

Chapter 34

Stakeholder Interaction for Sustainability: The Impact of Social Media on Nigeria's Oil and Gas Industry

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ABSTRACT

The wave of new media technology is sweeping across the globe. Given its speed of information dissemination and retrieval, it is relevant to explore how it can be used to manage corporate-stakeholder relations, engagement, and communication. This is because communication is an effective medium for managing relations (and crisis). In the post-conflict era in Niger delta region of Nigeria that has been described as slipping into the abyss of renewed conflict and violence following perceived failure of the amnesty deal to drive change, it is crucial to rethink the instrumentality of the new media in bringing better corporate-community relations in the region. It is expected that this process will democratise stakeholder engagement and widen discursive space following the speed, method, and multiplicity of the platforms that new media affords. The author also hopes that arguments shared here will cause a rethink on the possibility of a sustainable future in post-conflict Niger delta through new media technology.

INTRODUCTION

Nigeria is a major crude oil exporter with equally huge potentials to be a major player in the global marketplace (LaMonica, 2011). Sadly this is not the case, as the nation is embroiled in deepening crisis and conflict following oil exploration. It has been argued that the reason for this landscape is the scramble for ownership and wealth distribution coming from oil. In a similar vein, Kashi (2008) contends that the mode of oil exploration and exploitation is largely responsible for lingering conflict/crisis among stakeholders (particularly the multinationals and community people) in Nigeria. Despite being the fifth oil producer in the world, as well as having enormous human and natural resources, Nigeria is imperilled by

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mutative shades of conflicts that have stunted the nation's environmental sustainability and development. And for the foremost part, this has also triggered corporate-community impasse. This poor landscape is more pronounced in the Niger delta, the oil-producing region of Nigeria (Frynas, 2009; Idemudia, 2010). The Niger delta is located in the Southern part of Nigeria. This region is one of the world's largest wetlands with total land area approximately 29, 100 km square; this excludes the continental shelf (Gobo & Abam, 2006). The region is made up of nine oil-producing states called the Niger delta region, which is experiencing lingering oil-induced conflicts and corporate-community problems.

Following decades of neglect, marginalisation and oppression through unethical business practice that has given rise to conflicts between the multinationals (MNCs) or companies and the community people in the region, this paper argues that corporate-stakeholder conflict can be managed via new media. New media system and mechanism if employed can deepen more cordial stakeholder engagement thereby defusing future conflicts given the democratised method of engagement that it affords. Throughout history, when violence and other brute forms of governance fail, humanity turns to dialogue – communication – which is central to reaching consensus and mutual interest representation (Habermas, 1984). Communication amongst individuals/stakeholders to arrive at trust, mutuality and consensus predicated on shared sense-making and sense-giving (Morsing & Schultz, 2006), is vital for managing conflict. As the paper argues, this process will bring to the fore collegial engagement for a peaceful and harmonious relationship between the multinationals and their host communities in the region (Evuleocha, 2005). This can also impact on transcending “predation-insurgency” (Chung, 2009, p. 132) claim. This proposed method of a more cordial corporate-stakeholder engagement is in congruence with what Xu & Thomas (2010) have identified as “relationship-oriented behaviour” (p. 404) management in dealing with conflict management.

LITERATURE REVIEW

The presence of the multinationals (MNCs) in developing countries has generated criticisms and corporate-stakeholder impasse as their institutional philosophy often conflicts with stakeholders' perception and interests (Madsen, 2009; DiMaggio & Powell, 1983). The stakeholders have often perceived the MNCs as not living up to their billings in terms of corporate social responsibility (CSR) and sustainable business culture (Evuleocha, 2006; Frynas, 2009). The conflicting stakeholder perspectives on CSR have intensified debate on the role of business in society. Corporate social responsibility is not merely business-society dynamics; rather it is a method of considering the role of firms in society, which goes beyond the narrow economic perspective by incorporating social and environmental concerns (Carroll, 1999). This parallels what Elkington (1997) characterised as triple bottom line approach to business by factoring in economic, environmental and social issues.

Since the discovery of oil in commercial quantity in Nigeria's Niger delta for nearly six decades, the nation has witnessed one of the worst forms of conflict, poverty, marginalisation, and environmental devastation. To this end, the stakeholders (community people, NGOs, and the media) have accused the MNCs of not being committed to CSR initiatives (Agbibo, 2012). Thus, the ongoing conflict in the region is a consequence of oil politics, exploration and exploitation. To this end, in his book, *Crude World: The Violent Twilight of Oil*, Peter Maass stated the Niger delta's sorry state:

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