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Does Corporate Social Responsibility Contribute to Human Development in Developing Countries? Evidence from Nigeria

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1 Does Corporate Social Responsibility Contribute to Human Development in Developing
2 Countries? Evidence from Nigeria

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7

8 Abstract:

9 Oil companies have been facing criticism linked to their activities in developing countries from
10 various human rights organisations as well as NGOs and the media. To change this negative
11 perception, companies have been increasingly promoting corporate social responsibility (CSR)
12 initiatives, which aim at improving living conditions of local communities in oil exploitation
13 areas. In this paper, we explore the impact on the well-being of communities of two kinds of CSR
14 initiatives implemented in two areas of the Niger Delta region of Nigeria. Using
15 multidimensional exploratory methods [and checking for robustness using binary logistic](#)
16 [regression](#), we investigate the outcome of CSR initiatives on individuals' empowerment,
17 community participation, and access to basic capabilities such as education, health, shelter,
18 electricity, water and sanitation. Our results show that there is a limited benefit in terms of human
19 development for the population. However, the impact differs according to the strategy of
20 implementation: "top-down" non- participatory approaches to CSR extend the access to basic
21 capabilities for some privileged socioeconomic groups, while "bottom- up" participatory
22 approaches positively impact collective capabilities of the whole community, but these more
23 recent initiatives have, to date, little effect on the expansion of basic capabilities.

24 Keywords:

25 Capabilities, Capability Approach, Human Development, Measurement, Inequality, Well-being,

1 Nigeria

2 **Introduction**

3 Corporate Social Responsibility (CSR) has been widely adopted by major Multinational
4 Corporations (MNC) following accusations by civil society organisations in the North regarding
5 the environmental impact of their activities and the poor treatment of the labour force in
6 developing countries (Jenkins, 2005). Therefore, CSR is becoming an important tool in the firms
7 to manage their stakeholders' interests (Carroll, 2008; Jenkins, 2009). MNCs are increasingly
8 compelled by United Nations (UN) agencies, international non-governmental organisations
9 (INGOs), or development agencies from developed countries, to participate in development
10 initiatives (Berman, 2006; Haufler, 2004; Idemudia, 2010). However, the literature questions
11 whether MNCs could have a more positive role in promoting human development by sharing
12 responsibilities with government and civil society organisations (Banerjee, 2001; Blowfield,
13 2007; Margolis and Walsh, 2003). According to Vogel (2006) CSR has had a positive impact on
14 working conditions, environment and human rights in developing countries. In contrast,
15 Blowfield (2005), Frynas (2005), and Newell and Frynas (2007) have argued that the positive
16 impact of CSR in developing countries is limited because CSR practice relies on "business case"
17 logic. As noted by Visser (2008), these works are most often theoretical and not supported by
18 evidence-based knowledge.

19 Our paper aims to address this gap and to evaluate the impact on human development of CSR in
20 the specific example of oil MNCs' CSR initiatives in Nigeria. The article examines the role of oil
21 MNCs in influencing capabilities and agency of host communities in the Niger Delta region
22 (Nigeria). This study builds on a large scale survey looking at the impact of CSR on the well-

1 being and circumstances of communities in two sites of the Niger Delta area of Nigeria where oil
2 MNCs have been implementing development projects: Eastern Obolo and Onelga. This is the
3 first study of its kind. We randomly selected a representative sample of 1,336 individuals in
4 communities of both sites, and also interviewed 574 communities' leaders with a specific
5 questionnaire. Previous studies, including one by Idemudia (2009), are based on small sample or
6 anecdotal evidence and hardly investigate the contribution of CSR to the well-being of the
7 intended beneficiaries (Blowfield, 2007; Utting, 2007).

8 Nigeria is a particularly interesting example. A most populous country and with a significant
9 political influence in Africa, Nigeria ranked 142nd among 169 countries according to the Human
10 Development Index (HDI) in 2010; life expectancy at birth is 48.4 years; average number of
11 years of schooling of adults is 5 years (UNDP, 2011). Female school enrolment rates are
12 substantially lower than that of males at both primary and secondary level. The economy relies
13 largely on the oil industry that represents 88 per cent of the foreign trade and generates 90 per
14 cent of the foreign currency of the country (OPEC, 2008). Nigeria is characterised by high
15 inequality: 20 per cent of the wealthiest people possess 65 per cent of national assets and the Gini
16 coefficient worsened from 0.43 to 0.49 between 1984 and 2005 (UNDP, 2009). As a result,
17 economic growth that averages at 6 per cent per year since 2000 does not contribute to reducing
18 poverty or to improving participation and access to services (health, education) for the most
19 vulnerable groups.

20 The Akwa Ibom and the Rivers States, both in the Niger Delta region, are major oil producing
21 states together with the Delta State. Important oil revenue in the Niger Delta region did not
22 translate into important enhancement of the human development situation. The two states' Gini
23 index at respectively 0.49 and 0.50 are at the national average and reflect rather high inequality.

1 Only adult literacy ranks higher than the national average, reflecting recent improvement after
2 years of struggle by local communities to compel oil MNCs to contribute more to human
3 development (Azaiki, 2003; Dime, 2003; Ibaba, 2009).

4 In the present paper, we combined factorial and hierarchical cluster analyses to examine if the
5 natural structure of our data reflects the two following assumptions. We first hypothesise that
6 CSR development projects promote basic capabilities and subjective well-being, but only for rich
7 people in Total and Agip zones. We therefore dispute the idea, suggested by some scholars, that
8 CSR worsen communities' economic and social situation or at best are ineffective (Frynas, 2005;
9 O'Higgins, 2006). We then test a second hypothesis that CSR interventions might enhance the
10 communities' collective capabilities in the EOCDF zone (Sen 1985; Alkire 2002). We also used
11 binary logistic regression to check for the robustness of our results. We examine the outcome of
12 CSR projects in terms of well-being considering basic capabilities (education, healthcare,
13 transportation, etc.), subjective well-being, collective capabilities (political or associative
14 participation) and empowerment of communities as cofounders.

15 The structure of the paper is as follows. In the next section we review the process of CSR and its
16 specific history in Nigeria. We then present the survey methodology and the data analysis. The
17 following section examines the impact of the different strategies of implementation of
18 development projects. In the final section, we discuss the extent to which CSR has improved the
19 well-being of communities in the Delta of Niger region.

20 **Background**

21 *Corporate social responsibility and human development*

1 The concept of corporate social responsibility (CSR) is used in the literature to designate some
2 businesses' support towards their employees or their host communities. In their early form, these
3 interventions were developed on the 'family virtues model', characterised mainly by
4 philanthropic actions relying on the manager's good will and motivated by ethical considerations.
5 More recently, the concept has shifted under the ethical influence of civil society and the
6 development of workers' rights within corporations – especially in developed countries – and has
7 become increasingly democratic in its forms (Ballet and de Bry, 2001).

8 The debate on CSR is currently being renewed for three reasons: first, MNCs' expansion as a
9 manifestation of economic globalisation put them under the media spotlight, and as a result, they
10 have become a major testing ground for applying ethical business thinking (Carroll, 2004);
11 secondly, many scandals linked to the activity of MNCs in host countries – especially in
12 developing countries – have caused strong opposition from international NGOs and national
13 activists to denounce their bad practices (Jenkins, 2009); thirdly, consumers in developed
14 countries are keen to monitor their firm's business practices to ensure they do not exploit their
15 partners, mistreat their employees or put children to work (Jenkins, 2009). These elements led to
16 major evolution in the concept of CSR, becoming a central issue in business management, rather
17 than simply an epiphenomenon (Jenkins, 2009).

