- Okonta, I. (2000). The lingering crisis in Nigeria's Niger Delta and suggestions for a peaceful resolution. Retrieved from <a href="https://www.iags.org/Niger\_Delta\_book.pdf">www.iags.org/Niger\_Delta\_book.pdf</a>
- Olorode, O. (1998). Imperialism, neocolonialism and the extrative industries in Nigeria. In O. Olorode, W. Raji, J. Ogunye & T. Oladunjoye (Eds). *Ken Saro Wiwa and the crises of the Nigerian State*. Lagos: Committee for Defense of Human Rights (CDHR)
- Oloruntimilehin, B. O. & Ayoade, J. A. A. (2002). *An overview of conflict in Nigeria: 1984-2000.* Ibadan: Development Policy Centre.
- Omamofe, J. P. (2006). The Conflict over political control of the Warri territory by the Itsekiri, Ijaws and Urhobos (Unpublished master's thesis). Institute of African Studies, University of Ibadan, Ibadan, Nigeria.
- Omoweh, D. A. (2010) Political economy of natural resource struggle in the Niger Delta, Nigeria. *Covenant University Public Lecture Series*, 1 (33), 3-42
- Onua, N. (2005). Ethnic conflict in the Niger Delta region of Nigeria: A study of eleme and Okrika communities (Unpublished doctoral dissertation) Institute of African Studies, University of Ibadan, Ibadan, Nigeria
- Orubu, C. O., Odusola, A. & Ehwarieme, W. (2004). The Nigerian oil industry: Environmental diseconomies, management strategies and the need for community involvement. *Journal of Human Ecology*, 16 (3), 203-214

- Osagie, S. O., Ibaba, S. I. & Watts, M. (2009). Introduction: Reflections on the Nigerian State, oil industry and the Niger Delta. *Journal of African Development*, 11 (2), 9-26
- Otitie, O. (2001). On conflicts, their resolution, transformation, and management. In O. Otitie & I. O. Albert (Eds), *Community conflicts in Nigeria: Management, resolution and transformation*. Ibadan: Spectrum Books Ltd.
- Park, R. E. & Burgess, E. W. (1921). Introduction to the science of sociology. Chicago: University of Chicago Press.
- Peak, W. J. (1991). Community relations. In P. Lessly (Ed), *Hand book of public relations (4<sup>th</sup> ed)*. New York: AMACOM
- Pease, K. S. (2003). *International organization: Perspectives on governance in the twenty-first century (2<sup>nd</sup> ed)*. New Jersey: Prentice Hall.
- Pease, K. S. (2003). International organizations: Perspectives on governance in the twenty-first century. New Jersey: Pearson Education Ltd
- Perrealt, Jr. E. & McCarthy, J. (2005). *Basic Marketing: A Global Managerial Approach*. New York: McGraw-Hill Companies Inc
- Philips, R. (2004). Some key questions about stakeholder theory. [Electronic version]. *Ivey Business Journal*, 9 (6), 1-4.
- Ray, S. J. (1999). Strategic communication in crisis management lessons from the airline industry. Westport, CT: Quorum
- Rim-Rukeh, A., Ogbemi, O. B. & Imide, I. O. (2008). Corporate social responsibility as a strategy to reducing conflict

- between oil companies and host communities in the Niger Delta, Nigeria. In E. M. Mojaye, E. Arhagba, E. Soola & L. Oso (Eds), *Media, Dialogue, Peace Building and Reconciliation: Conference Proceedings*, 6-8 August, 2008 (pp.645-657). Abraka: ACCE, Delta State University.
- Ritzer, G. & Goodman, D. J. (2004). Sociological theory (6<sup>th</sup> ed). New York: McGraw-Hill Companies, Inc.
- Ritzer, G. (2003). Contemporary sociological theory and its classical roots: The basics. New York: McGraw-Hill Companies, Inc.
- Rizvi, H. (2005), Shell ordered to stop wasteful, poisonous 'gas flaring' in Niger Delta. Retrieved from http://www.commondreams.org/headline
- Rugman, A. M. (2006) *International business (4<sup>th</sup> ed)*. England: Pearson Education Limited
- Saiyou, B. (2006). Transnational oil corporation relationship with oil producing communities in Bayelsa State: A comparative analysis (Unpublished doctorial dissertation). Institute of African Studies, Department of Peace and Conflict Studies, University of Ibadan, Ibadan, Nigeria.
- Sallot, L.M., Lyon, L.J., Acosta-Alzaru, C. & Jones, K. O. (2003).
  From aardvark to zebra: A new millennium analysis of theory development in public relations academic journals.
  Journal of Public Relations Research, 15 (1), 27-90
- Sandole, D. J. D (1993). Paradigm, theories, and metaphors in conflict and conflict resolution: Coherence or confusion. In D.J.D Sandole & H. V. Merwe (Eds), Conflict resolution

