

LAXITY IN EXECUTION OF CORPORATE SOCIAL RESPONSIBILITY BY THE MULTI-NATIONALS AND YOUTH RESTIVENESS IN AKWA IBOM STATE

Prof. Emmanuel Amos UMANA, *FNIM, FCIArb, FCIMC, CFE (USA)*
Obong University, Obong Ntak,
Akwa Ibom State

AND

Bassey S. UDOM, *Ph.D*
Sociology and Anthropology
Social Sciences
University of Uyo
Akwa Ibom State

ABSTRACT

Youth restiveness has become a topical issue for discussion in the social, economic, and political objective concern for the welfare of society, which restrains individual and corporate behaviour from ultimately destructive activities, no matter how immediately profitable, and which leads in the direction of positive contributions to human betterment. The study is aimed at assessing the impact of laxity in execution of corporate social responsibility by multinationals and youth restiveness in Akwa Ibom State. Multinational corporations have a great impact on youth restiveness in the community in which they are settled through corporate social responsibilities. Activities such as provision of social amenities, job opportunities, and skill acquisition programmes by multinational corporations go a long way in reducing youth restiveness. It is a fact that Nigeria cannot thrive and progress significantly with youths who are restive. Nigeria's peace, security and corporate existence as a nation are threatened because of the prevalence of this phenomenon. Corporate social responsibility is the intelligent and disadvantages ranging from lack of peace to destruction of lives and properties. Three concepts were accessed in the study, ranging from the concept of corporate social responsibility, the concept of multi-national and the concept of youth restiveness. The types of corporate social responsibilities and the classes of multinational corporations are not exempted from the study. The effect of lack of corporate social responsibility in relation to youth restiveness is also assessed in the study. From the study, it is concluded that the failure of a multinational corporation in carrying-out these social responsibilities can lead to a lot of domains in Nigeria and further recommended among others that multinational corporations should engage in social responsibilities in the community wherein they are settled to help curb youth restiveness.

KEYWORDS: Corporate Social Responsibility, Multi-national, Youth Restiveness and Akwa Ibom State

Introduction

A multinational corporation is a business organisation whose activities are located in more than two countries and is the organisational form that defines foreign direct investment. This form consists of a country location where the firm is incorporated and the establishment of branches or subsidiaries in foreign countries. Multinational companies can, obviously, vary in the extent of their multinational activities in terms of the number of countries in which they operate. A large multinational corporation can operate in 100 countries, with hundreds of thousands of employees located outside its home country. However, in modern day business culture, businesses, especially multinational companies, are continually appreciating the new values and dynamics in the business world. This implies that business managers have the opportunity to study the immediate environment in which they have chosen to live and work, and to contribute to the development of such areas without jeopardising the firm's profit motive, with attendant wealth maximisation to shareholders.

Restiveness among youth has become one of the global phenomenon and those in Nigeria has been on unprecedented increase. Since last decade and more there has been a proliferation of unrivalled violence, the cases of kidnapping, abduction and wanton destruction of valuable infrastructures as well as lives and personal properties. These are mostly the activities of youth that are socially unacceptable triggered by enforced desired of outcome from the constituted authority. This negative development according to (Igbo, 2013) is unfortunate and has become one of the security challenges facing man in the present society. It is commonly reported that poverty, unemployment and lack of access to education among others were responsible for this high level of insecurity orchestrated by youth restiveness in the form of bombing mosques, churches, markets and killing of innocent people. Youth's restiveness has led to the inactiveness of the youths to tackle problems, discharge responsibilities effectively and inability to meet goals of the society.

Corporate social responsibility is perhaps one of the most dynamic, complex, and challenging issues in modern business management. Corporate social responsibility contributes to the socio-economic development of the immediate society they live in, enabling them to carry on their business activities and the world at large while demonstrating respect for the people, the community, and the environment. According to Kohlfeldt (2011), corporate social responsibility is a strategic tool that is being employed by organizations to obtain a favorable response from their stakeholders; youth are also part of these business stakeholders. This justifies why most companies and businesses are re-strategizing their corporate social responsibility activities to empower the youth. Most companies are coming to terms with the fact that youth are a vital segment of the society that determines peaceful societies that sustain economic growth. Empowering such youths will amount to stimulating them actively in the business cycles.

