

## **Relationship between Shell Petroleum Development Company (SPDC) and Her Host Communities in the Promotion of Community Development in Rivers State, Nigeria**

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**Abstract:** This study investigates the relationship between Shell Petroleum Development Company of Nigeria and her host Communities in the promotion of community development in Rivers State, Nigeria. Three research questions guide the study. The population of the study was 67,518 residents of the selected host communities in Rivers State while the sample size was 3,376, drawn through purposive and random sampling. The instrument used to collect data was questionnaire titled “Relationship between SPDC and Host Communities for the Promotion of Community Development” (RSPDCHPCD). The instrument recorded a reliability index of 0.83. Mean analysis was used to answer the research questions. The findings revealed that; SPDC’s exploration/exploitation activities have negative effects on host communities. The study also revealed that community development efforts of SPDC include; offer of scholarship, building/maintenance of health centres, renovation of schools, construction of link roads, building of markets, provision of portable water and electricity etc. Despite these efforts, the relationship between SPDC and her host communities has not been so cordial. It is therefore recommended that the federal government and SPDC should promote capacity building, ensure full participation of the host communities in need identification and evolve strategies that would enthrone peace and harmony in the communities where SPDC operates.

**Keywords:** Relationship, SPDC; Host Communities; Promotion; Community Development

### **1. Introduction**

The Niger Delta Region of Nigeria is the base of Nigeria’s crude oil which according to Ogbekor and Undebbulu (2007), accounts for approximately 90% of Nigeria’s revenue and provides more than 90% of total export. Despite increased national wealth creation from the largely rural and under-developed Niger Delta region, resource allocation to it did not match its contribution to the national economy.

Onyeozu (2007) stated that since the inception of oil business operations in Nigeria in the early fifties, the relationship between business organizations and communities which was built on trust had continued to be friendly and cordial with the communities reposing confidence in the goodwill of their guests. However, from the 1970s till date, there has been a gradual deterioration from uneasy tolerance to the present spate of youth militancy and clamor for resource control, largely premised on the existence of abject poverty and widespread degradation of the environment in the host communities.

As the agitation in the oil producing communities became pronounced, SPDC increased her community assistance efforts. According to Gbosi (1995), this involved mainly, the citing of infrastructural facilities such as roads, bore-holes, school blocks and laboratories, award of scholarship to some members of the host communities and employment of some of the indigenes.

The industry-community relations later became a theatre of conflicts. According to Anikpo (2001), the captains of the oil industry saw only the manifest symptom of much deeper problems and responded by increasing their patronage or assistance to some of the communities. However, it later became obvious that the devastations created by oil production had gone too far to be ameliorated by such a cosmetic patronage relationship.

This uncordial state of affairs culminated into violent conflicts and hostage taking which have defied several measures by the Federal Government and reduced production output. In 1991, tragedy struck in Etche Local Government of Rivers State when what began as a showdown between Umuechem indigenes and the oil company operating in the community suddenly turned into a riotous blood-bath between the people and an armed detachment of the Nigeria police. The number of people who died in that conflict is still a matter of speculation. Several families were dislodged and the scares of that tragedy are still visible in Umuechem till today.

Again, as noted by Anikpo (2001) what the Umuechem conflict lost in national publicity, the Ogoni uprising of 1993 also in Rivers State adequately gained. From what initially looked like an attention seeking campaign to redress what the Ogoni people through late Ken Saro Wiwa saw as the criminal marginalization of the ethnic group, Ogoni farmers began to obstruct the operations of SPDC. Before the conflict acquired some destructive proportions, the government moved in to protect the oil operations. In the attempt, Ken Saro-Wiwa was allegedly arrested. Armed Security men shot and wounded many Ogoni farmers. In November 1995, Saro-Wiwa and "the Ogoni Eight" were hanged on the orders of a special military tribunal, for inciting the murders.

