

Innovations

Determinants of Host Communities Perception of the Activities of Agro-allied Industries and Corporate Social Responsibility Projects in Delta and EDO states, Nigeria

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Abstract

Issues: In quest for natural resources, Agro-allied industries (AAI) in Delta and Edo States owe their host communities in return, corporate social responsibility (CSR). But their level of commitment on this matter is perceived by the farmers (landlords) to be below expectation. **Methods:** Purposive and snowball sampling techniques were used to select 250 respondents for the study. Data were generated from primary sources using a validated questionnaire, summarized with descriptive statistics, and analyzed by multiple linear regression. **Findings:** The predominant farming activities in the area were crop production (89.60%), livestock production (78.80%), and fish farming (69.60%). The mean monthly income was ₦63,086.96 in Delta State and ₦83,845.76 in Edo State, with a pooled mean monthly income of ₦73,516.36. About 95.60% of the farmers were aware of the activities of agro-allied industries (AAIs), while 63.20% of the respondents accepted that they had benefited from the AAIs. Out of the ten projects sampled, only three (construction of boreholes (mean =3.77, SD= 0.92), employment opportunities (mean =3.60, SD= 0.76), and youth empowerment and skill acquisition (mean= 3.07, SD= 1.03) were satisfactorily implemented. The farmers' level of awareness (-1.210**) of AAIs had a negative significant effect on the level of satisfaction, while the farmers' state of residence (0.138**), number of years lived in the community (0.908), number of years in school (0.207**), and relevance of the agro-allied companies activities (0.230**) had a positive significant influence on the level of satisfaction. **Conclusions:** The study concluded that, AAIs executed CSR projects in the study area were not satisfactorily implemented as perceived by the beneficiaries. The respondents accepted that AAI's impact had both negative and positive effects on their livelihoods.

Keywords: host communities, agricultural industries, corporate social responsibility, Nigeria.

1. Introduction

The agricultural sector plays an indispensable role in ensuring food security and availability. In Nigeria, the agricultural sector is a major contributor to its gross domestic product (GDP) and economic development (1); (2). In (2), the article expressed that agriculture is a viable source of livelihood for millions of Nigerians. He called on all responsible organizations to be ready to play a part through their corporate social responsibilities (CSR) so as to push the frontiers of sustainable agriculture. The agricultural sector is a major employer of labor in Nigeria and also provides the greatest prospect for job creation, inclusive of youth employment, through a well-targeted transformation of the sector (3). In (3), this article asserted that unsustainable exploitation of agricultural and agro-allied activities in the

country like logging, deforestation, bush burning, application of inorganic fertilizers, inefficiency, and emission by industries usually result in serious environmental pollution and degradation, which have an adverse implication on sustainable development of environmental resources.

Agro-allied industries (AAIs) are industries that depend on agriculture for their raw materials so as to operate successfully in the production of finished goods that are useful to livestock and humans. Agro-allied industries refer to businesses that are involved in the processing, manufacturing, and distribution of agricultural products and resources. These industries rely on the production of crops and livestock, as well as fishing, forestry, and other related activities. Examples of agro-allied industries include food processing Companies that process agricultural products into finished goods, including meat processing, milling, dairy processing, and canning, textile manufacturing companies that produce textile products using natural fibers such as cotton, wool, and silk, renewable energy industries that harness farm waste and other organic materials to generate energy through biomass, biogas, and other renewable sources, chemicals and pesticides companies that produce fertilizers, herbicides, and pesticides for agricultural use and, packaging and shipping companies that specialize in packaging and shipping agricultural products to retail stores, wholesalers, and other end users. Seed and fertilizer companies: companies that produce and distribute agricultural seeds and fertilizers for farmers (4); (5); (6); (7). Agro-allied industries play a crucial role in the food and agricultural sectors, providing numerous job opportunities and contributing to the economies of many countries.

Corporate social responsibility is an arrangement to enhance other means of livelihood for people whose environment is exploited for economic benefits or activities by corporate organizations. This is essentially to make up for what was lost socially as well as minimize conflicts between host communities and corporate organizations (8). In (9), this article opined that it is continuously important to investigate both the giving and receiving ends of the activities of companies, among other things, to ensure that the fundamental intentions of CSR are satisfied. CSR has to do with an organization going out of its way to initiate actions that will impact positively by responding to the immediate needs of the host community and its environment, like roads, education, the welfare of indigenes, employment opportunities, etc. (10). In (11), this article attested to instances where resistance to expansion has been subdued by the marshalling of bogus corporate social responsibility (CSR) packages, often deployed to cause divide and rule conflict within communities or intended to set communities against each other. In (12), this article also reported that old men, women, titled chiefs, and youths in Delta State protested against Rubber Estate Nigeria Ltd. (RENL) activities due to alleged insensitivity and inadequate compensation for the use of their farmlands in 2014. More also, in (13), this article asserted that there were large numbers of women and youths from host communities (Marioba communities) that staged a protest over an alleged blockade, the digging of trenches on the road leading to their communities, and what they tagged as "treating us as slaves in our father's land," without them benefiting much from the company. Thus, agro-allied industries' have long been criticized for negligence towards corporate social responsibility, leading to pollution, unemployment, unfair treatment of employees, poverty, health problems affecting the livelihoods of the members of the host community, and farming activities.