Concept of Corporate Social Responsibility (CSR)

Corporate social responsibility (CSR) has been conceptualised differently by individuals (Griffin, 2000). Indeed, Amaeshi and Adi (2005) argue that there are as many definitions of corporate social responsibility (CSR) as there are writers on the topic. Malovicša, Csigene, Noemi, and Kraus (2008) opined that corporate social responsibility (CSR) is centred on the notion that the business sector should not only concentrate on profit-oriented commercial activities but also play a non-economic role in society. It is the manager's duty or obligation to make a decision that nurtures, projects, enhances, and promotes the welfare and wellbeing of stakeholders and society as a whole (Rahman, 2008). Kotler and Lee (2006) state that corporate social responsibility is a commitment to improving community well-being through discretionary business practices and contributions of corporate resources. McWilliams and Siegel (2001) defined CSR as actions that appear to further some social good, beyond the interests of the firm and that which is required by law. Important in this definition is that CSR activities are on a voluntary basis, going beyond the firm's legal and contractual obligations. The European Commission (United Nations Habitat, 2001), defined Corporate Social Responsibility as a concept whereby companies integrate social and environmental concerns into their business operations and into their interaction with their stakeholders on a voluntary basis (Olatunle, Gumus and Wanjuu, 2020).

Gustafson (2002) states that the concept of corporate social responsibility is relatively old in the business world, spanning over seven decades; there is no generally accepted worded definition. Regardless, the concept's core is based on an ongoing call for businesses to not only act ethically, but also to contribute to the socioeconomic development of the immediate society in which they live in order to carry on their business activities and the world at large while demonstrating respect for the people, the community, and the environment (Soreh, 2012).

Concept of Multi-Nationals

Initially, the term was generally understood to refer to a company that owned, directly or through its subsidiaries, assets located in the territory of more than one state. The term "multinational" has become a shorthand way of referring to a variety of cross-border commercial arrangements and alliances (Zerk, 2006). Today, the term is as likely to refer to an international brand as to any particular organizational structure. The OECD Guidelines define multinational enterprises as enterprises that usually comprise companies or other entities established in more than one country and so linked that they may co-ordinate their operations in various ways. In other words, there will be control relationships between different entities, located in different countries, which may or may not result from shareholdings (Zerk, 2006).

A multinational corporation is a business organisation whose activities are located in more than two countries and is the organisational form that defines foreign direct

investment. This form consists of a country location where the firm is incorporated and the establishment of branches or subsidiaries in foreign countries. According to Martinelli (1975), multinational companies can, obviously, vary in the extent of their multinational activities in terms of the number of countries in which they operate. A large multinational corporation can operate in 100 countries, with hundreds of thousands of employees located outside its home country. The economic definition emphasises the ability of owners and their managerial agents in one country to control the operations in foreign countries. There is frequent confusion that equates the ability to control with the flow of capital across national borders. Since Hymer's thesis (1976), it is widely recognised that capital flow is not the distinguishing characteristic of a multinational corporation. The economic definition, however, does not capture the importance of the multinational corporation as the organisational mechanism by which different social and economic systems confront each other. The multinational corporation, because it usually develops in the cultural and social context of one nation, exports its organisational baggage from one institutional setting to another. In this regard, it plays a powerful role as a mechanism by which to transfer organisational knowledge across borders. However, while being foreign implies that it might serve the valuable role of importing new practices, its status as a foreigner also implies that its practises are likely to conflict with existing institutions and cultural norms (Martinelli, 1975). Moreover, since multinational corporations are often large, they pose unusual challenges to national and regional governments who seek to maintain political autonomy and yet are often anxious to seek the investment, technology, and managerial skills of foreign firms.

Concept of Youth Restiveness

Youth restiveness is the extreme form of deviant behaviour among youths which is socially unacceptable in any society. Youth restiveness involves the combination of actions behaviours attitudes exhibited by youths which are socially unacceptable and unwholesome in the society (Igbo & Ikpa 2013). According to them youth restiveness has been a device through which youth use to obtain what they want from the relevant authority (2013). Similarly, Elegbeleye (2005) view it from the angle as a "sustain protestation embarked upon to enforce desired outcome from a constituted authority by organised body of youths". It is accompanied by disruption of law, conflict and violence. The common features of these organised bodies of youth are the resort to violence, and one would agree that their activities posed great challenges to the security of the country. The violent nature of these youth activities has been responsible for the wanton destruction of valuable infrastructures, kidnapping and loss of lives (Yusuf, 2014). These acts had not only created dirty atmosphere but also endangered the security and affects national sustainable development.

