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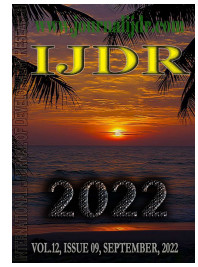
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RESEARCH ARTICLE

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CORPORATE SOCIAL RESPONSIBILITY BY PETROLEUM COMPANIES AND ITS IMPACT ON THE LIVELIHOOD OF THE POPULATION IN BAMUSO SUBDIVISION

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ABSTRACT

Corporate Social Responsibility (CSR) is a concept that has attracted worldwide attention and acquired a new resonance in the global economy. The aim of this study has been to evaluate the effectiveness of the Corporate Social Responsibility of petroleum companies that are engaged in the extraction of minerals in Bamusso Sub-Division. To realize this goal, participant observation, in-depth interviews, and semi-structured questionnaires were used as instruments to collect data, prior to the qualitative and quantitative analysis of the data. The study found that there is no functional relationship between petroleum companies and local stakeholders and that the level of social corporate responsibility is low. The study further found that the livelihood of the inhabitants has not improved significantly due to CRS of petroleum companies rather lots of negative effects from the extraction activities have befallen the inhabitants. Also, Petroleum companies do not effectively fulfill and carry out their intended socio-economic and environmental responsibilities toward the local population. The findings in this study caused a suggestion that the government should ensure companies perform their corporate social responsibilities to the communities and that Petroleum Companies when operating in a community should provide sustainable social amenities to contribute to local development.

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INTRODUCTION

The "new role" that corporations must play in order to satisfy the requirements of the current generation without jeopardizing the ability of future generations to satisfy their own wants is a challenge for businesses all over the world (Pettit, 2005). Organizations are being urged to accept accountability for how their operations affect people and the environment (Sheehy & Farneti, 2021). Additionally, they are expected to incorporate sustainability ideas into their operations. Sustainability in this context refers to an organization's efforts that show how social and environmental concerns are considered in corporate operations and in contact with stakeholders (Sheehy & Farneti, 2021). These activities are often seen as voluntary (Pettit, 2005). The human right to a healthy environment is a relatively new one, according to the Human Rights Manual (July 2010). It is first seen in the African Human Rights Convention's San Salvador Inter-American Protocol's African Charter on Human and People's Rights. It entered the discussion of the right to development and environmental protection through the Rio de Janeiro (1992) and Johannesburg (2002) World Summits. The right to a healthy environment is closely linked to the right to a living standard that is adequate, adequate housing, a healthy life, respect for private and family life, and especially the protection of the rights of minorities and indigenous groups (Mbalisi & Okorie, 2020). Environmental protection and the conservation of natural resources are key components of sustainable development. Environmental protection has been incorporated as a cross-sectoral theme by ADC are subject

to a duty evaluation and environmental effect assessment as part of quality control. In a broader understanding, all the above-mentioned actions are directed towards influencing the livelihood of the population, in the short and long run. In a study by Anne et al (2018) in Australia, some cooperate social responsibility programs end up becoming structural adjustment programs, to influence the livelihood of the population, either by adaptation, innovative techniques and/or transformation. However, the authors reiterate on the importance of building and involving the human resource of the population, to facilitate actions and approaches which are captured in the CSR programs, and by extension meant to influence the livelihood and sustainability of the population. In a wider view, CSR refers to a set of management procedures that guarantee a corporation to maximize good social effects of its activities, or "working in a manner that fulfills and even surpasses the legal, ethical, commercial and public expectations that society has of business" (BSR, 2001).

CSR has a hazy one with ambiguous boundaries and questionable validity (Lantos, 2001, Cramer et al., 2006). Importantly, Stakeholder theory has replaced Agency theory as the dominant CSR methodology. The best indication that the notion of CSR has a normative humanitarian foundation is the name of the concept itself (Corporate Social Responsibility), although contemporary trends from Positive strategic orientation to CSR, as opposed to the normative altruistic slant of CSR, is clearly indicative of a paradigm change in both academics and industry. The definition of CSR has been expanded to include new elements since the 1950s and has greatly increased in popularity since then. Above all, CSR is based on