Today, without doubt, Nigeria is plagued with the challenge of overcoming food security as a major issue. Specifically, this paper does not only deal with the corporate social responsibility (projects) of agro-allied companies but also the determinants of host communities' perception. As far as the authors are concerned, no serious study on the activities of agro-allied industries and CSR projects has been done in Delta and Edo states.

2. Literature Review

Corporate social responsibility (CSR) has gained importance over the years as a way for companies to demonstrate their commitment to social and environmental issues. Agricultural companies in particular have a significant role to play in supporting the livelihoods of local communities, as their operations are often closely tied to the land and resources that these communities depend on (14).

CSR activities and practices are influenced by a variety of factors, including the extent and nature of the company's engagement with the community, the perceived sincerity and transparency of their actions, and the effectiveness of their initiatives in addressing local needs and concerns.

Research has shown that host community perception of agricultural companies' CSR activities and practices is influenced by a variety of factors, including the extent and nature of the company's engagement with the community, the perceived sincerity and transparency of their actions, and the effectiveness of their initiatives in addressing local needs and concerns (15); (16); (17).

In a study conducted by (18), in the WAPCO cement company, article found that the company's CSR has gone beyond community development and assistance to sustainable development in the host communities. However, WAPCO's position remains unclear concerning the social and environmental responsibility report and codes of conduct on the issues of bribery and corruption.

In another study conducted by (19) in Edo State, Nigeria, this article found that community members viewed CSR activities by palm oil companies as important for social and environmental concerns such as poverty alleviation, improved access to healthcare and education, and environmental conservation. However, the study also found that community members often perceived these initiatives as insufficient and sometimes inadequate in addressing their pressing needs.

The concept of CSR could be viewed in three dimensions, namely:

Economic responsibility

Economic responsibility, as a concept of corporate social responsibility (CSR), refers to a company's obligation to operate profitably while contributing to economic development. It emphasizes that businesses have a responsibility to maximize long-term shareholder value, generate sustainable profits, and create economic benefits for all stakeholders involved (20).

In Carroll's CSR Pyramid, economic responsibility forms the base or foundation of the pyramid, highlighting its fundamental nature in conducting business. The pyramid comprises four tiers or responsibilities, starting from the bottom with economic, followed by legal, ethical, and philanthropic responsibilities. Companies are expected to fulfill each tier to varying degrees, with economic responsibility being the most fundamental. This concept suggests that businesses must focus on profitability, growth, and sustainable economic practices, which can include creating jobs, contributing to the local economy, paying taxes, and engaging in fair competition. A company's economic responsibility extends beyond its shareholders to encompass the broader economic system and society as a whole (20). By fulfilling their economic responsibilities, companies can generate prosperity, enhance economic well-being, and contribute to the overall development of society. However, it is important to note that economic responsibility does not operate in isolation; it should be balanced with the other tiers of CSR to ensure a holistic and ethical approach to business.

Social responsibility

Social responsibility is the principle that individuals and organizations have an obligation to act in ways that benefit society as a whole. It goes beyond simply following laws and regulations and involves voluntarily taking actions that promote the well-being of communities, the environment, and stakeholders. (20)

The concept of social responsibility refers to the idea that individuals and organizations have a moral and ethical obligation to contribute positively to society. This can encompass a wide range of actions, including initiatives to protect the environment, support local communities, promote social justice, and ensure ethical business practices (21).

In (22), the author argues that the only social responsibility of a business is to generate profits for its shareholders within the rules of the game. According to this view, businesses should focus on maximizing shareholder value and leave social and environmental issues to the government and non-profit organizations.

In (23), this article highlights the benefits of social responsibility, such as enhanced reputation, employee morale, and customer loyalty. They argue that CSR can lead to improved financial performance in the long term, contrary to the narrow profit-driven perspective.

The concept of social responsibility is multidimensional and has evolved over time. While some references argue for a narrow profit-driven perspective, others emphasize the importance of voluntarily considering economic, legal, ethical, and philanthropic responsibilities. References such as Friedman, Carroll, and the SDGs provide valuable insights and frameworks for understanding and implementing social responsibility in different contexts.

Initiatives to protect the environment within the context of social responsibility involve actions and strategies implemented by individuals, businesses, and organizations to minimize their negative impact on the environment and promote sustainability. An initiative to promote social justice within the realm of social responsibility involves actions and programs aimed at addressing systemic inequalities, advocating for equal rights and opportunities, and creating a more inclusive society.