18 Furthermore, some authors (Blowfield, 2005; Jenkins, 2005, 2009) argue that it is in the interests
19 of globalisation, and the intensification of multinationals' role in the globalisation process, to
20 promote CSR practices in accordance with human development principles. Indeed, the universal
21 reach of media in a globalised world makes MNCs vulnerable to international public opinion. A
22 bad reputation might have profound negative impact on business. Hence, fear of bad publicity
23 causes corporations to adopt codes of practice that are sensitive to issues of human development,

1 proposed by international organisation such as the UN Global Compact, the Global Reporting
2 Initiatives, or the OECD's guidelines for Multinational Enterprises. This evolution has
3 encouraged a corporate organisation such as the World Business Council for Sustainable
4 Development (WBCSD) to promote an interpretation of CSR based on development principles
5 defined as the “commitment of business to contribute to sustainable economic development,
6 working with employees, their families, the local community and society at large to improve their
7 quality of life.”¹ Such a view had an impact on the definition of business stakeholders,
8 traditionally considered as being the shareholders only. Carroll (1991) identified five main kinds
9 of stakeholders that have to be taken into consideration by MNCs: owners (shareholders),
10 employees, customers, local communities, and the society at large.

11 The emergence of CSR as a human development issue is linked to the shift of development
12 agencies such as the United Nations and the World Bank from promoting primarily economic
13 growth to placing an emphasis on human development – understood as fighting poverty,
14 promoting access to essential services such as healthcare and education, enhancing equality of
15 opportunity – and empowering the most vulnerable in line with the Millennium Development
16 Goals. It is also associated to the failure of the state alone to ensure the development effort
17 (Jenkins, 2005). Research into the impact of CSR on the well-being of beneficiaries is scarce
18 (Blowfield, 2007). Yet, much of the literature on CSR has focused on oil MNCs, particularly in
19 Nigeria where relationships with local communities have been often confrontational (Idemudia,
20 2010; Idemudia and Ite, 2006a).

21 *Origin and perpetuation of conflicting relationships between local communities and oil MNCs in*
22 *Nigeria*

¹ Quoted by Jenkins, 2009.

1 In Nigeria, relationships between local people and oil MNCs have been characterised by their
2 very complex and conflicting nature since the very onset of oil production in 1956 (Bikam, 2001;
3 Idemudia and Ite, 2006a, 2006b). The literature explains violence by various and combined
4 structural factors, some of them pre-existing but exacerbated by oil exploitation. Political factors
5 linked to the historical process of the constitution of the Nigerian state, and the existence of
6 multiple ethnic groups, resulted in competitive communalism over resources. Minority ethnic
7 groups have been under the domination of the Hausa, Ibo and Yoruba ethnic groups since before
8 Nigeria's independence, and little attention has been given by the state to their concerns
9 (Idemudia and Ite, 2006a). The government initially failed to provide a socio- economic
10 infrastructure for local communities, and corruption at the state level associated with ethnic
11 competition has deprived local communities of most of the benefits of oil production. Economic
12 factors have also fostered dissatisfaction in local communities. Firstly, the oil industry requires
13 highly-skilled employees, resulting in few opportunities for local youth employment. Secondly,
14 the search for maximum profitability appears to conflict with local priorities, such as preserving
15 the environment from oil pollution and protecting the communities' livelihoods, primarily based
16 on agriculture and fishing (Frynas, 2005). Thirdly, a partial approach to CSR that does not
17 address the "Dutch disease" or "resource curse" *i.e.* the negative consequence of the exploitation
18 of natural resources on the overall economy, deprivation and bad governance is also responsible
19 for low impact on community development and well-being (Frynas, 1998, 2005; Idemudia,
20 2010).

21 Communities such as the Ogoni and the Oloibiri have violently expressed their discontent with
22 the negative impact of oil activities on the environment and the lack of benefit they have received
23 (Bikam, 2001). Over the years, communities have been left with few employment opportunities

1 and harmful environmental outcome, loss of livelihood and repeated human rights violations
2 (Idemudia, 2010). Despite significant financial efforts of oil MNCs, violence has spread to other
3 communities and escalated: some organisations, such as the Movement for the Emancipation of
4 Niger Delta (MEND) have sabotaged pipelines, attacked oil settlements and kidnapped oil
5 company employees. Such violence has had negative impact on oil production: it induced oil
6 price volatility, decreased oil production, and caused huge losses in oil income (Idemudia, 2010;
7 Watts, 2007).

8 Oil MNCs have tried to address local grievances through different phases of CSR initiatives in
9 order to buy social peace (Frynas, 2005; Idemudia, 2008, 2009). Idemudia (2010) identified three
10 phases for oil MNCs' CSR strategy in Nigeria. In the first phase, until the 1990s, oil MNCs
11 assisted local communities with a "pay-as-you-go approach to community relations" resulting in
12 a proliferation of unsuccessful projects (Idemudia, 2010, p.835). Interventions were unplanned
13 responses to abate communities' anger about oil pollution and other forms of negative impact of
14 activities or merely to be accepted by them. This approach tended to reinforce the dependency on
15 aid. In a second phase, from 1990 to 2000, oil MNCs applied CSR principles for their
16 interventions. They developed strategic plans based on development schemes. With the help of
17 subcontractors, they elaborated socio-economic development programmes. The drawback of the
18 approach has been the absence of participation of local communities in the design, management
19 and monitoring of these programmes. Hence, communities did not take responsibility for the
20 infrastructures implemented. In the last phase, since 2000, oil MNCs have been increasingly
21 involving local communities in development projects. Thus, they have agreed on strategic
22 partnerships through Memoranda of Understanding (MoUs) defining the projects that will be
23 implemented with the participation of local partners. It has been argued that strong community

1 involvement in development projects is a guarantee of genuine and sustainable development
2 (Ellerman, 2001).

3 Currently, the three forms of CSR initiatives coexist and there is a lack of evidence on the impact
4 of those different initiatives on capabilities and agency of local populations in the Niger Delta
5 region (Blowfield, 2007).

6 Our paper aims at contributing to filling the gap in the understanding of whether CSR activities
7 enhance human development, especially for the most vulnerable sections of society. We
8 investigate the impact of two types of CSR approaches on various dimensions of well-being of
9 local communities in the Niger Delta region, applying a capability approach perspective. The two
10 types of strategies define involvement of communities in development projects. In the first type,
11 project implementations are made by oil MNCs (or their subcontractors) without genuine
12 involvement of local communities. In the second type, communities are implicated in the design,
13 management and monitoring of the projects. We identified two zones where these two CSR
14 strategies are developed. The first CSR strategy is implemented in Onelga Local government
15 Area and the second one is implemented in Eastern Obolo Local Government Area.

16 **Methodology**

17 *Capability Approach as a method of evaluation*

18 We used the Capability Approach framework of Sen, Nussbaum and others to evaluate the social
19 and economic impact of CSR development projects implemented by oil MNCs in the Niger Delta
20 region. We evaluated the impact of these projects on local communities' human development,
21 defined as "both the process of widening of people's choices and the level of their achieved well-

1 being” (UNDP, 1990, p. 10). This definition gives emphasis to what people do and what they
2 value (Sen, 1999) and encompasses various components of human development: “It is about
3 education as much as it is about health. It is about culture as much as it is about political
4 participation. It deals with fiscal policy as much as health policy... It deals with agricultural
5 policies as much as it deals with exchange rate policies... It deals with educational policy as much
6 as gender, environmental, industrial or technological policy. Human development thus relates to
7 many aspects that concern people’s lives, not only economic ones.” (Alkire and Deneulin, 2009,
8 p. 28). As a result, evaluating human development requires multidimensional methods to be used,
9 and the Capability Approach offers the right framework to do so (Fusco, 2007; Sen, 2009).