principles. It provides a framework for measuring and evaluating performance while also allowing organizations the freedom to consider their own socially and environmentally significant factors and make plans accordingly without being favorably or unfavorably compared to organizations with different priorities. Accountability, transparency, and sustainability are the guiding values of CRS. Sustainability examines the impact that activities now and the choices will have in the future (Alshehhi et al., 2018). If resources are used too much now, they won't be available in the future, which is especially concerning if the resources are limited in quantity or non-renewable resources. Some authors contend that CSR can be employed as a defensive strategy, with the latter being more common among businesses targeted by activists, or it can be considered as an essential component of business strategy and corporate identity. A moral argument, a rational argument, or an economic argument might serve as the foundation for the case for CSR (Wether and Chandler, 2006). Campbell (2007) serves as an example of a body of research that formulates hypotheses about the circumstances in which businesses may turn to CSR. According to him, issues including the firm's financial situation, the state of the economy, and the effectiveness of state regulations all have an impact on how socially responsible a company is. CSR techniques become beneficial for fostering community development through stakeholder collaborative approaches, according to research on CSR contributions to community development, such as Idemudia (Gallardo-Vázquez et al., 2019). In the US, Malaysia, and Spain, CSR is thought to have a beneficial impact on stakeholders' perceptions of the company and its customers. (Afriyadi & Fauziah, 2021) acknowledged the benefits of CSR in terms of Community wellbeing on a national and international scale as well as government assistance. Elsewhere, CSR practices are made with sustainable development and societal welfare in mind in China and Germany (Nguyen et al., 2021). Also, CSR should consider the community's social, economic, and environmental effects. These studies provide early evidence that CSR practices have an impact on community welfare.

Therefore, the exploitation of natural minerals becomes a shared responsibility for sustainability of resources by the community and the companies to ensure that there a positive relationship between resource exploitation and replacement and (Hawken, 1993) explained in terms of the ecosystem's carrying capacity. In Cameroon, the extractive industries have given the nation a great deal of exposure (United Nations, 2021) and sectors like agriculture, roads, railroads, significantly petroleum and forestry industries have all given Cameroon a place. Bananas, cocoa, palm oil, and tea may all be grown extensively commercially due to the region's geographic circumstances. Mineral deposits in Cameroon include those for bauxite, cobalt, diamonds, gold, iron ore, and among other things, and uranium (Ollong, 2017). Despite the industry's long period of inactivity, the state pushed new mineral development in the 1990s caused by the world's diminishing oil supplies. Clearly, (Ollong, 2017) stated that Cameroon is a country endowed by nature. It has a vast natural resource potential such as soil, hydrology and minerals that predisposes it to be a veritable Garden of Eden in the agro-pastoral area. Currently, bauxite, gold, diamond, and aluminum are all produced within the country. Despite huge deposits, in comparison to the deposits, the amounts generated are small (Ollong, 2017). For instance, Artisanal mining produces 1800kg of gold year (USUS, 2008). With the opening of additional diamond, cement, nickel, manganese, and cobalt mining sites, this was anticipated to increase throughout 2012 and beyond. The start of sizable projects for iron ore, bauxite, and dominium was anticipated for 2014–2015 and prospectors who are looking for commercially viable resources continue to exploit the area. Despite the increase in exploitations, the livelihood of the inhabitants of these mineral-rich communities seems not to have witnessed any significant improvement. This is similar to (Taabazuig et al., 2012) who stated that in Ghana, despite having abundant mineral resources like gold, bauxite, manganese, diamonds, and oil, is still a relatively underdeveloped nation with 45% of its citizens earning less than US\$1 per day. Although well-endowed with mineral resources such as gold, bauxite, manganese, diamonds and oil, Ghana remains a relatively poor country with 45% of its

population earning below US\$1 a day. With the increasing exploitation of minerals in Cameroon in different parts, the hope is that the living conditions of the people in these areas have improved. But it seems that is not the case. Thus, this paper examines how Corporate Social Responsibility by Petroleum Companies affects the Livelihood of the Population in Bamuso Subdivision as a case study of the mineral exploitation in Cameroon.

METHODOLOGY

Research methodology directs the research approach and answers two key questions in this paper: How was the data collected and how was the data analysed? This study was conducted in the Bamusso Subdivision. The subdivision's administrative center is in Bamusso Town, which is around 25 kilometers from Mbonge. With a total surface area of 885 km², the Bamusso Sub-Division is home to 27 localities and an estimated 95,674 residents. This study adopted a descriptive survey design and mostly qualitative data was collected. Specifically, used different tools for data collection: observation checklist, semi-structured questionnaire, an in-depth interview, and focus group discussion with adult females, adult men, and youth. Every interview and FGD was captured on tape and then transcribed for analysis. During the field observations, images were taken with a digital camera. Because the villages included in the study were those that were considered to be concerned by the oil exploitation activities, the sampling was of a deductive nature. For the administration of the general questionnaire, participants were conveniently chosen, but for the in-depth interviews, community leaders, youth leaders, women leaders, and local elites were purposefully sampled. The survey included villagers (common people (14), elite (10), Students (2), youth leaders (4), women leaders (4), traditional leaders and chiefs (12), and (4).