According to Obi (2006) as cited in Enemaku (2006), if the relationship was a state of war in 1995, in 2006 the war has certainly degenerated into alarming proportions. It is no longer a matter of oil communities fighting with the oil producing companies; it was now a war involving militants from the Niger Delta and the Nigeria State. To bring an end to these crises, the Federal Government set out measures to improve the life of oil bearing communities. According to Ite (2005), the Federal government established:

- (a) The Niger Delta Development Board (NDDB) in 1960 to cater for the unique developmental needs of the area.
- (b) The Oil Mineral Producing Areas Development Commission (OMPADEC) was created in 1993.
- (c) In 1999, in response to the clamor of the host communities for a higher percentage of oil proceeds, the percentage accruing to the communities was raised to 13%. But this has not translated into a dramatic positive change in the living conditions of the people of the Niger Delta.
- (d) After the collapse of the OMPADEC, the Niger Delta Development Commission (NDDC) was established in year 2000.

According to the Human Development Report (2006) the neglect of host communities is made obvious when oil company's staff live in estates that meet international standards and are adjacent to the deprived host communities. However, Enemaku (2005) stated that most of the oil producing companies invest in community development activities to different extents, but considering the extreme poverty, deprivation and degradation in the area, most of such efforts are considered insignificant. Furthermore, while it would be untrue to say that the companies have done nothing for the communities, it would also be untrue to say that the companies have done much considering

the volume of resources that the companies get out of the communities and the glaring poverty and underdevelopment that stares the communities in the face.

It is often a matter of great confusion and buck-passing when there arise the need to present the state of development in the Niger Delta region with respect to the contributions of the SPDC to community development. The constant agitations, confrontations, vandalisation and intra and inter communal clashes and more recently kidnapping of oil company staff leave one with the difficulty of an objective judgment of a beneficial mutual relationship between the host communities and the oil company (SPDC). This formed the basis of this study.

This study therefore, examined the relationship between SPDC and her host communities in Rivers State with the aim of exposing those factors that determine and guide such relationship. This has become necessary based on the level of development, fragility and unsustainability of peace in the oil bearing communities in Rivers State and the assumption that this results from the type of relationship that exist between SPDC and host communities. The aim therefore, is to bring to the fore those hidden but significant elements to the oil company-host community relations for the promotion of sustainable communities development in Rivers State.

The study is focused on the activities of SPDC in her host Communities in Emohua, Okrika, Abua/Odual, Ikwerre and Etche local government areas of Rivers State, Nigeria.

### **1.1 Sustainable Community Development**

According to Ihejirika (2007), sustainable development is development that meets the needs of the present generation or a particular country or community without compromising the ability of future generations to meet their own needs. The Shell Development Company of Nigeria Limited (2008) defines sustainable community development as the strategic planning and application of available resources (material, funds management and manpower) to improve capacity of community to generate and sustain socio-economic progress, health and quality of life. Therefore, a development initiative is said to be sustainable when its objective is realized and the effects of its outcome become not only enduring, but regenerative. Technically, it is conceived as humanity's ability to survive by the rational use of renewable resources by refraining from disrupting the ecosystem or over-exploiting natural resources and avoiding actions that destroy cultures and instead allow them reach their potentials. In general term it means to conserve, reserve, use, and manage the resource and undergo the process of development in such a way that what we do to improve life and living standard today does not compromise future use of resources and improvement in life and living standards. The essence of sustainable development is well summarized by the World Commission on Environment and Development in Adekola (2007) as the exploitation of resources, the direction of investments, the orientation of technological development and institutional changes are all in harmony and enhance both current and future potentials to meet human needs and aspirations. The characteristics of sustainable development include;

- (a) The placement of emphasis on the interdependence between development and resource conservation.
- (b) Adoption of a long time horizon in order to safe guard the interest of future generations.
- (c) Application of multi-disciplinary, multi-sectoral, multi-spatial, multi-resource and inter-disciplinary approaches to development.