10 The Capability Approach allows a direct evaluation of outcomes and processes, not only based on
11 resources (Fusco, 2007). According to Sen, since Aristotle we have known that wealth is not the
12 good we are seeking for its own ends, but it is rather a means that is useful for something else
13 (Sen, 2009). Hence, wealth is not a good indicator for well-being because it measures well-being
14 only indirectly (Sen, 2009). In fact, capabilities are real opportunities for individuals to do and to
15 be what they value, and represent various combinations of functionings that individuals can
16 achieve. The capability set points to the freedom for an individual to lead the life that s/he wishes
17 and values. Our paper aims to evaluate the extent to which the development projects of the oil
18 MNCs enhance the freedom of local communities members to choose the lives they value (Sen,
19 1999).

20 As well as individual capabilities, some authors have developed the concept of collective
21 capabilities, which are based on the idea that the active participation of individuals in social
22 groups brings empowerment and enhances agency, allowing them to achieve functionings that
23 would not be attainable without collective action (Stewart, 2005; Ibrahim, 2006; Dubois et al.,

1 2008). This results in an extended capability set and therefore a higher level of well-being. We
2 also examine if oil MNCs' development projects promote agency and empowerment through
3 collective capabilities as an outcome of the CSR intervention.

4 *Data collection*

5 Data collection was carried out in 2008 in two different representative sites of the Niger Delta
6 states where oil production is concentrated, namely Eastern Obolo and Onelga. We chose these
7 areas because of two criteria. First, They are comparable in terms of oil production —either off-
8 shore or on-shore. Second, the management of the development projects implemented in those
9 areas either includes a community participation dimension or not. In Onelga Local Government
10 Area in Rivers State, oil plants are on-shore. The approach to CSR is characterised by a “top-
11 down”, non-participatory process: Oil MNCs have provided social and economic development
12 project directly or through a contractor. Community members were consulted only ex ante during
13 needs assessment but Oil MNCs decided which projects to implement. Community members
14 were not involved in the design, the implementation and the monitoring of development project.
15 For example, when the Onelga community representatives requested a health centre or a school,
16 the Oil MNCs assigned to contractors the design and the implementation of the project without
17 involving the community in the process.

18 In the Eastern Obolo Local Government Area in Akwa Ibom State, a more participatory approach
19 to CSR is applied. Development projects are implemented in partnership with local communities
20 through a local association called Eastern Obolo Community Development Foundation
21 (EOCDF). EOCDF community members were involved in the design of the school or the health
22 centre: they supplied workers and materials and the building process was monitored by

1 representatives of the community. EOCDF assumes that the participation of the community in the
2 development effort leads to higher sustainability as it promotes conflict resolution, economic
3 growth and the fight against inequality. Because oil plants are off-shore in this area, oil MNCs
4 were less vulnerable to population pressure. This explains the absence of CSR initiatives in the
5 Eastern Obolo Local Government Area until 2000, when the region became strategically important
6 for oil transportation because a pipeline terminal had been constructed on its coast.

7 Respective population estimates are of 60,543 people in Eastern Obolo and of 350,000 in Onelga.
8 732 respondents in Eastern Obolo and 604 in Onelga were randomly selected for interview. The
9 selection process followed two stages. First, communities were selected on the two sites
10 according to specific criteria (i.e. their location, their size, the type of development
11 infrastructures). Twenty eight communities were chosen in Eastern Obolo (21 communities under
12 EOCDF projects and 7 communities without projects) and 22 in Onelga (nine communities under
13 Total projects, eight communities under Agip petroleum projects and five communities without
14 projects). Secondly, within each community 24 to 30 individuals were randomly selected and
15 interviewed. Individuals were selected by using a random path. Data collectors walked from the
16 house of the community head, each one going in a different direction, and stopped every 100 feet
17 to select a household. One individual was then randomly chosen in the household based on
18 predefined gender and age (15 to 85 years old) quotas.

19 The questionnaire is composed of two parts. The first focuses on individual and household
20 characteristics. It has three sections: social status and employment; education and household
21 characteristics. The second part addresses the daily quality of life of each person, including the
22 perception of his/her functionings and capabilities. It comprises many sections: access to basic
23 public services, water supply; food availability; self-perception; professional skills, political

1 participation, organisations and perception of oil MNCs intervention, empowerment, project
2 participation.

3 *Data analysis*

4 Interviews with community leaders showed that oil companies were the main providers of
5 development intervention in the Delta Niger region. Between 2002 and 2008 Total's development
6 projects represented 79% of all development projects, while local government financed only 13%
7 and international institution and NGOs, 8%. CSR projects covered various sectors of
8 development interventions: 19.76% were educational projects, 18.96% were related to health,
9 24.95% related to basic infrastructures, 6.99% in agriculture and the fishery sector and 8.58% in
10 the trading sector. Respondents in the Total, Agip or EOCDF were all affected by the CSR
11 projects. Using multiple correspondence analysis (MCA), we analysed the diversity of the effect
12 of different CSR interventions on the level of basic capabilities. We carried out an MCA
13 simultaneously associating individual characteristics, basic capabilities, political and project
14 participation, empowerment, subjective well-being and project operators' interventions.

15 MCA is part of multivariate data reduction methods used to reveal the relationship between
16 various sets of discrete or categorical variables without losing essential information about the
17 data (Benzecri, 1983, 1992). A growing literature in social sciences establishes MCA as a
18 commonly used technic to study complex capability sets, subjective well-being, inequality and
19 multidimensional poverty (Berenger and Verdier-Chouchane, 2007; Klasen, 2000; Mc Gillivray,
20 2005; Neff, 2006; Roche, 2008; Trani, Bakhshi and Rolland, 2011). It is a statistical multivariate
21 exploratory method, designed to analyse multi-way contingency tables (large frequency tables)
22 called Burt matrix with categorical variables (Benzecri, 1992; Greenacre, 1993; Greenacre and

1 Blasius, 2006). The MCA uses the Euclidean distance as a proximity measure between the row
2 and column coordinates of the Burt matrix to define a low-dimensional representation of the data
3 where the first factors capture the maximum variance of the data. By reducing the number of
4 dimensions, MCA makes possible the study of unobservable relationships that would not be
5 detected in a series of pair wise comparisons of variables. Thus, the primary purpose of the
6 technique is to produce a simplified representation of the information, which can be done on a
7 two-dimensional graph. The factorial analysis displays categorical variables in a property space
8 and maps their associations on two or more axes. The cluster analysis is a powerful
9 complementary technique of data reduction that, unlike classification analysis, captures the
10 underlying structure of a dataset by dividing cases or individuals into meaningful groups, called
11 clusters. The cluster analysis assigns numerical values to observations and categories so that
12 individuals within the same cluster are considered as associated, and individuals in different
13 clusters are considered separated, thereby defining homogeneous subgroups within the
14 population. This is done by minimising the intra-cluster inertia (variance within a cluster) using
15 the Ward's method while also minimising the loss of inter-cluster inertia (variance between
16 clusters) (Ward, 1963). The process of clustering is iterative, starting with each individual as a
17 singleton cluster and repeatedly merging the two closest clusters until the optimal clustering is
18 obtained, based on the minimum loss of inter-cluster inertia. We standardised through recoding
19 the variables so that all variables are equally important in contributing to the definition of factors
20 and clusters. We used the software SPAD 7 to implement the algorithm.

21 The socio-demographic variables used in the model were selected based on their level of
22 correlation with basic capabilities and what the literature tells us about the association between
23 socioeconomic status and basic capabilities: gender, age, education level, employment status and

1 level of material wealth as measured by an asset index. Based on Nussbaum's (2000) "central
2 human functional capabilities," we selected basic capabilities, such as access to safe drinking
3 water, toilet, number of meals per day, and access to various basic services. We assessed access
4 to these basic services using MCA applied to the following variables: level of access to health,
5 education, communication and transportation. We obtained a good allocation in four clusters that
6 we qualified as follows: cluster 1=low access, cluster 2= low-average access, cluster 3= high-
7 average access, cluster 4= highest access. (Data not shown)

8 The asset index is calculated as a proxy of economic status. The asset index is composed of
9 whether or not the following goods are possessed in the household: radio or tape recorder,
10 television, computer, oven, refrigerator, mobile phone, bicycle, motorbike, car, tractor, generator,
11 kerosene lamp, sewing machine, house or apartment, boat or canoe. We score 1 for a possession
12 and 0 for non possession (Garenne and Hohmann, 2011). We found a median of five items. We
13 considered a score between 0 and 3 to be the lowest wealth quartile, 4 to 5 low-average, 6 to 8
14 high-average and more than 9 highest wealth quartile.