By mixing qualitative and quantitative approaches in the analysis and interpretation of outcomes as well as three different statistical packages, the triangulation process was carried on into the data analysis. Because it aided in the arrangement of ideas, points of view, emotional attitudes, and observations to make them more understandable and relevant, the qualitative approach was adopted (Nana, 2012). Quantitative analysis was used since the weight or skull of the indicators, which is displayed in tables and bar charts, is considerably more significant. The benefit of qualitative analysis is that it reveals the truth from the material acquired. In order to analyze the data, ATLAS Ti, Epi Info, and SPSS were used. Statistical tables, a code-quotation-grounding report, bar charts, and pie charts were used to display the results.

FINDINGS

Community involvement in oil exploitation: The study identified stakeholders involved in oil exploitation in Bamusso Sub-Division. The results as shown on Figure 1 revealed that 81.8% of the oil exploitation is done by companies, external individuals constituted 5.2% and the local villagers made up 8.1%. This shows oil exploitation is dominated by companies. Though the indigenes were not directly involved in oil exploitation, they were however consulted by the Petroleum Company. The limited involvement of the community in the exploitation oil due shows a certain level of CRS as Uhlander et al. (2004) highlighted community involvement as a major indicator of CSR whose implementation is pre-requisite to the sustainability of Petroleum Companies in a given locality.

Impact of oil exploitation on the ecosystem: The study as shown on Figure 2 found that oil exploitation has an effect on the ecosystem as revealed by the local inhabitants. This study found that inhabitants considered that oil exploited in their community has significant (76.0%) effect on wildlife, 48.0% on the soils, the health of the people (32.0%), the fish catch, the climate, and the flora (24.0%), (24.0%) and (24.0%) respectively