Essentially, the concern of sustainable development is the improvement of life and living standards and its emphasis on meeting human needs makes it a very useful tool in community development.

Consequently, corporate bodies operating in local communities are expected to ensure that their activities in the host community do not hinder the development of such community.

## 1.2 SPDC and Community Development in the Niger Delta.

SPDC has undergone three major paradigm shifts between 1960 and 2004, with a higher mode of delivery of development to local communities being the justification for each paradigm shift and policy change.

### 1960-1997: Community Assistance (CA):

The CA approach placed emphasis on corporate philanthropy. It was essentially about giving things (e.g., water, health care, road, etc) to host communities near SPDC exploration facilities. It was typical of the “top down” approach to development.

### 1998-2003: Community Development:

The approach placed emphasis on the empowerment of communities in the development process. It resulted in coordinated plans as communities were empowered to produce community development plans (CDPs). The most significant predictor of the success of SPDC Community Development Programs is that the Community Development Programs often originate from the people.

### 2004 to Date: Sustainable Community Development (SCD).

This refers to all the activities, efforts and expenditure harnessed to supporting Communities to improve and maintain their capabilities to generate and sustain their own socio-economic progress and quality of life. It aims to put communities in the “driving seat” for their own development (SPDC 2010). A major difference between Community Development and SCD is that it involves managing the community interface as a core line responsibility through area teams. It is also primarily focused on the key areas of economic empowerment, human capital development, healthy living and provision of basic services. It also places greater emphasis on partnerships between SPDC and various stakeholders as a strategy for achieving sustainable development in the Niger Delta.

**SPDC GMOU MODEL:** This is a comprehensive agreement between SPDC and any group of communities (Clustered within a geographical area). The agreement always specifies SPDC activities and benefits to communities in terms of development and other basis for relationship over a five-year period. It is part of the SCD effort, developed in 2006.

### Community Anger Venting Actions

- (a) Road blockages/Protest
- (b) Disruption and stoppage of operations
- (c) Closure of flow stations
- (d) Vandalisation (destruction of facilities)
- (e) Piracy/Temporary seizure of vehicles or boat
- (f) Hostage- taking/kidnapping.

## 1.3 Research Questions

**RQ1:** What are the problems that emanate from the oil exploration and exploitation activities of Shell Petroleum Development Company in relation to host communities development?

**RQ2:** What are the causes of conflict between Shell Petroleum Development Company and her host Communities in Rivers State?

**RQ3:** What are the factors that influence the relationship between SPDC and her host communities?

## 2. Methodology

### 2.1 Research Design

The study adopts the descriptive survey.

### 2.2 Population

The population of the study comprised residents of all the oil producing communities that host SPDC in Emohua, Okrika, Ikwerre, Etche and Abua/Odual local government areas in Rivers State. The total population size is 67, 518 residents. Table 1 below shows details of the population of the study.

**Table 1.** Population of the study

| LGA          | Selected communities | Population    | Total         |
|--------------|----------------------|---------------|---------------|
| Emohua       | Ibaa                 | 14,851        | 27,139        |
|              | Elele-Alimini        | 12,268        |               |
| Abua/Odual   | Aminigboko           | 6,851         | 15,926        |
|              | Abua (Emilaghan)     | 9,025         |               |
| Okirika      | Ibaka                | 8,778         | 9,401         |
|              | Alakiri              | 623           |               |
| Ikwerre      | Omuike Aluu          | 1,312         | 5,518         |
|              | Omunwei-Igwuruta     | 4,206         |               |
| Etche        | Umuechem             | 5,436         | 9,534         |
|              | Chokocho             | 4,098         |               |
| <b>Total</b> | <b>10</b>            | <b>67,518</b> | <b>67,518</b> |

**Source:** National Population Commission (2006)

### 2.3 Sampling Procedure

Purposive sampling technique was used to select five local governments that host SPDC in Rivers State. From this, random sampling technique was used to select two (2) communities that host SPDC from each of the local government areas. Thus, ten (10) oil producing communities were selected for the study. Due to the large size of the population (67,518), proportionate sampling technique was adopted to select 5% of the population in each of the communities used for the study. Table 2 below shows the details of the sample selection.