Environmental responsibility

Environmental responsibility refers to the ethical and sustainable practices adopted by individuals, organizations, and governments to minimize their impact on the natural environment. It involves taking proactive measures to preserve ecosystems, conserve resources, reduce pollution, and promote sustainability(20).

Environmental responsibility recognizes that human well-being and the health of the natural environment are deeply intertwined. Human actions that degrade or harm the environment ultimately have consequences for human health, livelihoods, and quality of life. On the other hand, taking responsible actions to protect and preserve the environment not only benefits ecosystems and species but also ensures a sustainable future for human societies.

3. Objective of the study

The objective of this study is to determine host communities perception of the activities of AAI and CSR projects in Delta and Edo States, Nigeria.

3. Material and Method

This study was conducted in Delta and Edo states. The two states are located in the south-south geopolitical region of Nigeria. The South-South region comprises six states, namely, Rivers, Cross River, Akwa-Ibom, Bayelsa, Edo, and Delta states. The study concentrated on Edo and Delta States. Multi-stage sampling procedures, purposive sampling, and snowball sampling techniques were adopted in selecting the sample for the study. Firstly, ten (10) predominant agricultural companies and their host communities were selected with the help of the snowball sampling method in the two states. These involved finding out the predominant (large) agricultural companies from other AAIs and the communities. This led to the choice of the following predominant agricultural companies and host communities: NIFOR at Ugojobor; Nosak farms at Benin; Rubber Estate Nigeria ltd.; Okomu Oil Palm Company at Okomu and Udo; PRESCO at Ugbigun and Obayantor in Edo State; and in Delta State: Rubber Estate at Utagba-Uno; OFN Delta Farms ltd. at Ewulu; IMC at Nsukwa; PALMOL at Sapele; and Oil Palm Estate (COWAN) at Ajagbodudu. This gives a total of 10 agricultural companies and 10 communities (Table 1). The aforementioned agricultural firms were chosen due to their notable large-scale production and ability to carry out meaningful agricultural activities all year. Due to the wide geographical coverage and large population of the study, the scope of the research was limited to selected host communities in Delta and Edo States. Farmers were selected based on proportional purpose sampling (PPS) due to the differences in size of the host communities. A total of 280 respondents were selected from the chosen host communities using Cochran (24) formula to estimate the sample size of farmers for the study. Several authors (25); (26) have claimed its popularity and general acceptance in determining sample size.

$$n = \frac{n_o}{1 + \frac{(n_o-1)}{N}} \dots \dots \dots \text{Eqn1}$$

$$n_o = \frac{Z^2 pq}{e^2} \dots \dots \dots \text{Eqn 2}$$

where

N represents the sampling frame (which is 300 affected farmers from both states),

n represents the sampling size with an finite population.

n_o is sampling size with infinite population.

Z is the critical value (1.96) of the required confidence level at 95%.

P is the attributed proportion in the population (0.50), assuming variability is at its maximum. q = 1 - p,

and

e is the desired precision level (5%)

Table1: Showing selected Host Communities and Agro -Allied Industries /Respondents in Delta and Edo States

| State | Agricultural Zone | Local Govt. Area | Host Community | Name of Farm | No of Respondents (Farmers) |
|--------------|--------------------------|------------------|---------------------------------|-------------------------|-----------------------------|
| Delta | Delta Central | Ethiope West | Ajagbodudu | Cowan oil Palm Estate | 25 |
| | Delta North | Aniocha South | Nsukwa | IMC oil palm Plantation | 30 |
| | Delta North | Ndokwa East | Utagba-Uno | Rubber Estate Ltd | 35 |
| | Delta North | Aniocha South | Ewelu/Olloh | OFN Delta Farms Ltd | 30 |
| | Delta-Central | Ethiope West | Oghara/Sapele | PALMOL | 25 |
| Edo | Edo South | Ovia South | Udo | Okomu | 30 |
| | Edo Central Edo South | Edo Central | Benin Obayantor/ Obaretim | Nosak PRESCO | 20 25 |
| | Edo South | Ovia North | Ugbogiobo | NIFOR | 30 |
| | Edo South | OviaSouth-West | Udo | RubberEstateLtd | 30 |
| | Total | | | | 280 |

The primary data for the study was obtained with the aid of a questionnaire based on the objectives, which was divided into sections. Section A is on host communities’ perception of the activities of agricultural companies; Section B is on the effect of agricultural companies on the farming activities of respondents; Section C is on the level of satisfaction with CSR projects; and Section D is on the determinants of the respondents level of satisfaction. The Likert scale measure of reliability had a crombact alpha of 0.82 (a value that indicates that the scale is good). The ethical considerations of voluntary participation were taken into account.

However, some questionnaires were improperly filled, and this limited the final sample size to 250 respondents. Data for the study were obtained using a questionnaire. Data collected were summarized with frequency, percentages, and mean based on research questions and objectives. The data were analyzed using linear regression.