According to Yusuf (2014), youth restiveness is an extreme form of deviant behaviour among youths which is socially unacceptable in any society. Youth restiveness involves the combination of actions, behaviours, and attitudes exhibited by youths which are

socially unacceptable and wholesome in society (Igbo & Ikpa, 2013). They argued that youth restiveness has been a device through which youth have used to obtain what they want from relevant authorities. Similarly, Elegbele (2005) defined it as a protest undertaken by an organised body of youth to enforce a desired outcome from a constituted authority, which is usually accompanied by disruption of law and order, resulting in conflict and violence. The common features of these organised bodies of youth are the resort to violence. One would agree that their activities pose great challenges to the security of the nation (Yusuf, 2014). Literature reveals that no economic and community development activity can thrive in an environment full of violence, killings, destruction of valuable infrastructure, and disruption of electoral processes.

Types of Corporate Social Responsibilities

Corporate social responsibility is traditionally broken into four categories: environmental, philanthropic, ethical, and economic responsibility (Stobierski, 2021).

1. *Environmental Responsibility.*

Environmental responsibility refers to the belief that organisations should behave in an environmentally friendly a way as possible. It is one of the most common forms of corporate social responsibility. Some companies use the term "environmental stewardship" to refer to such initiatives. Currently, we need to focus on two main areas of our environment: limiting pollution and reducing greenhouse gases. Companies are bound to fulfil their economic responsibility because awareness of environmental issues is growing largely among consumers, and today they want businesses to take the necessary steps to save our planet and preserve all the life on it. An example of environmental responsibility is Tesla Motors, which designs cars combining style, acceleration, and handling with advanced technologies in order to make them more environmentally friendly and reduce pollution. Tesla cars do not need gasoline refuelling and they can be charged at home (Transparent Hand, 2018).

2. *Philanthropic Responsibility.*

Philanthropic responsibility refers to a business's aim to actively make the world and society a better place. In addition to acting as ethically and environmentally friendly as possible, organisations driven by philanthropic responsibility often dedicate a portion of their earnings. While many firms donate to charities and nonprofits that align with their guiding missions, others donate to worthy causes that don't directly relate to their business. Others go so far as to create their own charitable trust or organisation to give back.

3. Ethical Responsibility:

Ethical responsibility is concerned with ensuring an organisation is operating in a fair and ethical manner. Organizations that embrace ethical responsibility aim to achieve fair treatment of all stakeholders, including leadership, investors, employees, suppliers, and customers. Firms can embrace ethical responsibility in different ways. For example, a business might set its own, higher minimum wage if the one mandated by the state or federal government doesn't constitute a "livable wage." Likewise, a business might require that products, ingredients, materials, or components be sourced according to free trade standards. Firms can embrace ethical responsibility in different ways. Some common examples of ethical responsibility include setting a higher minimum wage, guaranteeing all materials are ethically sourced, and ensuring that all employees receive competitive pay and comprehensive benefits as well as being treated with respect (Pacific Oaks College, 2021).

4. Economic Responsibility:

Economic responsibility is the practise of a firm backing all of its financial decisions with its commitment to do good in the areas listed above. The end goal is not to simply maximise profits but to positively impact the environment, people, and society. In this context, companies try to find a solution that can facilitate their business growth and generate profits by benefitting the community and our society. Here, economic decisions are made by considering their overall effects on society and businesses at the same time. Hence, economic responsibility can improve business operations while engaging in sustainable practices (Transparent Hand, 2018).

Classes of Multi-Nationals

There are different models of multinational corporations. Multinational corporations typically have a central office in their home country, coordinating and managing other branches and assets. Below, we look at these four business types (CPAs and Business Consultants, 2019).

Multinational Decentralized Corporation:

A decentralised multinational corporation maintains a prominent presence in its home country. With decentralization, the corporation's organisational structure doesn't have management or administrative centers. Instead, each office or asset hosts a unique management structure. Decentralization allows for rapid expansion. Each new unit can operate as a separate entity within a local market.

Global Centralized Corporation:

The organisational structure of a centralised global corporation has a chief administrative and management office, or head office. The corporation may outsource production to developing economies to lower costs, for example. These businesses may

also develop production infrastructure in these countries to optimise affordable resources and acquire cost advantages.