**Table 2.** Details of sample selection

| LGA             | Communities      | Population    | 5% selected  |
|-----------------|------------------|---------------|--------------|
| Emohua          | Ibaa             | 27,139        | 1,357        |
|                 | Elele-Alimini    |               |              |
| Abua/Odual      | Aminigboko       | 15,926        | 796          |
|                 | Abua Emilaghan)  |               |              |
| Okirika         | Ibaka            | 9,401         | 470          |
|                 | Alakiri          |               |              |
| Ikwerre         | Omuike Aluu      | 5,218         | 276          |
|                 | Omunwei-Igwuruta |               |              |
| Etche           | Umuechem         | 9,534         | 477          |
|                 | Chokocho         |               |              |
| <b>Total =5</b> | <b>10</b>        | <b>67,518</b> | <b>3,376</b> |

**Source:** Researchers Field work, 2012

The total sample used for the study is three thousand three hundred and seventy six (3,376) residents of SPDC host communities in the local government areas under study.

The research instrument used for this study is a structured questionnaire titled Relationship between SPDC and Host Communities in the Promotion of Community Development. (RSPDHPCD) The instrument contained thirty-four structured items. The instrument was exposed to validity and reliability test. It recorded a reliability co-efficient of 0.83 which confirmed that the instrument was good enough for data collection. Mean analysis was used to analyze data collected for the study.

### 3. Analysis of Data

**RQ1:** What are the problems that emanate from the oil exploration and exploitation activities of Shell Petroleum Development Company in relation to host communities development?

**Table 3.** Mean scores of respondents' responses on problems that emanate from oil exploration and exploitation activities of SPDC in Rivers State

|   | Items   | Responses       |                 |              |              | Total            | Mean       | Remarks  |
|---|---|-----------------|-----------------|--------------|--------------|------------------|------------|----------|
|   |   | SA              | A               | D            | SD           |                  |            |          |
| 1 | Operation/activities of SPDC has made your community to experience oil spillage               | 4               | 3               | 2            | 1            |                  | $\chi$     | Accepted |
|   |   | 1,100<br>(4400) | 1,400<br>(4200) | 360<br>(720) | 440<br>(440) | 3300<br>(9760)   | 2.9        |          |
| 2 | SPDC operational activities often cause pollution in your community                           | 1300<br>(5200)  | 1540<br>(4620)  | 219<br>(438) | 241<br>(241) | 3,300<br>(10499) | 3.2        | Accepted |
| 3 | The pollution caused by SPDC has affected the aquatic lives and farm land in your community   | 1413<br>(5652)  | 1552<br>(4656)  | 200<br>(400) | 135<br>(135) | 3300<br>(10843)  | 3.3        | Accepted |
| 4 | Oil spillage/pollution destroys the water systems in your community                           | 1400<br>(5600)  | 1500<br>(4500)  | 250<br>(500) | 150<br>(150) | 3,300<br>(10750) | 3.3        | Accepted |
| 5 | Exploration and exploitation activities of SPDC destroy community and farm roads in your area | 1600<br>(6400)  | 1409<br>(4227)  | 179<br>(358) | 112<br>(112) | 3300<br>(11097)  | 3.4        | Accepted |
|   | <b>Grand mean - Criterion mean =2.5</b>   |                 |                 |              |              |                  | <b>3.2</b> |          |

Table 3 above shows the calculated mean values generated from the respondents which reflected their weighted responses on the problems that emanate from oil exploration and exploitation activities of SPDC in Rivers State. Items Nos. 1,2, 3, 4, and 5 with mean scores of 2.9, 3.2, 3.3, 3.3 and 3.4 respectively which are above the criterion mean of 2.5 revealed that the problems that emanate from the operations of SPDC include oil spillage, pollution, destruction of aquatic lives and farmland. Furthermore, oil spillage/pollution which emanate from exploration and exploitation activities of SPDC destroyed the water systems as well as community farm roads. This is usually more pronounced during SPDC seismic and geological surveys. With a grand mean of 3.2, it is established that SPDC operations generate environmental and social problem in the host communities. These problems have affected the socio-economic lives in the host communities as they may lead to poor crop yield, hunger, water borne disease, and associated health problems.