The linear regression model is specified thus:

$$LOS=f(AGE, GEN, MTS, STATE, AWA, YIS, YIC, INC, BEN, NOB, LOP, ROC, ei) \dots\dots Eqn 3$$

Where: LOS = Level of satisfaction (sum of each farmers scores from objective vi)

AG = AGE (in years)

GEN =SEX (Male= 1; Female=0)

MTS = marital status (married = 1; others =0)

STATE = Delta = 1; Edo = 0

AWA = awareness of the activities of agro-allied firms (aware = 1; not aware =0)

YIS = Years in school (in years)

YIC = Number of years the respondent has lived in the community (in years)

INC = Monthly income in naira

Ben = Beneficiary (the respondent will indicate if he/she has benefitted from the Agro-allied industry.

NOB =Number of benefits

LOP = Level of perception

ROC = Relevance of Agro allied companies (each respondent)

This was explicitly represented as:

$$LOS = \beta_0 + \beta_1AGE + \beta_2GEN + \beta_3MTS + \beta_4STA + \beta_5AWA+ \beta_6YIS + \beta_7YIC + \beta_8INC +\beta_9BEN+ \beta_{10}NOB + \beta_{11}LOP + \beta_{12}ROC + e\dots\dots\dots Eqn 4$$

Below in Table 1 is showing the Companies and host communities/ number of respondents.

4. Results and Discussion

The results in Table 2 shows that 224 farmers (89.6%) pooled from multiple farm activities were into crop. The implication of AAls utilizing natural resources available to most farmers in host communities is the potential for economic growth, job creation, improved farming practices and better living conditions for the local population. However, it is crucial to ensure responsible and sustainable management of natural resources to avoid detrimental effects on the environment and the long term livelihoods of the farmers. The result also shows that more than 50% of the farmers had above the monthly mean income of ₦73, 516 from Edo and Delta states.. This amount represents ₦ 2,450 per day, which is surplus to international poverty line of \$2.15 per day (about ₦ 1,654 per day). According to an analysis of the respondents ages in Table 2, over 75% of the farmers were older than the youthful (18-35 yr) age range. The farmers mean age of 47 yrs was higher than the youthful age gap. This age gap unequivocally explains why there are less young people engaged in farming than older people in the research area. The movement of young, active people from rural to urban regions also contributes to the age difference in farming. The youths appear dissatisfied with farming and would much rather pursue white-collar employment in cities where social amenities are easily accessible. The age distribution of the agricultural workers makes it likely that agricultural output will be low. This study generally supports (27) findings , which showed that age is inversely linked to subsistence. As a result, as opposed to when the farmer was younger, an elderly farmer tends to lean toward subsistence farming. Engaging young teenagers in competitive, government-established farms located in rural areas, where they are well compensated in comparison to what metropolitan occupations or other government institutions can offer, could stop the migration of rural residents looking for white collar work to urban areas.

Table2: Farming Activities and Socio-economic Characteristics of the Respondents

| Variable | Pooled Frequency | Pooled Percentage (%) | Delta Mean/Mode/ (percentage%) | Edo Mean/Mode (percentage%) | Pooled Mean/Mode |
|---|-------------------------|------------------------------|---------------------------------------|------------------------------------|-------------------------|
| *Farming activities | | | | | <i>Crop production</i> |
| Crop production | 224 | 89.60 | (51.34) | (48.66) | |
| Livestock production | 197 | 78.80 | (46.20) | (53.80) | |
| Fish farming | 174 | 69.60 | (63.09) | (33.91) | |
| Hunting | 104 | 41.60 | (49.03) | (50.97) | |
| Forest logwood men | 89 | 35.60 | (43.82) | (56.18) | |
| Age (years) | | | 46.86 | 46.51 | 46.67 |
| ≤30 | 06 | 02.40 | | | |
| 31–40 | 66 | 26.40 | | | |
| 41-50 | 103 | 41.20 | | | |
| >50 | 75 | 30.00 | | | |
| Marital Status | | | <i>Married</i> | <i>Married</i> | <i>Married</i> |
| Married | 196 | 78.40 | | | |
| Others | 54 | 21.60 | | | |
| Sex | | | <i>Female</i> | <i>Female</i> | <i>Female</i> |
| Male | 105 | 42.00 | | | |
| Female | 145 | 58.00 | | | |
| Years in School (Years) | | | 8.42 | 8.92 | 8.67 |
| 0 | 07 | 02.80 | | | |
| 1–6(primary) | 83 | 33.20 | | | |
| 7–12(secondary) | 121 | 48.40 | | | |
| 12(tertiary) | 39 | 15.60 | | | |
| Years lived in the Community (years) | | | 24.17 | 23.63 | 23.90 |
| ≤10 | 26 | 10.40 | | | |
| 11–20 | 83 | 33.20 | | | |