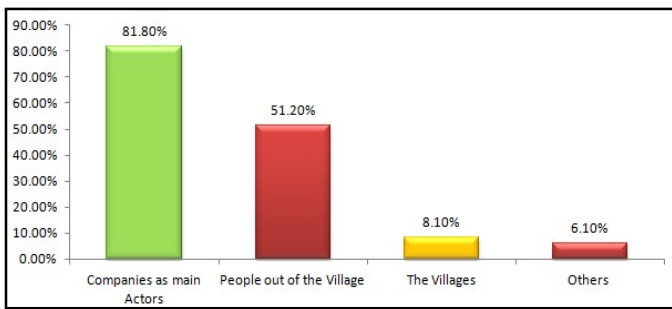


Figure 1: Community involvement in oil exploitation

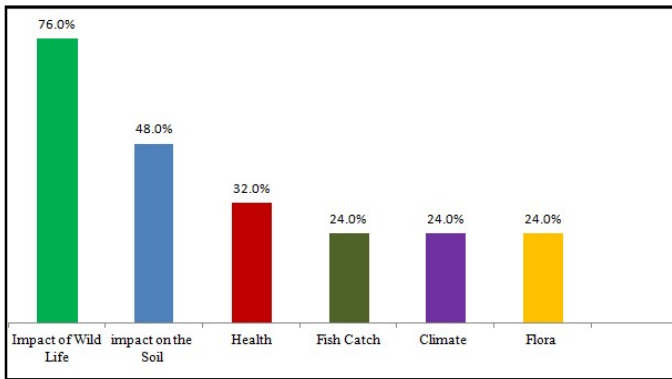


Figure 2: The impact of oil exploitation on the ecosystem

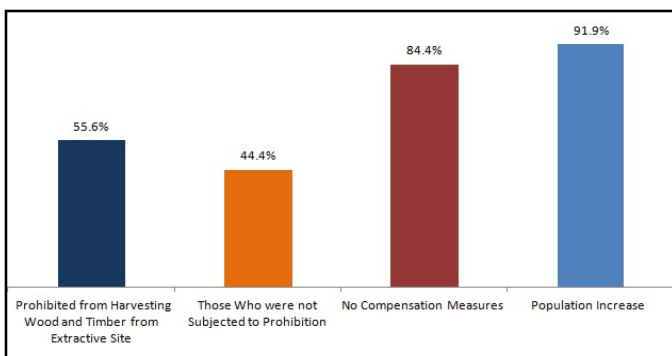


Figure 3: The Environmental Conservation Measures Taken by Kosmos Petroleum

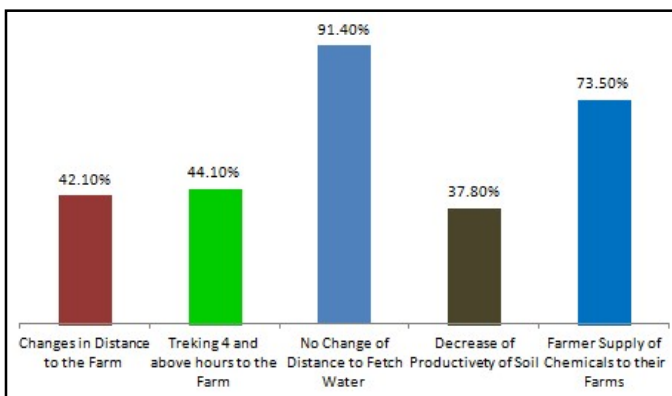


Figure 4: The Impact on Local Inhabitants

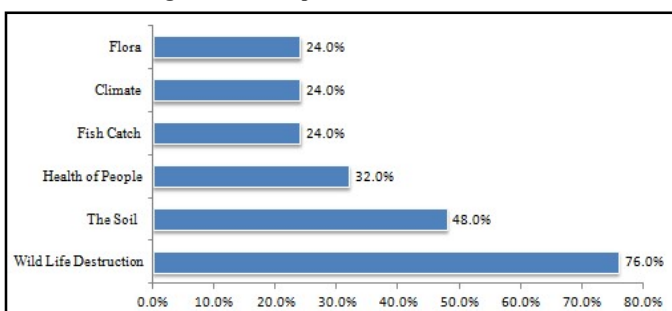


Figure 5: Impact Cause on the Environment by Petroleum Companies

The qualitative data further supported this finding as it showed that the indigenous felt a reduction of wildlife in the community. The local inhabitants pointed to a reduction in the fishing rate. One of the participants indicated “fishing has really depreciated along with time due to the in discriminable catch by the local inhabitants themselves”. Also, the findings uncovered that some wildlife are not common today as in the past: Speothos venaticus, Pan troglodytes, Gorilla gorilla gorilla, Potamochoerus porcus, Proboscidea elephantidae, Panthera pardus, Cephalophus ogilbyi, Hippopotamus amphibius, Antilocapra americana, Rodentia muridae, Erethizon dorsatum, Thryonomys Swinderianus, Python regius, Rodentia sciurus, Bison bonasus, Crocodilia nilocicus and Crocodilus mississippiensi. The consequence of the oil exploitation was also felt in terms of change in climate and they indicated that main factor of oil exploitation has resulted in deforestation. One of the participants stated blatantly “the main reason for the increasing climate is the oil exploitation activities, deforestation, and felling of trees by these companies without reafforestation”.

CSR through Environmental Conservation measures taken by Kosmos Petroleum:

From the responses of local inhabitants shown in Figure 2, 55.6% revealed people were prohibited from harvesting wood and timber at the extracting site while 44.4% of inhabitants stated that those whose farm was farther were not subjected to the prohibition. They also dominantly stressed that no compensation measure was taken according to majority (84.4%) despite the fact that they were prohibited from farming which thus negatively affected their livelihood. According to the local inhabitants, 91.9% postulated having high population increase in the community due to the many activities carried out in the community; for example, the drilling process of the petroleum companies has brought an influx of people. This has not been accompanied by an increase in the income livelihood of the inhabitants who do not significantly participate in the oil exploitation.

Protection of water resources:

Water sources were not highly threatened as perceived by the community members whereby the dominant majority 26 (72.2%) believed oil exploitation was far from them.

Impact on local inhabitants:

A good number of inhabitants said that distance to their farm has changed (reduce or increased) 16 (42.1%); the greater share 15 (44.1%) now trek 4 hours and above to reach their farm. They attributed this to bad roads, deviation of the road, oils extraction activities, population growth and settlement and extension of drilling process. Community member generally did not perceive any improvement in water supply as they experienced no change in the distance to fetch water 32 (91.4%). 14 (37.8%) of respondents perceived a decreased in the productivity of soil as they observed low output as compared to past years and they attributed this to the use of chemicals, oil extraction, farmers’ shifting from farming to oil extraction activities, climate change, expanding settlement, reduction in fertility, farmers cannot afford farming tools and lack of input to improve fertility. It is in this line that 25 (73.5%) of farmers supply chemical to their farm to improve fertility and reduce pest.