**RQ2:** What are the causes of conflict between Shell Petroleum Development Company and her host Communities in Rivers State?

**Table 4.** Mean scores of respondents’ responses on causes of conflicts between SPDC and her host communities in Rivers State

|    | Statement  | Responses       |                |               |              | Total           | Mean       | Remarks         |
|----|--|-----------------|----------------|---------------|--------------|-----------------|------------|-----------------|
|    |  | SA              | A              | D             | SD           |                 |            |                 |
| 6  | SPDC is often very slow in reacting to cleaning up of oil spills in your community                   | 4               | 3              | 2             | 1            |                 | $\chi$     |                 |
|    |  | 947<br>(3788)   | 780<br>(2340)  | 776<br>(1552) | 797<br>(797) | 3300<br>(8477)  | 2.5        | Accepted        |
| 7  | Crises in my community are associated with negative effects of SPDC operations in the community      | 903<br>(3612)   | 715<br>(2145)  | 892<br>(1784) | 790<br>(790) | 3,300<br>(8331) | 2.5        | Accepted        |
| 8  | SPDC negligence to community demands often lead to crises between the community and SPDC             | 1,115<br>(4460) | 998<br>(2994)  | 840<br>(1680) | 347<br>(347) | 3,300<br>(9481) | 2.8        | Accepted        |
| 9  | Compensation paid by SPDC for polluting and destroying community farm land is very inadequate        | 1700<br>(6800)  | 1420<br>(4260) | 100<br>(200)  | 80<br>(80)   | 3300<br>(11340) | 3.4        | Accepted        |
| 10 | Conflict in the community are usually caused by refusal of SPDC to cooperate with the host community | 940<br>(3760)   | 1270<br>(3810) | 638<br>(1276) | 452<br>(452) | 3300<br>(9298)  | 2.8        | Accepted        |
|    | <b>Grand mean</b>  |                 |                |               |              |                 | <b>2.8</b> | <b>Accepted</b> |

The analysis of data on research question 2 as shown in table 4 reveals that items 6,7,8,9 and 10 generated mean values of 2.5, 2.5, 2.8, 3.4 and 2.8 respectively. This implies that slow response to cleaning up of oil spills by SPDC, negative effects of SPDC operations on the community, negligence to community demands, inadequate compensation and unwillingness to cooperate with the host communities are the major causes of conflicts between SPDC and host communities in Rivers State. A grand mean ( $\chi$ ) of 2.8 recorded on research question 2 is strong enough to confirm the above statement on the causes of conflict between SPDC and her host communities in Rivers State.

**RQ3:** What are the factors that influence the relationship between SPDC and her host communities?

Table 5 shows the weighted responses and the calculated mean values on factors that influence the relationship between SPDC and her host communities in Rivers State. Items 21, 22, 23, 24, 26, 27, and 28, indicated that the provision of infrastructural facilities, involvement of community people in SPDC community development project identification, respect for traditional authority and culture, constant provision of community development projects, respect for agreements, avoidance of divide and rule strategy and adequate or effective communication would influence SPDC relationship with her host communities.

Conversely, item 15, with mean value of 2.4 revealed that sharing of money and materials by SPDC to youths and community leaders would not promote good relationship between SPDC and her host communities. Therefore, the main factors that can influence the relationship between SPDC and her host communities are as listed in items 21, 22, 23, 24 26, 27, and 28. With a grand mean value of 3.1, it is established that the factors highlighted above are strong enough to influence the relationship between SPDC and her host communities.