15 Respondents were asked if their well-being has improved or not in the last five years. Subjective
16 well-being was defined in our study as the overall satisfaction with life and used here as an
17 outcome measure to appraise personal life improvement (Diener and Suh, 2000; Neff, 2006).

18 We assessed collective capabilities through level of empowerment and intensity of project and
19 political participation. We measured level of empowerment based on the combination of three
20 survey questions: (i)"Can you change the course of your life?" (ii) "Do you have the needed
21 rights and resources to change the course of your life?" (iii) Do you have the capability to
22 implement your decisions?". We looked at occurrence of participation in the project and number

1 of visits to the project's management office. Political participation was assessed through a
 2 combination of participation in the local community assembly and election.

3 *Study limitations*

4 Our study presents a common limitation of cross-sectional studies: it does not allow for assessing
 5 changes in human development outcome over time. Similarly, MCA is a descriptive tool that
 6 does not constitute a causality test, and is therefore unable to show the direction of causality
 7 between development projects and well-being of the population. Finally, our sample is
 8 representative of Total and Agip zones of production only; therefore our results cannot be
 9 generalised without caution to the whole Niger Delta region.

10 **Table 1: variable description**

| Socio-demographic characteristics | |
|--|--|
| Gender | Gender of respondent (male, female) |
| Age | Age of the respondent. Less than 30, 30 to 40, 40 to 50, 50 and above |
| Study level | Respondent's level of study. Not attended, primary, secondary, post secondary |
| Employment | Respondent employment status. Not working, agriculture/fishing, artisan/trader, other activity |
| Wealth status | Respondent household economic status. Low quartile, low-average quartile, high-average quartile, highest quartile |
| Basic capabilities | |
| Access to basic services | Level of access to health, transportation, communication, education. Low access, low-average access, high-average access, highest access |
| Safe drinking water | No access to safe drinking, occasional access, regular access |
| Meals per day | One meal, two meals, three meals a day. |
| Toilet available | Open defecation, traditional pit, flush. |
| Participation and empowerment | |
| Project participation | No participation, bad project participation, middle project participation, good project participation. |
| Political participation | low political participation, average political participation, high political participation |
| Empowerment | low empowerment, average empowerment, high empowerment |
| Subjective evaluation | |
| Subjective well-being | Quality of life. Improved, not improved |

1

2 **Results**

3 *Comparing characteristics of respondents by zone of intervention of oil MNCs.*

4 Table 2 (see Appendix, Table 2) provides a description of our sample population by zone of
5 intervention: (i) two zones of direct and non-participatory intervention of oil MNCs (“top-down”
6 CSR strategy areas of respectively Total and Agip); (ii) one zone of indirect and participatory
7 intervention where Eastern Obolo Community Development Foundation (EOCDF) is in charge of
8 projects development (“bottom-up” CSR strategy area) and (iii) a remaining zone of no
9 intervention. For purpose of simplicity, we will refer in the rest of the paper to the four zones as
10 being Total, Agip, EOCDF and non-intervention zone.

11 Results show some disparities between zones of intervention. In the zones where development
12 projects have been implemented directly by Total and Agip, we found higher levels of basic
13 capabilities than in the EOCDF zone. Table 2 shows that 38.68% and 34.02% of respondents
14 respectively in Agip and Total zones have regular access to safe drinking water compared with
15 only 1.51% in the EOCDF zone. Also, 23.83% and 22.67% respectively in Agip and Total zones
16 have a tertiary level of education while only 12.43% went to university or other post-secondary
17 education in the EOCDF zone. In the Agip and Total zones respectively 28.97% and 28.74%
18 have high access to basic public services while only 10.28% of respondents have the same level
19 of access in the EOCDF zone.

20 Yet, we cannot conclude at this stage if all social groups in the communities have been equally
21 benefiting from 40 years old Agip and Total “top-down” CSR initiatives. Cluster analysis will

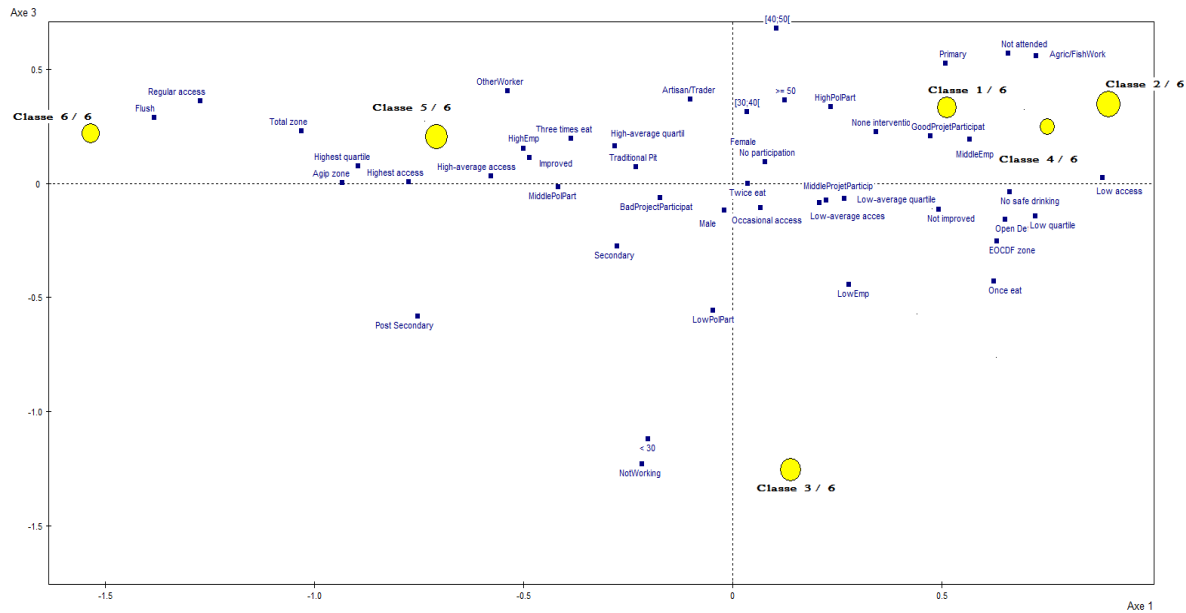
1 provide some evidence about which socioeconomic groups benefitted from CSR initiatives.
2 EOCDF communities by contrast were neglected by MNCs and government until its creation in
3 2002 (Idemudia, 2009). Its strategy of implementation based on local communities' involvement
4 might explain why 17.76% of respondents in the EOCDF zone reported having a high level of
5 project participation compared to 1.87% in the Agip zone and 5.36% in the Total zone. Similarly,
6 57.79% of respondents in EOCDF zone reported having a high level of political participation
7 while in Agip and Total zones high political participation is respectively 35.98% and 35.22%.

8 *Different impacts of CSR projects.*

9 To explore whether or not CSR initiatives improve basic and collective capabilities, we
10 implemented a factor and cluster analyses that combine individual characteristics, basic
11 capabilities, participation, empowerment, subjective well-being and project operators'
12 interventions. The factor analysis results (data not shown) are refined by the cluster analysis that
13 identified 6 groups (see Table 3).