Impact on the environment cause by the petroleum company:

According to the local inhabitants, the fishing rate has really depreciated along with time due to the discriminable catch by the local inhabitants themselves; this is [proven from their responses of 18(52.9%) local inhabitants. Number of animals was identified as not been common today as in the past; they were; Speothos venaticus, Pan troglodytes, Gorilla gorilla gorilla, Potamochoerus porcus, Proboscidea elephantidae, Panthera pardus, Cephalophus ogilbyi, Hippopotamus amphibious, Antilocaparaamericana, Rodentia muridae, Erethizon dorsatum, Thryonomys Swinderianus, Python regius, and Crocodilus mississippiensi. However, they also acknowledged that the company took some environmental conservation measures, 20(55.6%) said that people were prohibited from harvesting wood and timber in the extracting site while 16(44.4%) inhabitants said only those whose farm was farther were not subjected to the prohibition.

They also dominantly stressed that no compensation measure was taken as 21(84.4%) of them said people who were subjected to prohibition were given another site to harvest forest products. They also pointed out the willingness and actions of the petroleum companies to fight against corruption and favoritism. They were also informed of the coming and the activities of the petroleum companies, thus testify the willingness of these companies to act in a participatory way. Contribution to local development and philanthropic actions were poorly graded but weighted by the failure of oil prospection. However assessing the sustainability of the activities of these petroleum companies is equivocal as they did not really carried out oil exploitation. It is however recommended that the implementation of CSR as highlighted by Uhlancer et al. (2004) relies on a mixed perspective, considering economic benefits, conformance to legal and ethical expectations, and philanthropic and community involvement but the environmental component is perceived as very important by Van Marrewijk and Verre, 2003 who believed that attention should be given to the way corporate impact societies and the natural environment as well as the way they apply sustainability principles to the ways in which they conduct their business.

CONCLUSION

In conclusion, all mining businesses in Cameroon and the Ndiang division have a critical role and obligation in the area of corporate social responsibility. The social obligations that these establishments bear will determine how these extraction zones grow. Therefore, when a company or group of companies fails to accomplish this, it has an impact on how these communities evolve. The extent of the harm done to the environment, way of life, and population in such places is also addressed by CSR. In general, the study demonstrates that most mineral extraction corporations, with Kosmos as an example, have been failing in their task over time. While safeguards had been put in place to safeguard the extraction businesses as well as the neighborhood, its environment, and its residents. enforce these agreements. However, it is now abundantly evident to us that the underdevelopment of the region of Cameroon with the biggest mineral deposits is almost certainly due to irregularities and a lack of responsibility that has been exaggerated by many players.

Recommendations

The Cameroonian government ought to serve as the final arbitrator of corporate social responsibility. It is crucial for society to rely on executives' moral character and responsibility rather than political pressures. However, the claim is that occasionally "political judgments may be required to answer major questions," i.e., issues relating to corporate social responsibility. This is due to the fact that public policy, which is the main function of government, encompasses CSR problems as well. For instance, should profitable businesses cut staff?

-Given that layoffs can result in significant costs for former employees, their families, and communities, it is a question of business (ethical) policy as well as a matter of public policy to release redundant personnel rather than redeploy them or retain them for new positions. It is proposed that the government's role in this situation may be to assist oil companies in internalizing the social costs of layoffs without creating significant inefficiencies, perhaps by increasing the unemployment insurance premiums on profitable companies that engage in them while lowering premiums on profitable companies that do not. Alternately, if society wants businesses to assume the duty of helping unemployed workers find new jobs, the government might provide these businesses with tax breaks or credits. In general, the government judge's corporate social responsibility through the use of tax credits or incentives.

-The Cameroon government can also play the arbiter role by enforcing rules and establishing minimum standards to assist society in overcoming free-rider issues. The government can impose a requirement that all businesses contribute a small percentage of their payrolls to non-firm specific training, or provide tax incentives for employee training generally, in situations where all companies would benefit from training their employees in skills applicable to the entire industry or beyond (Reich, 1896).

-In order to support local development, petroleum businesses operating in a community should offer sustainable social amenities. In a word, it's imperative that they comply with CSR rules in order for their operations to remain viable.

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