**Table 5.** Mean scores of respondents responses on factors that influence the relationship between SPDC and her host communities in Rivers State

| Items   | Responses      |                |                   |              | Total            | Mean       | Remarks  |
|---|----------------|----------------|-------------------|--------------|------------------|------------|----------|
|   | SA             | A              | D                 | SD           |                  |            |          |
| 11<br>Provision of infrastructural facilities in the community by SPDC promotes cordial relationship between the company and your community           | 4              | 3              | 2                 | 1            |                  | $\chi$     |          |
|   | 1100<br>(4400) | 1450<br>(4350) | 450<br>(900)      | 300<br>(300) | 3,300<br>(9950)  | 3.0        | Accepted |
|   |                |                |                   |              |                  |            |          |
| 12<br>Involvement of community people in SPDC community development project identification enhances good relationship between your community and SPDC | 1500<br>(6000) | 1650<br>(4950) | 65<br>(130)       | 85<br>(85)   | 3,300<br>(11165) | 3.4        | Accepted |
| 13<br>Respect for traditional authority and community culture by SPDC encourages good community-company relationship in your community                | 1210<br>(4840) | 1366<br>(4098) | 400<br>(800)      | 324<br>(324) | 3300<br>(10062)  | 3.0        | Accepted |
| 14<br>Constant provision of community development projects promotes cordial relationship between SPDC and your community                              | 1250<br>(5000) | 1470<br>(4410) | 439<br>(878)      | 141<br>(141) | 3,300<br>(10429) | 3.1        | Accepted |
| 15<br>Sharing of money and materials by SPDC to youths and community leaders would promote good relationship between your community and SPDC          | 784<br>(3136)  | 710<br>(2130)  | 890<br>(1780<br>) | 916<br>(916) | 3,300<br>(7962)  | 2.4        | Rejected |
| 16<br>Failure of SPDC to honour agreement often lead to "bad blood" between your community and SPDC   | 1250<br>(5000) | 1520<br>(4560) | 160<br>(320)      | 370<br>(370) | 3,300<br>(10250) | 3.1        | Accepted |
| 17<br>Use of divide and rule strategy by SPDC often lead to hostile relationship between your community and SPDC                                      | 1457<br>(5828) | 1554<br>(4662) | 167<br>(334)      | 122<br>(122) | 3,300<br>(10946) | 3.3        | Accepted |
| 18<br>Inadequate and or breakdown of communication always lead to negative (poor) relationship between my community and SPDC                          | 1150<br>(4600) | 1370<br>(4110) | 330<br>(660)      | 450<br>(450) | 3,300<br>(9820)  | 2.9        | Accepted |
| <b>Grand Mean (<math>\chi</math>)</b>   |                |                |                   |              |                  | <b>3.0</b> |          |

## 4. Discussion of Findings

The task of this research was to examine the relationship between Shell Petroleum Development Company of Nigeria (SPDC) and her host communities in the promotion of community development in Rivers State. The findings are discussed under the following subheads.

### 4.1 Problems that Emanate from Oil Exploration and Exploitation Activities of SPDC

As revealed data table 3 the operations of SPDC has caused environmental pollution and oil spillage. The resultant effects include the degradation of agricultural lands and fishing waters, leading to poverty, poor crop yield and hunger. This finding is line with Igbuzor (2006), who claimed that the incidence of poverty in Rivers State increased phenomenally from 1980s to the 1990. The implication is that oil spillage and pollution affect socio-economic lives of host communities leading to food crisis, hunger and poverty in Rivers State. The finding also

corroborates, the Niger Delta Human Development Report (2000) that the environment is very important for the Niger Delta people, where nearly 60% of the population depends on the natural environment—living and non-living—for their livelihoods. According to the report, there are wide-ranging changes taking place in the environment attributed to the impacts of oil and gas exploration, industrialization and urbanization. The report demonstrates that these activities have infringed on the people and their environment resulting in alterations of habitats, biodiversity loss, deforestation and pollution. Exploration and Exploitation activities have also engendered not just neglect but denied access of local communities to farmlands and fishing grounds as long stretches of thriving forest and arable lands are cut open to allow for laying of pipe for transportation of crude oil.