14

15 *Figure 1: Classification in 6 clusters of individual characteristics, basic capabilities,*
16 *participation, empowerment, subjective well-being and project operators' interventions.*
17 *(approximately here).*



1
2

3 Cluster 1

4 The first cluster (15.9% of the total sample) represents those who live in zones where there has
 5 been no CSR development projects (91.1% of group) and therefore do not participate in projects
 6 (70.4%). Most of them are men from the lower quartile, with only primary school level education
 7 and limited access to other basic capabilities, and have lower level of empowerment. A large
 8 section of the group works in agriculture or fishing.

9 Cluster 2

10 The second cluster (20.1% of total sample) represents EOCDF zone members (92.9% of cluster).
 11 Most of them are also deprived of basic capabilities. They are educated to primary level, work in
 12 agriculture, fishing or craft/trading and belong to the low-average wealth quartile. They
 13 participate in CSR initiatives and political life, and level of empowerment is higher than in
 14 cluster 1 but feel that their well-being has not improved (63.6%)

1 Cluster 3

2 The third Cluster (17.8% of sample) represents mainly young (68.5%) men (65.1%) in the
3 EOCDEF zone (79.0%). They are from the low-average quartile and are not working but are well
4 educated. Most of them are rather deprived of other basic capabilities —low-average access to
5 basic services, occasional access to safe drinking water and no access to toilet but good food
6 intake. They have very low empowerment and political participation but do participate in CSR
7 initiatives.

8 Cluster 4

9 The fourth cluster (11.5% of the total of sample) gathered poorest and elderly women who did
10 not go to school with a low set of basic capabilities: low access to basic services, food, occasional
11 access to safe drinking water and never to toilet and they have low level of empowerment and
12 political participation. They work in agriculture and fishing. This group is characterised by the
13 highest number of people who consider their well-being did not improve (76.6%).

14 Cluster 5

15 The fifth cluster (19.0%) includes people who believe their well-being has improved, have a good
16 set of basic capabilities, are well-educated and who work as artisans or traders. Many belong to
17 the high-average quartile of wealth and have high level of empowerment. But they only have an
18 average political participation level and do not participate in CSR initiatives. They live in the
19 Total zone (44.9%) or Agip zone (34.2%).

20 Cluster 6

21 The sixth cluster representing 15.6% of the sample includes the richest and better educated

1 people with good access to basic capabilities and improved well-being. They work in a sector
2 different from agriculture/fishing or craft/trading. They have high empowerment but no say in
3 CSR initiatives in Total or Agip zone.

4 *Binary logistic regression on well-being*

5 Table 4 shows the results of both crude and adjusted logistic regression models on subjective
6 well-being. Crude odd ratios show that in Agip or Total zones, members are more likely to
7 improve their well-being (OR= 1.4 respectively 2.3; $p < 0,1$ respectively $p < 0,01$). The logistic
8 regression confirmed our ACM results and demonstrates that only Total and Agip zones are
9 associated with good perception of well-being. Gross binary logistic regression on well-being
10 shows that political participation potentiality improved EOCDF members well-being. Individuals
11 with an average level of political participation were more likely (OR= 1.3; $p < 0,05$) to see their
12 well-being improved than those with low level. But, they reported their well-being did not
13 improve because, although EOCDF includes people in its programmes, it did not improve their
14 basic capabilities set. Adjusted binary logistic on well-being shows that basic capabilities are the
15 keys factors for well-being. Educated people are more likelihood to report an improved well-
16 being compared to who did not attend school. The respondents who belong to higher wealth
17 quartile have a greater likelihood to increase their well-being.

18 *Discussion*

19 Our results highlight differences in terms of improvement of basic capabilities, enhancement of
20 well-being and promotion of agency between the two zones of intervention of oil MNCs (Agip
21 and Total), the zone of participatory intervention (EOCDEF zone) and the non-CSR project zone.

1 CSR initiatives do not cover the whole area of oil production of the Niger Delta region. Yet, in
2 the non-CSR projects zone, our findings show, that people lack capabilities to escape poverty and
3 initiate a path towards human development (Sen, 1980). This group of deprived individuals is
4 mainly composed of uneducated and poor women, elderly people, and people working as farmers
5 or fishermen. They are also deprived in terms of collective capabilities. They cannot participate
6 in projects in their communities because such projects do not exist. Deprivation of capabilities
7 and lack of agency alter perception of well-being. People living in the non-intervention zone
8 blame oil MNCs as well as the government for their disinterest. It has been indeed argued that the
9 Nigerian state did not invest any of the oil revenue to provide infrastructure and services and
10 improve socio- economic conditions of the Niger Delta region population (Idemudia, 2010).
11 Scholars posit that this situation is due to bad governance, lack of democracy and corruption
12 (Dime, 2003; Duze et al, 2008; Harel, 2006; Lesbourne, 2009). Other studies corroborate our
13 findings that oil MNCs only invest in CSR initiatives where corporate–community tensions can
14 jeopardise oil production (Frynas, 2008; Idemudia and Ite, 2006b). “Business case” logic led the
15 oil MNCs to prefer implementing their development projects in communities surrounding oil
16 installations, immediately buying a sort of a social license to operate. “The importance of the
17 business case is usually justified as either enabling managers to protect firms from external
18 threats (e.g. risk management) or to benefit from external opportunities (e.g., new product
19 development through partnership with development agencies and NGOs). Taken to its logical
20 extreme, managers are advised only to consider a group as a stakeholder if they depend on its
21 resources” (Frynas, 2008, p. 277).

22 In contrast, confirming our first hypothesis, our results show better access to basic capabilities in
23 the two zones where oil MNCs (Agip and Total) directly implement CSR initiatives. Therefore,

1 individuals living in Agip or Total zone have a higher likelihood to increase their well-being.
2 These results are confirmed by a logistic regression on well-being. But who benefits from these
3 initiatives? Our findings indicate that individuals in the highest wealth quartile that work as
4 artisans or traders or in sectors other than agriculture and fishing reported that their well-being
5 has improved and that they have benefited from the CSR initiatives. The logistic regression also
6 confirmed these results. The individuals in the highest wealth quartiles are more likely (OR=1.76,
7 high-average wealth quartile; OR= 3.37, high wealth quartile; both high-average quartile and
8 highest quartile $p < 0,01$) to see their well-being improve compared to individuals in lowest
9 wealth quartile. Educated people are more likely to see their well-being improve compared to
10 uneducated people (See table 3). Some of people in these Total or Agip zones also reported
11 having a high level of empowerment but they are not involved in the implementation or the
12 monitoring of the CSR initiatives. Conversely, our findings did not establish a relationship
13 between people living in the Total or Agip zones of intervention, belonging to a low wealth
14 quartile, working in agriculture or farming, and displaying a good set of basic capabilities. The
15 results are also confirmed by logistic regression where these determinants are not significantly
16 associated with wellbeing (See table 3). Hence, in these two zones of direct intervention of oil
17 MNCs (Total and Agip zones), there is no evidence that CSR initiatives also benefit the poorest
18 individuals, working in agriculture and farming, who form the majority of the population in the
19 Niger Delta Region (UNDP, 2009). Our evidence shows that non- participatory CSR initiatives
20 do not alleviate poverty as they claim to do. Furthermore, these non-participatory initiatives, by
21 benefiting primarily the richest, might actually engender further inequality in capabilities, that is
22 an injustice *par excellence* (Sen, 1979). Moreover, such a strategy does not encourage
23 participation in collective actions that would make individuals responsible for developing
24 socioeconomic infrastructures most useful for their community, causing a dependence mentality

1 that hinders ownership by the community of its own development agenda (Ite, 2007). It also
2 further exacerbates conflicts between communities as they compete for projects (Idemudia, 2009,
3 2010).