International Company:

One of the objectives of an international company is to build on the research and development of its parent company. Effective R&D allows for the creation of new products or the addition of features to existing successes. Building on existing R&D gives these global companies a competitive edge in local markets, too. Other benefits include an increase in market participation and better cost management.

Transnational Enterprise:

Transnational enterprises generally have a decentralised organisational structure. These corporations do business in several countries without having one location as their corporate home. Transnational enterprise structures engage in value creation in various countries while maintaining high levels of responsiveness. It is a flexible and efficient approach that is gaining popularity.

Effect of Lack of Corporate Social Responsibility on Youth Restiveness

Corporate social responsibility is a strategic tool that is being employed by organisations to obtain a favourable response from their stakeholders; youth are also part of these stakeholders (Kohlfeldt, Chhun, Grace, & Langhout, 2011). This justifies why most companies and businesses are re-strategising their corporate social responsibility activities to empower the youth.

The lack of this corporate social responsibility has a great negative impact on the youth, resulting in the encouragement of youth restiveness. Akpan (2005) stated that conflict in the region has led to widespread killing and maiming, destruction of property, displacement of people, suspension of economic activities and loss of livelihood. The violence of Niger Deltan youths was a threat to the nascent democracy because the investors who would have come to invest in the country for the purposes of creating employment and other development therein could not come to invest. Oil multinational companies have experienced losses due to the constant blockade of their premises and the blowing of oil pipelines. This resulted in the company's downsizing its workforce. This triggered disunity, loss of lives and property. Poverty became the order of the day. Some youths who are supposed to work and develop themselves were idle. Some were underemployed on contract. The companies' policies of not establishing their offices in the operation base were seen as an implication for restiveness because the youth could not reach them for dialogue. Tax and employment are also lost to the government and communities. Exxon-Mobil downsized their workforce. This led to youth violence on the company's equipment. This downsizing was a matter of their policy. To protect the company and society, the government deploys military and other security agents to maintain peace. The deployment of security agents by the government worsens the

situation, especially when killings are involved. The government took their position by bringing various kinds of empowerment to help cushion the effect of violence and restiveness.

Increased criminal activity has occurred from youth restiveness. The desire for youths to have better lives without having meaningful skills and educational knowledge to back them up has pushed them into criminality. Crime is a risk to societal safety. In the Niger-Delta, everyone seems to be cautious of their environment because of fear of being kidnapped and also to escape from any violence that may likely arise. According to Oromareghake et al (2013), the oil boom has increased violence in the Niger delta, which in 2006 resulted in a reduction of Nigeria's oil exports by 25%. The general insecurity caused by the activities of the restive youths and the security agencies costs the country's treasury billions of naira each year.

The problem of insecurity has driven away both foreign and local investors, thereby increasing the unemployment rate. This, in turn, will encourage youths to partake in illegal activities, thereby creating problems for society. Additionally, when there is no proper circulation of funds in society, there will be a reduction in the demand for goods by the masses, and industries will require fewer services. This will have an adverse effect on the young. If a country experiences a decline in its finances, some industries will shut down, thereby making many workers jobless.

Youth restiveness has led to destruction of oneself because when they are caught by government law agencies, the punishment could be devastating. They could be sentenced to life imprisonment or they could be sentenced to death. It may lead to their imprisonment, and such activities can also lead to fights among the youth, causing disability amongst others. The restiveness of youth affects social and economic activities negatively, thereby leading to hardship. Vandalization of pipelines by youth affects societies negatively, especially as it destroys vegetation. The spillage into the community's river contaminates both the water and the fish. Youth restiveness has led to the loss of lives and poverty. People now live in fear as a result of youth insurgence.

Conclusion

The restiveness of youth has promoted conflicts and has affected the peaceful coexistence of citizens as well as foreigners. The development of the country has been crippled by the destruction of properties. The involvement of youths in criminal activities has further enhanced conflict and insecurity. Most multinational companies do have more capital and technically skilled human resources at their disposal than many governments. This trend has given these companies enormous power and influence not only in the polity of the region but at the centre of national government. The realisation of this fact by the people had also increased the people's expectations in the area of contributions to the development of the communities within which they live to work or do business. Corporate social responsibility is becoming a new value and global

expectation that is not only the right thing to do, but will also bring about the expected rapid development to complement the government's efforts to transform rural communities and improve the quality of life. The laxity in the execution of social responsibility encourages youth restiveness, resulting in lack of peace, insecurity, loss of lives, destruction of properties. All these implications will increase the crime rate in society.