| | | | | | |
|--|-----|-------|-----------|-----------|-----------|
| >20 | 141 | 56.40 | | | |
| Monthly Income(N) | | | 63,086.96 | 83,945.76 | 73,516.36 |
| 0–50,000 | 102 | 40.80 | | | |
| 51–100,000 | 99 | 39.60 | | | |
| 101,000–150,000 | 47 | 18.80 | | | |
| >150,000 | 02 | 0.80 | | | |
| Awareness of Agro-Allied Firms | | | Yes | Yes | Yes |
| Yes | 239 | 95.60 | | | |
| No | 11 | 4.40 | | | |
| Beneficiary of Agro-allied Firm | | | Yes | Yes | Yes |
| Yes | 158 | 63.20 | | | |
| No | 92 | 36.80 | | | |
| Number of Benefits | | | 1.29 | 1.39 | 1.34 |
| 0 | 92 | 36.00 | | | |
| 1–2 | 99 | 39.60 | | | |
| ≥3 | 59 | 24.40 | | | |

*multiple responses recorded .Figures in parentheses represents the percentage of the pooled frequency of the different activities from each state.

Source: Field survey data,2022

Table 3 shows the distribution of respondents based on their perceptions of the types of activities carried out by agricultural companies. The likert scale result in Table 3, with a cut-off of a mean score of 3 as significant, reveals that out of 15 activities, the respondents generally perceived eight activities of AAls as satisfactory. They perceived AAls as industries that produce agricultural products, provide employment opportunities, cause destruction of farmlands and sources of livelihood, engage in land grabbing, cause deforestation, pollute the water, cause environmental degradation and pollution, and produce fertilizer and chemicals. The respondents strongly agreed that agricultural companies produce agricultural products (mean = 4.16, SD =0.70) and that they create employment opportunities for citizens of their host communities (mean = 4.12, SD = 0.88). However, respondents agreed that the companies destroyed their farmlands and sources of livelihood (mean = 3.49, SD =1.06). The respondents likewise agreed that the firms were into land grabbing (mean = 3.43). According to them, agricultural firms caused deforestation of the forest (mean = 3.36, SD =1.25), and polluted their water (mean = 3.35, SD =1.22). They argued that the companies degraded and polluted their environment (mean = 3.16, SD =1.20) due to their involvement in fertilizer production (mean = 3.11, SD =1.10). In (28), this article asserted that community perceptions often form the basis for community actions to either support or disrupt corporate activities.

They also reiterated that perceptions are largely informed by the contradictions of wealth generation amidst poverty, resulting in anger, frustration, and hostility by communities towards companies. Agricultural companies mostly produce agricultural products, so they are located in rural communities where they can readily source their raw materials for production. The location of these firms close to sources of raw materials is intended to cut the cost of production and make the produce available to consumers at reasonable prices. While carrying out the construction of these firms, farmlands were destroyed, as were their other sources of livelihood. Similarly, for construction to take place, the old objects on site had to give way to the structures of the agro-allied firms. This constitutes a socioeconomic problem for host communities (29). The mode of entry into their host communities depicts land grabbing, as they have the modus operandi of not seeking the consent of the proper owners of the lands. They make arrangements with the state government officials and community leaders without recourse to the land owners before they start working on the land under tight security provided by the government officials and community leaders. This trend was observed in Eku, in the Ethiopie East local government area of Delta State (29). By doing so, they displace landowners from their existing source of livelihood and alter their socioeconomic status. Most times, agricultural companies carry out grabbing in the community forests by felling the trees, clearing the shrubs, and harvesting the herbs that are useful to the citizens of the communities. Products extracted from the forests are useful to the citizens for medicinal and nutritional purposes (30). In (31), this article also observed that affluence from agricultural processing (on land, in swamps, and offshore) over the years has deprived these communities of their economic livelihood as a result of gross neglect by the government and companies. During construction and production activities, these firms pollute water, soil, and air, thereby resulting in the degradation of the environment. This is frequent with fertilizer companies and farm produce processing companies, which most often do not properly discard and manage their wastes. Host communities where fertilizer companies are located always feel the impact of the production activities of such companies on their immediate environment.