#### **4.2 The Causes of Conflict between SPDC and Her Host Communities**

As revealed in table 4, the result shows that the causes of conflict between SPDC and her host communities are traceable to SPDC's slow response to cleaning up of oil spills, negligence to community demands, inadequate compensation, and refusal of SPDC to cooperate with the host communities. This finding supports Environmental Rights Action/Friends of the Earth Nigeria (2009), which claims that Shell's response to community complaints including spillage reports is generally slow. It is also inline with Onyeozu (2007) who stated that the causes of the grievances of the host communities is concern for ecological rehabilitation even as people have now realized that oil and gas are not inexhaustible.

Studies have shown that not only have oil companies in Nigeria paid compensation at a rate far lower than internationally accepted standard, but they have also attempted to and actually avoided payment of compensation on frivolous grounds. For example, Amnesty International (2009) reported that in the Niger Delta, compensation for oil pollution has generally been narrowly prescribed primarily in terms of buildings, crops or profitable trees, loss of fishing rights and loss of value of land. The compensation guidance does not address long-term damages or injury to health.

According to Jike (2010), for a long time, conflict has been the bane of development in the Niger Delta. Oil Companies and host communities have been engaged rather unwittingly in a zero sum game where the gain of oil companies translates rather diametrically as the loss of host communities and vice versa. This is the consequence of the collective hope that has been repeatedly dashed. The host communities in the halcyon early post-colonial days, were quite happy with having foreign oil prospectors within their midst without asking fundamental questions, like operational practices or impact consequences of oil exploration. On both counts, times have changed. The youths are much more eager and better disposed to physically engage multinational oil companies to press for reforms and probable concessions that will improve their livelihood. This is the scenario against which the perennial conflict in the Niger delta should be viewed. More significantly and rather germane is the spate of activism which are reactions to the steady environmental degradation of the Niger Delta as a result of oil prospecting activities. Furthermore, Jike (2010) also stated that part of this activism has metamorphosed into a resilient sub-culture of youth violence and rebelliousness, which are themselves clear signal of social disequilibrium that is inimical to the development process.

#### **4.3 The Factors that Influence the Relationship between SPDC and Host Communities for Community Development**

Going by the result of data analysis in table 5, the respondents agreed that the provision of infrastructural facilities in the Communities by SPDC, involvement of community people in Community Development project identification, respect for traditional authority and culture, constant provision of community development projects, respect of agreements, avoidance of divide and rule strategy and adequate/effective communication would influence the relationship between SPDC and her host communities.

This finding is in line with Enemaku (2006), who noted that, SPDC took a look at its relationship with and contribution to the development of host communities and realized that all that it has done was like a drop of water in an ocean. It therefore decided to embark on what it called “a paradigm shift” which involves greater commitment to community development.

Good infrastructure is fundamental to development. Many Niger Delta Communities are rural in nature, and the little infrastructure they could boast of are in various degrees of decay due to lack of maintenance. As a result, they have often turned to SPDC for support in addressing their infrastructure needs.

According to the Niger Delta Regional Development Master Plan (2001), while many of the communities in the upland areas of the state are reasonably accessible by road, most in the wetland areas remain without roads and are difficult to reach. According to the same report, within rural settlements the condition of roads and their suitability for vehicles vary considerably. In terms of electricity, the report also revealed that over 36% of households in Rivers State have no access to electricity supply as a source of power. While oil companies provide electricity for some communities within their catchments areas, a few communities are served individually via community effort. Therefore, the provision of adequate infrastructure by SPDC such as good water supply, education, market stalls, community health centres, etc, would enhance her relationship with host communities.