- theory and practice, integration and application. Manchester: Manchester University Press.
- Schelling, T. (1960). "The strategy of conflict" cited in Cunningham, W.G. Jr (1998). Conflict Theory and Conflict in North Ireland (Unpublished thesis). Literature and Political Studies, University of Auckland.
- Seitel, F.P. (2007). *The practice of public relations* (10<sup>th</sup> ed). New York: Prentice Hall
- Shell (n.d.). Company history. Retrieved from <a href="http://en.wikipedia.org/wiki/Shell Nigeria">http://en.wikipedia.org/wiki/Shell Nigeria</a>
- Simon, R. (1982). Gramsci's political thoughts. London: Lawrence Wishart.
- Sobowale, I. (2008). Scientific journalism: What tools for the precision journalist? (2<sup>nd</sup> ed). Lagos, Nigeria: Idosa Konsult
- Soremekun, K. & Obadare, E. (1998). The politics of oil corporations in Nigeria. In O. Olorode, W. Raji, J. Ogunye & T. Oladunjoye (Eds), Ken Saro Wiwa and the crises of the Nigerian State. Lagos, Nigeria: Committee for Defence of Human Rights (CDHR)
- Stakeholder Theory (2008). Wikipedia. Retrieved from <a href="http://en.wikipedia.org/wiki/stakeholder-theory">http://en.wikipedia.org/wiki/stakeholder-theory</a>
- Stephens, K., Malone, P. & Bailey, C. (2005). Communicating with stakeholders during a crisis: Evaluating message strategies. *Journal of Business Communication*, 4 (42), p309-419

- Sundaram, A., & Inkpen, A. (2004). The corporate objective revisited. *Organ. Sci.* 15(3), 350-363.
- Sustainable Development (2007). Wikipedia. Retrieved from <a href="http://en.wikipedia.org/wiki/sustainable">http://en.wikipedia.org/wiki/sustainable</a> development(corporate)#cite\_note-0
- Thomsen, S.R. (1997). Public relations in the new millennium: Understanding the forces that are shaping the profession. Public Relations Quarterly, 42(1), 11-18
- United Nations Development Programme (UNDP) (2006). Niger Delta Human Development Report.UNDP. Retrieved from <a href="http://web.ng.undp.org/documents/nigeria-niger-delta-hrd.pdf">http://web.ng.undp.org/documents/nigeria-niger-delta-hrd.pdf</a>
- United Nations Development Programme, (2006). Niger Delta Human Development Report. Abuja: UNDP
- Wall, S. and Rees, B. (2004). International business (2<sup>nd</sup> ed). England: Pearson Education Limited
- Wallace, R.A. & Wolf, A. (2006). Contemporary sociological theory: Expanding the classical tradition (6<sup>th</sup> ed.). New Jersey: Pearson Prentice Hall.
- Watts, M. (2009). The rule of oil: Petro-politics and the anatomy of an insurgency. *Journal of African Development*, 11 (2), 27-56
- Wikipedia (2009). Stakeholder (Corporate). Retrieved from <a href="http://en.wikipedia.org/wiki/Stakeholder">http://en.wikipedia.org/wiki/Stakeholder</a> (corporate)#cite n ote-0

- Wilmot, W. W. & Hocher (1998). *Interpersonal conflict*. Boston: McGraw-Hill.
- Will amnesty bring peace to Niger Delta? (2009, November 8).

  \*\*British Broadcasting Corporation.\*\* Retrieved from <a href="http://news.bbc.co.uk/2/hi/africa/8291336.stm">http://news.bbc.co.uk/2/hi/africa/8291336.stm</a>
- Wimmer, R.D & Dominic, J.R. (2003). Mass media research: An introduction. United States of America: Wadsworth.
- Zartman, W. I. (1991). *Conflict resolving in Africa*. Washington DC: The Bookings Institute.





# i want morebooks!

Buy your books fast and straightforward online - at one of world's fastest growing online book stores! Environmentally sound due to Print-on-Demand technologies.

Buy your books online at

## www.get-morebooks.com

Kaufen Sie Ihre Bücher schnell und unkompliziert online – auf einer der am schnellsten wachsenden Buchhandelsplattformen weltweit! Dank Print-On-Demand umwelt- und ressourcenschonend produziert

Bücher schneller online kaufen www.morebooks.de



D - 66121 Saarbrücken