Table3: Respondents Perception of the Activities of Agricultural Companies.

| S/n | Activities of Agro-allied company | Delta Mean | Std. dev. | Edo mean | Std. dev. | Pooled Mean | Std dev. | Decision |
|-----|--|------------|-----------|----------|-----------|-------------|----------|-----------------|
| 1 | Companies that produce Agric. Products | 3.98 | 0.65 | 4.34 | 0.72 | 4.16 | 0.70 | Strongly agreed |
| 2 | Employment opportunities | 4.08 | 0.95 | 4.5 | 0.73 | 4.12 | 0.88 | Strongly agreed |
| 3 | Destruction of farmlands/sources of livelihood | 3.21 | 1.03 | 3.78 | 1.08 | 3.49 | 1.06 | Agreed |
| 4 | Companies into land grabbing. | 3.18 | 1.30 | 3.67 | 1.17 | 3.43 | 1.25 | Agreed |
| 5 | Companies that cause deforestation | 2.90 | 1.41 | 3.83 | 1.18 | 3.36 | 1.30 | Agreed |
| 6 | Companies that cause pollution of water | 3.01 | 0.88 | 3.70 | 1.37 | 3.35 | 1.22 | Agreed |
| 7 | Environmental degradation and pollution | 3.00 | 0.91 | 3.31 | 1.28 | 3.16 | 1.20 | Agreed |
| 8 | Companies that produce fertilizer | 3.06 | 1.24 | 3.17 | 1.05 | 3.11 | 1.10 | Agreed |
| 9 | Companies into agricultural processing | 2.90 | 1.44 | 3.06 | 1.27 | 2.98 | 1.35 | Disagreed |
| 10 | Diminishing biodiversity | 2.55 | 1.13 | 3.28 | 1.27 | 2.92 | 1.05 | Disagreed |
| 11 | Provision of waste materials for plant growth | 3.00 | 1.41 | 2.84 | 1.36 | 2.91 | 1.30 | Disagreed |
| 12 | Provision of social amenities and rural infrastructure | 2.91 | 1.36 | 2.76 | 1.34 | 2.83 | 0.94 | Disagreed |
| 13 | Proper disposal waste | 2.79 | 0.87 | 2.81 | 1.51 | 2.80 | 0.93 | Disagreed |
| 14 | Companies that produce chemicals | 2.47 | 1.19 | 2.72 | 0.97 | 2.60 | 1.3 | Disagreed |
| 15 | Illegal harvesting of forest trees | 1.94 | 1.51 | 2.17 | 0.68 | 2.06 | 0.77 | Disagreed |

| | | | | | | | |
|-------------------|-------------|--|-------------|--|-------------|--|---------------|
| Grand mean | 2.99 | | 3.32 | | 3.15 | | Agreed |
|-------------------|-------------|--|-------------|--|-------------|--|---------------|

Source: Field survey data, 202

Table 4 showed the level of satisfaction the members of the host communities derived from the CSR projects. The respondents generally indicated that they were satisfied with the implementation of only three (3) out of the ten projects sampled. The result indicates that the host communities, here represented by the farmers, were satisfied with the construction of boreholes (mean = 3.77, SD =3.77), employment opportunities (mean = 3.60, SD = 0.76), and youth empowerment and skill acquisition (mean = 3.07, SD = 1.03). They were however unsatisfied with the construction of roads (mean = 2.9, SD =3.07), constructed market stalls (mean = 2.76, SD =1.14), classroom blocks constructed (mean = 2.66, SD =1.13), scholarship scheme (mean = 2.60, SD =1.20), health care service (mean = 2.15, SD = 1.07), provision of electricity (mean = 2.05, SD = 0.76), and subsidized farm input supply (mean = 1.40, SD = 0.67). They were satisfied with the first set of projects above because those ones were properly executed and were adequate enough to surmount the challenges for which they were executed. The second set of projects with which they were not satisfied was prompted by poor execution and the inadequacy of the projects. This must have been a result of some element of corruption on the part of community leaders and contractors, coupled with the Community Liaison Officer (CLO) of the companies.

The Delta State farmers were however satisfied with four projects: borehole construction, employment opportunities, youth empowerment and skill acquisition, and construction of roads, while the Edo State farmers indicated satisfaction with the implementation of only three projects: borehole construction, employment opportunities, and youth empowerment and skill acquisition. This finding suggests that the host communities are generally not satisfied with the CSR projects implemented by the AAIs in their communities, as confirmed by the grand mean scores of Delta State (2.98), Edo farmers (2.86), and all farmers pooled (2.92). The fact that the grand mean was not up to 3 is an indication of an unsatisfactory level. This could be due to the standard of such projects, their accessibility, or the target community. The finding is in agreement with the study of (32), which asserted that agricultural companies in Nigeria are massively exploiting their host communities but giving little or nothing in return to the people.