The study also identified the involvement of community people in project identification as a factor that influences the relationship. This finding supports Uwem (2005) in Udemudia and Uwem (2006), who stated that SPDC earliest community assistance approach was typical of the “top down” approach to development, rather than the bottom-up approach. In effect, development projects should not be introduced into host communities using the top-down approach. There should be full participation of the people. They determine their own priority projects. If there is full participation, a sense of ownership would be inculcated. SPDC should have clear exit strategies, so that upon their departure, communities would be able to carry on. This ensures sustainability of the projects.

Respect for traditional authority and culture was also identified as a factor that influences the relationship with host communities. When host communities accept guests and friends including staff of business enterprises into their midst, they expect them to respect the things that are of deep significance to the life of the host communities. Onyeozu (2007) noted that most business enterprises that come to the communities often see such considerations as unnecessary obstacles that distract their pursuit of profit and which should not be given serious attention. Neglect by corporate business organizations to take serious view of matters of prevailing cultural norms in the community often lead to violence or conflict along the way. In the same vein, respect of agreements or memoranda of understanding (MoU), avoidance of divide and rule political tactics and effective communication system were identified as factors that influence the relationship between SPDC and her host communities

## **5. Conclusion**

Based on the findings, the study concludes that the factors influencing the relationship between SPDC and her host communities are unarguably very intricate. The intricacy is however the product of forces outside the control of both key actors. As pointed out earlier, 90% of the legislations regulating the oil industry are one-sided and oppressive. The Federal government ensured its positions are quite comfortable while the host communities are left to slug it out with oil companies. So long as the legislations and its implementation are not in the interest of the host communities, hostile relationship between oil companies and host communities would be difficult to change. The

most attractive option left to the oil companies is to evolve strategies that would enthrone peace and harmony in the communities where they operate. The study further concludes that SPDC relationship with her host communities in Rivers State though harmonious has not adequately promoted community development. Despite the fact that the host communities have suffered the negative impacts of oil exploration and exploitation for over 50 years; poverty, unemployment, hunger and inadequate infrastructure, abound in all the oil producing communities in Rivers State. Thus, as noted by Groves (2009) any attempt to foster long lasting cordial Corporate – Community relations cannot take place without strong attempts to transform the community.

## 6. Recommendations

In the light of the conclusion, the following recommendations are made.

The Federal Government should strengthen the role of the National Oil spill Detection and Response Agency (NOSDRA). They should ensure that the agency has adequate staff, financial resources and equipment to carry out its functions properly and independently of the oil companies. The agency should have the capacity to record all investigations into oil spills on videos and should be able to call on expert advice in cases where the cause of an oil spill is disputed. The agency should have the capacity and mandate to look at impacts of oil spills, including on individuals and communities.

**Encouragement of agriculture and local industry in host communities:** Oil and gas companies need to encourage agriculture, especially through the introduction of improved varieties of seedlings and extension services

**Capacity building:** Youth restiveness largely results from unemployment as we have already noted that unemployment rate is very high. Skill acquisition programs should be encouraged to train and empower the youths to be gainfully employed in the oil industry and elsewhere or even become self employed.

**Full public participation by the people:** Development projects should not be introduced into host communities in a paternistic manner. There should be participation of the people. They should determine their own priority projects/needs. If there is full participation, a sense of ownership would be inculcated. Oil and gas companies should have clear exit strategies, so that upon their departure, communities would be able to carry on. This would ensure sustainability of the projects.

**Dialogue as basis for resolving conflicts:** Oil and gas companies should embrace dialogue as a basis for resolving conflicts and in their dealing with host communities. Constant dialogue will even serve to headoff litigation and hostility which currently characterize company- community relations. All stakeholders should eschew the violent option in their responses to provocative situation. Rather, democratic means such as popular consultation, persuasion, discussion and consensus building should be encouraged.

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