4 We also hypothesise that CSR interventions could improve collective capabilities. In fact, our
5 results single out a group of rather poor individuals, deprived of basic capabilities, living in the
6 EOCDF zone. In this group, people benefited from higher empowerment despite deprivation of
7 basic capabilities because they were involved in the definition and the monitoring of CSR
8 initiatives. They reported high political participation, as they have their say in local community
9 affairs.. One possible explanation of this ambiguous result is that in this area, forsaken by both
10 the government and oil MNCs until the early 2000s, development needs of the communities have
11 become so immense that the amount currently allocated to the area by MNCs is insufficient to
12 address these needs, while government development efforts remain scarce (Idemudia, 2009,
13 2010). As already mentioned, oil MNCs are primarily led by the logic of capitalist profitability
14 and are keen to keep CSR initiatives and other expenses (for example, to protect the environment
15 or compensate communities for the negative social, economic and environmental externalities of
16 oil production) at the lowest level possible (Idemudia, 2008, 2010). Anand and Ravallion (1993)
17 pointed out that both private income and public services are necessary for basic capabilities
18 enhancement. The combination of an increase in social expenditures and income poverty
19 reduction are both central forces that can drive human development. In fact, EOCDF zone
20 members' low access to basic capabilities is well explained by the combination of the lack of
21 public services made available to them historically and their own deprivation that makes it
22 impossible to compensate through private initiative the failure of the state to provide services
23 such as health and education. The Nigerian State should also pledge part of the oil revenue to

1 community development of the Niger Delta region. Nonetheless, the EOCDF participatory
2 approach to development based on empowerment of communities through democratic processes
3 for identification of needs and priorities, as well as for project implementation, is well perceived
4 by the communities. Our results show that EOCDF, while failing to provide universal access to
5 basic capabilities because of the limited scope of the CSR initiatives and the failure of the
6 Nigerian state to provide basic services, constitutes an interesting example of participatory
7 development practice.

8 Overall, the impact of development projects implemented by oil companies through CSR
9 initiatives on the human development of local populations remains limited. This is also the result
10 reached by the analysis of Idemudia (2009, 2010) and Frynas (2005). [There is no evidence that](#)
11 [these initiatives enhance basic capabilities for the most deprived. Furthermore, the level of](#)
12 [collective capabilities —through participation and empowerment— is only enhanced when oil](#)
13 [MNCs involved local people in the CSR projects.](#) These results demonstrate that oil MNCs are
14 not motivated by a genuine concern of promoting human development but by their own agenda
15 driven by capitalistic objectives. Only a more effective action, with sufficient financial resources,
16 that is based on authentic participation and effective involvement of communities through local
17 organisations that have a say in projects to end bad governance, might change the current trend
18 where the most vulnerable are not reached by development interventions. Our results strengthen
19 the approach of Newel and Frynas (2007) who advocated for a distinction to be made between
20 CSR as a tool of management and CSR as a tool of development.

21 Using the capability approach, we were able to demonstrate that this limited impact was
22 differentiated according to the strategies used: strategies involving the community have impacted
23 the collective capabilities, while other strategies have impacted those who have more capabilities.

1 Freeman (2003) maintained, homeworkers did not benefit from CSR policies in supply chains,
2 and Nielsen (2005) states that women and children did not benefit from the garment industry in
3 Bangladesh. In our study we have shown that poor farmers and fishermen are also overlooked by
4 CSR initiatives.

5 **Conclusion**

6 The adoption of a CSR strategy in the Delta of Niger by oil companies initially emerged from the
7 will to overcome violence and insecurity, rather than through actual interest in the “win-win”
8 theory that encourages interventions where both parties benefit: companies can produce in a
9 stable environment and local communities can see their circumstances improve and human
10 development become a reality. Forty years of social interventions without any coherent strategy
11 have brought limited socioeconomic development and have even been counterproductive.
12 Political agitation among local communities has risen over the years, leading to violence and
13 social unrest with negative consequences on oil production. As a result, since the 2000s
14 (Idemudia, 2009), oil MNCs have sought to have a strategy to better manage
15 their relationship with local communities.

16 The present paper explored the impact on community development of this new approach. It
17 attempts to compare the various outcomes obtained via two different types of partnerships
18 developed between oil MNCs and local communities: direct implementation of CSR initiatives or
19 implementation through a participatory process. In the zones where projects are directly managed
20 by oil MNCs, CSR initiatives have enhanced basic capabilities and subjective well-being of
21 wealthy traders, artisans and public or private employees, but not those of the majority of poorer
22 people working in agriculture or fishing. In the EOCDF zone, although the community

1 participated actively in CSR initiatives and collective capabilities have been improved for the
2 most vulnerable, the benefit in terms of poverty eradication through advancement of basic
3 capabilities or in terms of overall well-being is very limited.

4 Nevertheless, the on-going participation of local communities in project development raises some
5 questions that are beyond the scope of this paper and will require further research: Do the
6 resources and duration of intervention for participation-led development in host communities
7 need to reach a certain threshold to demonstrate improvement in well-being? Are people still
8 hoping that the development project will improve their well-being? Has EOCDF dealt
9 successfully to date with the deep social structures which are grounded in existing power
10 relations between the members of the community, and promoted new practices of
11 communication, negotiation, trust and friendly relationship in the local communities (Dean,
12 2009)? Considering that the poorest are still not benefiting from CSR initiatives, is there a risk
13 that inequalities will be further aggravated leading to more violence and insecurity? Answering
14 these questions are paramount to be able to determine whether increasing CSR impact in terms of
15 human development on host communities is achievable.

1 Appendix

2 Table 2: zones of intervention. Number of respondents (%)

| Characteristics | Intervention | | | | Total |
|------------------------------|--------------|------------|------------|----------------------|------------|
| | Agip zone | Total zone | EOCDF zone | No intervention zone | |
| Gender | | | | | |
| Female | 99(46.26) | 114(46.15) | 250(46.73) | 151(44.41) | 614(45.96) |
| Male | 115(53.74) | 133(53.85) | 285(53.27) | 189(55.59) | 722(54.04) |
| Toilet available | | | | | |
| Open defecation | 27(12.74) | 33(13.52) | 388(72.52) | 169(50) | 617(46.43) |
| Traditional pit | 103(48.58) | 128(52.46) | 143(26.73) | 137(40.53) | 511(38.45) |
| Flush | 82(38.68) | 83(34.02) | 4(0.75) | 32(9.47) | 201(15.12) |
| Safe drinking water | | | | | |
| No safe drinking | 16(7.48) | 7(2.83) | 227(42.75) | 137(40.77) | 387(29.14) |
| Occasional access | 115(53.74) | 125(50.61) | 296(55.74) | 163(48.51) | 699(52.64) |
| Regular access | 83(38.79) | 115(46.56) | 8(1.51) | 36(10.71) | 242(18.22) |
| Subjective Well-being | | | | | |
| Improved | 119(55.61) | 165(66.8) | 228(42.62) | 160(47.06) | 672(50.3) |
| Not improved | 95(44.39) | 82(33.2) | 307(57.38) | 180(52.94) | 664(49.7) |
| Age | | | | | |
| < 30 | 63(29.44) | 65(26.32) | 166(31.03) | 86(25.29) | 380(28.44) |
| [30;40[| 64(29.91) | 69(27.94) | 163(30.47) | 96(28.24) | 392(29.34) |
| [40;50[| 45(21.03) | 61(24.7) | 126(23.55) | 76(22.35) | 308(23.05) |
| >= 50 | 42(19.63) | 52(21.05) | 80(14.95) | 82(24.12) | 256(19.16) |
| Project participation | | | | | |
| No participation | 60(28.04) | 36(14.57) | 76(14.21) | 170(50) | 342(25.6) |
| Bad project participation | 138(64.49) | 177(71.66) | 229(42.8) | 153(45) | 697(52.17) |
| Middle project participation | 12(5.61) | 21(8.5) | 135(25.23) | 12(3.53) | 180(13.47) |
| Good project participation | 4(1.87) | 13(5.26) | 95(17.76) | 5(1.47) | 117(8.76) |
| Study level | | | | | |
| Not attended | 8(3.74) | 21(8.5) | 50(9.86) | 41(12.42) | 120(9.24) |
| Primary | 49(22.9) | 42(17) | 180(35.5) | 126(38.18) | 397(30.59) |
| Secondary | 106(49.53) | 128(51.82) | 214(42.21) | 127(38.48) | 575(44.3) |
| Post-secondary | 51(23.83) | 56(22.67) | 63(12.43) | 36(10.91) | 206(15.87) |
| Meals per day | | | | | |
| One meal | 13(6.07) | 18(7.29) | 69(12.9) | 42(12.39) | 142(10.64) |
| Two meals | 154(71.96) | 168(68.02) | 333(62.24) | 228(67.26) | 883(66.14) |
| Three meals | 47(21.96) | 61(24.7) | 133(24.86) | 69(20.35) | 310(23.22) |
| Employment | | | | | |
| Not working | 64(29.91) | 67(27.13) | 153(28.6) | 73(21.47) | 357(26.72) |