Recommendations

From the study the following recommendations were made

1. Both the government and multi-national businesses work in hand to develop communities in which this multi-national corporation are situated. This will help reduce youth restiveness and will bring peace to the community. In a place where there is peace, business activities will thrive freely.
2. Multi-national corporation should participate in some corporate social responsibility activities such as providing social amenities, creating of job opportunities, organizing skill acquisition.

REFERENCES

- Akpan, N. (2005), Conflicts in Nigeria's Niger Delta; Issues on Response and Management. *International Journal of Social Sciences, University of Uyo*, 4, 161 – 175.
- Amaeshi, K., & Adi, B. (2005). Reconstructing the corporate social responsibility construct in Cultish. *Nottingham: International Centre for Corporate Social Responsibility*.
- CPAs and Business Consultant, (2019). *The Four Types of Multinational Business (and the Financial Benefits of Each)*. Available at <https://mksh.com/the-four-types-of-multinational-business/>
- Elegbeleye, O. (2005). Recreational Facilities in Schools: A Panacea for Youth Restiveness. *Journal of Human Ecology*, 9, 93-98.
- Griffin, J. J. (2000). Corporate social performance: Research directions for the 21st century. *Business & Society*, 39(4), 479-491.
- Gustafson, J. (2002). *Corporate social responsibility. Are you giving back or just giving away?* Business the ultimate Resource Winchester, U.K.: Bloomsbury Publishing Plc.
- Hymer, S. (1976). *The international operations of national firms: A study of direct investment*. Ph.D. thesis, Massachusetts Institute of Technology.
- Igbo, H. I. & Ikpa, I. (2013). Causes, Effects and Ways of Curbing Youth Restiveness in Nigeria: Implications for Counselling. *Journal of Education and Practice*, 4(6), 131 – 137.
- Kohlfeldt, D., Chhun, L., Grace, S., & Langhout, R. (2011). Youth empowerment in context: exploring tensions in school-based yPAR. *American Journal of Community Psychology*, 47, 28-45.
- Kotler, P. & Lee, N. (2006). *Corporate social responsibility: Doing the most good for your company and your cause*. Hoboken: John Wiley.
- Malovicsa, G., Csigene, Noemi, N., Kraus, S. (2008). The role of corporate social responsibility in strong sustainability. *The Journal of Socio-Economics*, 37; 907–918.
- Martinelli, A. (1975). Multinational corporations, national economic policies and labor unions. In: Lindberg L, Alford R, Crouch C, Offe C (eds.) *Stress and Contradiction in Modern Capitalism*. Heath, Lexington, MA pp. 425±43.

- McWilliams, A. & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of Management Review*, 26 (1), 7-127
- Olatunle, M. A., Gumus A. M., Wanjuu. L. Z. (2020). Impact of Corporate Social Responsibility on Youths Empowerment in Niger Delta Region of Nigeria. *Journal of Human Resource Management*, 8(1), 39-48.
- Pacific Oaks College (2021). *Breaking down the 4 types of corporate social responsibility*. Available at <https://www.pacificoaks.edu/voices/business/breaking-down-the-4-types-of-corporate-social-responsibility>.
- Rahman, M. (2008). *Ethics and multinational companies in developing countries*. Journal Rahman,
- Soreh, C. W., (2012). Corporate Social Responsibility and Youth's Restiveness in Oil Rich Niger Delta Region of Nigeria. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 1(7).
- Stobierski, T., (2021). *Types of corporate social responsibility to be aware of*. Available at: <https://online.hbs.edu/blog/post/types-of-corporate-social-responsibility>.
- Transparent Hand (2018). *Different types of corporate social responsibility (CSR)*. Available at <https://www.transparenthands.org/different-types-of-corporate-social-responsibility-csr/>.
- United Nations Habitat (2001). Retrieved on December 28th, 2015 from <http://www.unhabitat.org/pmss/listItemDetails.aspx?publicationID=33938>.
- Yusuf, A. Y., (2014) Youth Restiveness: Nigeria's Security and Sustainable Development. *Research on Humanities and Social Sciences*, 4(15).
- Zerk, J. A., (2006) *Multinationals and corporate social responsibility: Limitations and opportunities in international law*. Published in the United States of America by Cambridge University Press, New York.