Table4: Level of Satisfaction of CSR Projects

| CSR projects | Delta mean | Std. dev. | Edo Mean | Std. dev. | Pooled Mean | Std. dev. | Decision |
|--------------------------------------|-------------------|------------------|-----------------|------------------|--------------------|------------------|-----------------|
| Bore hole construction | 3.86 | 0.98 | 3.68 | 1.20 | 3.77 | 0.92 | Satisfied |
| Employment opportunities | 3.84 | 0.74 | 3.36 | 0.79 | 3.60 | 0.76 | Satisfied |
| Youth empowerment /skill acquisition | 3.10 | 1.22 | 3.04 | 0.98 | 3.07 | 1.03 | Satisfied |
| Construction of roads | 3.04 | 0.81 | 2.76 | 1.29 | 2.90 | 1.22 | Unsatisfied |
| Construction of market stall | 2.84 | 1.12 | 2.68 | 1.18 | 2.76 | 1.14 | Unsatisfied |
| Classroom construction | 2.84 | 1.44 | 2.47 | 1.12 | 2.66 | 1.13 | Unsatisfied |
| Scholarship scheme | 2.61 | 1.18 | 2.60 | 1.21 | 2.60 | 1.20 | Unsatisfied |
| Healthcare service | 2.26 | 1.04 | 2.04 | 1.09 | 2.15 | 1.07 | Unsatisfied |
| Provision of electricity | 2.14 | 0.74 | 1.96 | 0.77 | 2.05 | 0.76 | Unsatisfied |

| | | | | | | | |
|------------------------------|-------------|------|-------------|------|-------------|------|--------------------|
| Subsidized farm input supply | 1.28 | 0.77 | 1.52 | 0.70 | 1.40 | 0.67 | Very unsatisfied |
| Grand Mean | 2.98 | | 2.86 | | 2.92 | | Unsatisfied |

Calculation from field survey, 2022

The factors that determined the level of satisfaction of the respondents with the various CSR projects executed by the agro-allied companies were identified using multiple regression analysis. The values of R², which are Delta (0.82), Edo (0.80), and Pooled (0.78), indicate that the listed variables (jointly) can explain up to 78% of the variations in the farmers’ level of satisfaction with the corporate social responsibility projects executed by the agro-allied companies. The significance of the F statistic for all groups confirmed the overall significance of the regression analysis result. The result, as displayed in Table 5, clearly reveals that six variables out of the 12 variables examined were significant at the 5% level. However, while the farmers’ level of awareness of agro-allied companies had a negative effect on their level of satisfaction, the rest of the five variables—state of the farmer, number of years lived in the community, number of years in school, number of benefits received from the agro-allied companies, and relevance of the agro-allied companies—positively affected the farmers’ level of satisfaction. As can be seen in Table 4, the state in which the farmer resided (either Delta or Edo states) had a positive effect on the farmer’s level of satisfaction. The level of satisfaction obtained by farmers residing in Delta State was higher than that of farmers residing in Edo State by 0.138. This is expected because the result in Table 4 showed that Delta State farmers had a higher grand mean level of satisfaction than their Edo State counterparts. The level of awareness of the activities (Delta = 0.307** (0.031); Edo = -0.357** (0.034)) of the agro-allied firms had a negative effect on the farmers’ level of satisfaction. This showed that the more the farmers were aware of the activities of the agro-allied firms, the less satisfied they were with the CSR projects offered by the AAls. This could be because the farmers’ awareness of the activities of the firms may make known the capabilities of such companies and give rise to higher expectations. It could also be because of the farmers’ perception of the AAls as firms that take their lands and release waste, which affects their farm produce. This mindset will make host communities unsatisfied with whatever the companies offer. Table 5 had earlier revealed that 95.60% of the farmers were aware of the activities of the agro-allied firms; hence, a lot is expected from the firms, whether they make profit or not. This agrees with the result of (33) on a study conducted concerning the community perception of the CSR activities of the chemical industry in Maptaphat Industrial Estate, which showed that the perception of host communities could lead to a negative or positive mindset towards the CSR projects.

Table 5 also shows that the number of years the farmers had lived in the communities had a positive effect on their level of satisfaction. The result shows that for every one-year increase in the number of years lived in the community, the farmer’s level of satisfaction increases by 0.91. This positive relationship can be attributed to the fact that the farmers have come to terms with the benefits and actual strength of such firms after having lived in the community for a period of time and seen how well or badly such a company operates. Education was also identified as important in farming enterprises. Educational level, which is the number of years spent acquiring formal education, also makes dissemination of information very easy because it enhances good understanding (34). The result clearly reveals that the number of years spent in school positively determined the level of satisfaction the farmers obtained from the CSR projects. This result shows that as many as 64% of the farmers spent more than six years in school. Hence, this enabled them to properly attach value to available CSR projects so as to ascertain the level of satisfaction such projects give. The number of benefits the farmers had received from the agro-allied firms was also a positive determinant of the level of satisfaction attached to the CSR projects. Table 5 further showed that most farmers (64%) received at least one benefit from the agro-allied firms. This influenced the level of satisfaction attached to the CSR such a firm offered. This finding supports the call

by (35) that firms should be involved in promoting social ends, such as providing employment, diminishing pollution, and eliminating discrimination, instead of primarily seeking profit and providing gains, so that the host communities can benefit from their activities. In another aspect of the study, the farmers indicated that all CSR projects were relevant. This implies that the CSR projects had a positive influence on the level of satisfaction of the host community's members.