| | | | | | |
|---|------------|------------|------------|------------|------------|
| Agriculture/Fishing | 33(15.42) | 41(16.6) | 164(30.65) | 127(37.35) | 365(27.32) |
| Artisan/Trader | 56(26.17) | 69(27.94) | 133(24.86) | 72(21.18) | 330(24.7) |
| Other activity | 61(28.5) | 70(28.34) | 85(15.89) | 68(20) | 284(21.26) |
| Level of Political participation | | | | | |
| Low political participation | 60(28.04) | 77(31.17) | 139(26.08) | 99(29.12) | 375(28.11) |
| Average political participation | 77(35.98) | 83(33.6) | 86(16.14) | 73(21.47) | 319(23.91) |
| High political participation | 77(35.98) | 87(35.22) | 308(57.79) | 168(49.41) | 640(47.98) |
| Level of Empowerment | | | | | |
| Low empowerment | 54(25.23) | 49(19.84) | 153(28.76) | 104(30.77) | 360(27.05) |
| Average empowerment | 30(14.02) | 30(12.15) | 202(37.97) | 97(28.7) | 359(26.97) |
| High empowerment | 130(60.75) | 168(68.02) | 177(33.27) | 137(40.53) | 612(45.98) |
| Wealth status | | | | | |
| Low quartile | 23(10.75) | 41(16.6) | 173(32.34) | 115(33.82) | 352(26.35) |
| Low-average quartile | 63(29.44) | 42(17) | 166(31.03) | 95(27.94) | 366(27.4) |
| High-average quartile | 67(31.31) | 74(29.96) | 121(22.62) | 66(19.41) | 328(24.55) |
| Highest quartile | 61(28.5) | 90(36.44) | 75(14.02) | 64(18.82) | 290(21.71) |
| Access to basic services | | | | | |
| Low access | 10(4.67) | 19(7.69) | 241(45.05) | 137(40.29) | 407(30.46) |
| Low-average access | 42(19.63) | 43(17.41) | 127(23.74) | 76(22.35) | 288(21.56) |
| High-average access | 100(46.73) | 114(46.15) | 112(20.93) | 68(20) | 394(29.49) |
| Highest access | 62(28.97) | 71(28.74) | 55(10.28) | 59(17.35) | 247(18.49) |

1
2

3 **Table 3 : Description of clusters characteristics, basic capabilities, empowerment and**
4 **participation.**

| Variable label | Category label | % of category in group | % of category in set | % of group in category | Test-values | Probability | Weight |
|--------------------------------|------------------------|------------------------|----------------------|------------------------|-------------|-------------|--------|
| Cluster1 (n=213; 15.9%) | | | | | | | |
| Project implementation | None intervention zone | 91.1 | 25.4 | 57.06 | 22.70 | 0.0 | 340 |
| Project participation | No participation | 70.4 | 25.6 | 43.9 | 15.2 | 0.0 | 342 |
| Study level | Primary | 57.7 | 29.7 | 31.0 | 9.3 | 0.0 | 397 |
| Employment | Agric/Fish work | 49.8 | 27.3 | 29.0 | 7.6 | 0.0 | 365 |
| Safe drinking water | No safe drinking | 46.0 | 29.0 | 25.3 | 5.7 | 0.0 | 387 |
| Basic services access | Low access | 46.0 | 30.5 | 24.1 | 5.1 | 0.0 | 407 |

| | | | | | | | |
|---------------------------------|------------------------------|------|------|------|------|-----|-----|
| Gender | Male | 65.3 | 54.0 | 19.3 | 3.5 | 0.0 | 722 |
| Wealth status | Low quartile | 33.8 | 26.3 | 20.4 | 2.6 | 0.0 | 352 |
| Wealth status | Low-average quartile | 34.7 | 27.4 | 20.2 | 2.5 | 0.0 | 366 |
| Empowerment | Low empowerment | 33.3 | 26.9 | 19.7 | 2.2 | 0.0 | 360 |
| Meals per day | Once eat | 15.0 | 10.6 | 22.5 | 2.1 | 0.0 | 142 |
| Cluster 2 (n=269; 20.1%) | | | | | | | |
| Project implementation | EOCDF zone | 92.9 | 40.0 | 46.7 | 20.5 | 0.0 | 535 |
| Toilet available | Open defecation | 81.4 | 46.2 | 35.5 | 13.2 | 0.0 | 617 |
| Basic services access | Low access | 62.8 | 30.5 | 41.5 | 12.4 | 0.0 | 407 |
| Safe drinking water | No safe drinking | 60.6 | 29.0 | 42.1 | 12.2 | 0.0 | 387 |
| Empowerment | Middle empowerment | 57.2 | 26.9 | 42.9 | 11.9 | 0.0 | 359 |
| Political participation | High political participation | 79.6 | 47.9 | 33.4 | 11.8 | 0.0 | 640 |
| Project participation | Good project participation | 29.0 | 8.8 | 66.7 | 11.5 | 0.0 | 117 |
| Study level | Primary | 49.8 | 29.7 | 33.7 | 7.7 | 0.0 | 397 |
| Class age | [30;40[| 49.1 | 29.3 | 33.7 | 7.6 | 0.0 | 392 |
| Employment | Agric/Fish work | 43.5 | 27.3 | 32.0 | 6.4 | 0.0 | 365 |
| Subjective well-being | Not improved | 63.6 | 49.7 | 25.7 | 5.0 | 0.0 | 664 |
| Employment | Artisan/Trader | 33.5 | 24.7 | 27.3 | 3.6 | 0.0 | 330 |
| Project participation | Middle project participation | 18.6 | 13.5 | 27.8 | 2.6 | 0.0 | 180 |
| Wealth status | Low-average quartile | 33.8 | 27.4 | 24.9 | 2.5 | 0.0 | 366 |
| Class age | [40;50[| 29.0 | 23.1 | 25.3 | 2.5 | 0.0 | 308 |
| Cluster 3 (n=238; 17.8%) | | | | | | | |
| Class age | < 30 | 68.5 | 28.4 | 42.9 | 14.3 | 0.0 | 380 |
| Employment | Not working | 64.7 | 26.7 | 43.1 | 13.7 | 0.0 | 357 |
| Project implementation | EOCDF zone | 79.0 | 40.0 | 35.1 | 13.5 | 0.0 | 535 |
| Study level | Secondary | 65.1 | 43.0 | 27.0 | 7.5 | 0.0 | 575 |
| Project participation | Middle project participation | 29.4 | 13.5 | 38.9 | 7.2 | 0.0 | 180 |
| Basic services access | Low-average access | 37.8 | 21.6 | 31.3 | 6.3 | 0.0 | 288 |