The socioeconomic characteristics of the respondents do not significantly influence their level of satisfaction. The result of the findings in Table 5 shows that few socio-economic characteristics of the farmers actually influenced their level of satisfaction. The socio-economic characteristics that generally influenced the farmers' level of satisfaction include level of awareness, years in school, number of years lived in the community, number of benefits derived from the AAs, and relevance of the CSR project. The level of awareness had an inverse relationship with the farmers' level of satisfaction, while the other four variables had a positive influence. However, the marital status of the farmers in Edo State negatively influenced the farmers' level of satisfaction. The non-significant variables based on the result include age, gender, level of perception, monthly income, and beneficiary of the firm's activities.

Table5: Determinants of the Respondents' level of Satisfaction of the CSR Projects Executed by the Agro-Allied Companies

| Variables | Delta result | Edo result | Pooled result |
|----------------------------------|-----------------|-----------------|-----------------|
| Age | 0.155(0.096) | 0.931(0.095) | 0.007(0.130) |
| | <i>1.670</i> | <i>1.682</i> | <i>1.517</i> |
| Gender | -0.004(0.966) | 0.028(0.657) | -0.037(0.538) |
| | <i>-0.043</i> | <i>0.458</i> | <i>-0.623</i> |
| Marital status | -0.024(0.590) | -0.374**(0.026) | -0.130(0.122) |
| | <i>-0.540</i> | <i>-2.262</i> | <i>-0.164</i> |
| State | | | 0.138**(0.039) |
| | | | <i>2.073</i> |
| Level of Awareness | -0.307**(0.031) | -0.357**(0.034) | -1.21**(0.042) |
| | <i>-2.170</i> | <i>-2.144</i> | <i>-2.059</i> |
| Level of perception | -0.344(0.099) | -0.008(0.738) | -0.003(0.960) |
| | <i>-1.661</i> | <i>-0.335</i> | <i>-0.051</i> |
| Years in school | 0.204**(0.032) | 0.653***(0.005) | 0.207***(0.006) |
| | <i>2.169</i> | <i>2.853</i> | <i>2.790</i> |
| Years in the community | 0.006***(0.009) | 0.113**(0.017) | 0.908**(0.021) |
| | <i>2.645</i> | <i>2.470</i> | <i>2.401</i> |
| Monthly income | -0.005(0.864) | -0.030(0.429) | -0.300(0.233) |
| | <i>-0.172</i> | <i>-0.794</i> | <i>-1.205</i> |
| Beneficiary of firm's activities | -0.150(0.060) | 2.630(0.081) | -0.155(0.099) |

| | | | |
|-------------------------------|-----------------------|-----------------------|-----------------------|
| | -1.903 | 1.758 | -1.662 |
| Number of benefits | 0.165***(0.001) | 0.308**(0.021) | 0.103***(0.002) |
| | 3.506 | 2.344 | 3.075 |
| Relevance of CSR projects | 0.160***(0.007) | 0.067**(0.013) | 0.230**(0.012) |
| | 2.744 | 2.507 | 2.530 |
| Constant | 0.479***(0.000) | 2.002***(0.002) | 0.724***(0.000) |
| | 3.688 | 3.250 | 5.214 |
| R² | 0.82 | 0.80 | 0.78 |
| \bar{R}^2 | 0.76 | 0.71 | 0.69 |
| F-stat | 3.52***(0.000) | 2.57***(0.005) | 3.46***(0.000) |

Note: ** & ***= significant at 5% and 1% respectively.

Figures before the parentheses are the coefficients of the variables, figures in parentheses represent the p-values, while the figures in bold letters are the t-values.

Source: authors calculation from field survey data, 2022

Conclusion

Based on the findings, this study concludes that the respondents were farmers who earned their livelihood from farming and had lived in the communities for over 20 years. These farmers reside in communities where agro-allied industries are situated. The various activities of these agro-allied industries mostly affect the farming activities of farmers negatively. This is simply because host communities were agrarian societies, and now their original source of livelihood (farmlands) has diminished and, in some cases, degraded. Another affirmation from this study is the fact that several CSR projects that were considered relevant were implemented by the AAIs, but the farmers were not satisfied with these projects since only three (employment opportunities, construction of boreholes and youth empowerment) out of ten (10) projects executed by the AAIs were satisfactory. The factors that influenced their level of satisfaction were their level of awareness of agro-allied companies, the state of the farmer, the number of years lived in the community, the number of years in school, the number of benefits received from the agro-allied companies, and the relevance of the agro-allied companies. Finally, this study concludes that the farmers in Delta and Edo states attributed the same level of relevance and satisfaction to the CSR projects of the AAIs. The farmers should be properly educated on the activities of agro-allied industries so that they can form the right opinion. The operators of agro-allied industries need to be informed of the host communities' perception of their activities, as this will further strengthen the host communities' level of satisfaction with their effort. There is also a need to establish committees by the AAIs to cater to the interests of the communities so that the right CSR projects are jointly conceived and implemented.

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