| | | | | | | | |
|---------------------------------|-----------------------------|------|------|------|------|-----|-----|
| Safe drinking water | Occasional access | 70.2 | 52.3 | 23.9 | 6.1 | 0.0 | 699 |
| Toilet available | Open defecation | 63.9 | 46.2 | 24.6 | 6.0 | 0.0 | 617 |
| Empower | Low empowerment | 39.9 | 26.9 | 26.4 | 4.8 | 0.0 | 360 |
| Study level | Post Secondary | 24.4 | 15.4 | 28.7 | 3.9 | 0.0 | 206 |
| Gender | Male | 65.1 | 54.0 | 21.5 | 3.7 | 0.0 | 722 |
| Political participation | Low political participation | 37.8 | 28.1 | 24.0 | 3.5 | 0.0 | 375 |
| Wealth status | Low-average quartile | 35.7 | 27.4 | 23.2 | 3.0 | 0.0 | 366 |
| Meals per day | Three times eat | 29.0 | 23.2 | 22.3 | 2.2 | 0.0 | 310 |
| Cluster 4 (n=154; 11.5%) | | | | | | | |
| Study level | Not attended | 60.4 | 9.0 | 77.5 | 18.4 | 0.0 | 120 |
| Class age | >= 50 | 68.8 | 19.2 | 41.4 | 14.6 | 0.0 | 256 |
| Wealth status | Low quartile | 66.2 | 26.4 | 29.0 | 11.1 | 0.0 | 352 |
| Empowerment | Low empowerment | 58.4 | 27.0 | 25.0 | 8.7 | 0.0 | 360 |
| Subjective well-being | Not improved | 76.0 | 49.7 | 17.6 | 7.0 | 0.0 | 664 |
| Meals per day | One meal | 28.6 | 10.6 | 31.0 | 6.6 | 0.0 | 142 |
| Employment | Agric/Fish work | 48.0 | 27.3 | 20.3 | 5.8 | 0.0 | 365 |
| Gender | Female | 65.6 | 46.0 | 16.4 | 5.1 | 0.0 | 614 |
| Safe drinking water | Occasional access | 68.9 | 52.3 | 15.0 | 4.1 | 0.0 | 699 |
| Basic services access | Low access | 44.2 | 30.5 | 16.7 | 3.7 | 0.0 | 407 |
| Political participation | Low political participation | 39.6 | 28.1 | 16.3 | 3.2 | 0.0 | 375 |
| Toilet available | Open defecation | 58.4 | 46.2 | 14.6 | 3.2 | 0.0 | 617 |
| Cluster 5 (n=254; 19.0%) | | | | | | | |
| Toilet available | Traditional pit | 76.8 | 38.2 | 38.2 | 13.9 | 0.0 | 511 |
| Basic services access | High-average access | 62.6 | 29.5 | 40.4 | 12.3 | 0.0 | 394 |
| Project implementation | Total zone | 44.9 | 18.5 | 46.2 | 11.0 | 0.0 | 247 |
| Wealth status | High-average quartile | 48.8 | 24.5 | 37.8 | 9.4 | 0.0 | 328 |
| Project implementation | Agip zone | 34.2 | 16.0 | 40.7 | 8.1 | 0.0 | 214 |
| Political | Middle political | 43.7 | 23.9 | 34.8 | 7.8 | 0.0 | 319 |

| | | | | | | | |
|---------------------------------|---------------------------|------|------|-------|------|-----|-----|
| participation | participation | | | | | | |
| Empowerment | High empowerment | 67.3 | 45.8 | 27.9 | 7.6 | 0.0 | 612 |
| Employment | Artisan/Trader | 44.1 | 24.7 | 33.9 | 7.5 | 0.0 | 330 |
| Meals per Day | Two meals | 84.6 | 66.1 | 24.3 | 7.2 | 0.0 | 883 |
| Study level | Secondary | 63.4 | 43.0 | 28.0 | 7.2 | 0.0 | 575 |
| Project participation | Bad project participation | 71.6 | 52.2 | 26.1 | 6.9 | 0.0 | 697 |
| Safe drinking water | Occasional access | 67.7 | 52.3 | 24.6 | 5.4 | 0.0 | 699 |
| Subjective well-being | Improved | 61.8 | 50.3 | 23.4 | 4.0 | 0.0 | 672 |
| Safe drinking water | Regular access | 26.0 | 18.1 | 27.27 | 3.4 | 0.0 | 242 |
| Class age | [30;40[| 38.2 | 29.3 | 24.74 | 3.3 | 0.0 | 392 |
| Class age | [40;50[| 28.7 | 23.0 | 23.70 | 2.3 | 0.0 | 308 |
| Cluster 6 (n=208; 15.6%) | Flush | 72.1 | 15.0 | 74.63 | 21.6 | 0.0 | 201 |
| Toilet available | | | | | | | |
| Safe drinking water | Regular access | 68.3 | 18.1 | 58.68 | 18.6 | 0.0 | 242 |
| Wealth status | Highest quartile | 68.3 | 21.7 | 48.97 | 16.1 | 0.0 | 290 |
| Basic services access | Highest access | 52.4 | 18.5 | 44.13 | 12.3 | 0.0 | 247 |
| Project implementation | Agip zone | 43.3 | 16.0 | 42.1 | 10.4 | 0.0 | 214 |
| Empowerment | High empowerment | 77.4 | 45.8 | 26.3 | 10.0 | 0.0 | 612 |
| Project implementation | Total zone | 44.7 | 18.5 | 37.6 | 9.6 | 0.0 | 247 |
| Subjective well-being | Improved | 79.8 | 50.3 | 24.7 | 9.4 | 0.0 | 672 |
| Study level | Post Secondary | 36.1 | 15.4 | 36.4 | 8.1 | 0.0 | 206 |
| Employment | Other worker | 42.8 | 21.3 | 31.3 | 7.6 | 0.0 | 284 |
| Meals per day | Three meals | 43.7 | 23.2 | 29.3 | 7.1 | 0.0 | 310 |
| Project participation | Bad project participation | 63.9 | 52.2 | 19.1 | 3.6 | 0.0 | 697 |
| Basic services access | High-average access | 38.5 | 29.5 | 20.3 | 2.9 | 0.0 | 394 |
| Study level | Secondary | 50.0 | 43.0 | 18.1 | 2.1 | 0.0 | 575 |

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1 **Table 4: Binary logistic regression on well-being**
 2

| | | Crude model | | Adjusted model | |
|------------------------|---------------------------------|-------------|---------|----------------|---------|
| | | OR | CI 95% | OR | CI 95% |
| Intervention | EOCDF zone | 0.8 | 0.6-1.1 | 0.8 | 0.6-1.1 |
| (Ref no intervention) | Agip zone | 1.4* | 0.9-1.9 | 0.9 | 0.7-1.4 |
| | Total Zone | 2.3*** | 1.6-3.2 | 1.5** | 1.1-2.2 |
| Study level | Primary education | 1.8** | 1.1-2.6 | 1.8** | 1.1-2.8 |
| (Ref no education) | secondary education | 2.9*** | 1.9-4.5 | 2.4*** | 1.5-3.8 |
| | Post secondary education | 3.5*** | 2.1-5.6 | 2.3*** | 1.4-3.8 |
| Wealth status | Low-average quartile | 1.1 | 0.8-1.5 | 1.0 | 0.7-1.4 |
| (Ref low quartile) | high-average quartile | 2.2*** | 1.6-3.0 | 1.8*** | 1.3-2.4 |
| | highest quartile | 4.5*** | 3.2-6.3 | 3.4*** | 2.3-4.9 |
| Participation | average political participation | 1.3* | 0.9-1.7 | 1.1 | 0.8-1.5 |
| (Ref no participation) | high political participation | 0.9 | 0.7-1.1 | 0.8 | 0.6-1.1 |

3
 4 *Statistically significant at 0.1 level
 5 ** Statistically significant at 0.05 level
 6 ***Statistically significant at 0.01 level
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