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**Impact of Socioeconomic Projects of Multinational Oil Companies Global Memorandum of Understanding on the Achievement of Healthy Living and Wellbeing in Rivers State**

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**Abstract**

This study examined the Impact of Socioeconomic Projects of Multinational Oil Companies Global Memorandum of Understanding on the Achievement of Healthy Living and Wellbeing in Rivers State. Two research questions and two null hypotheses guided the study. The study adopted a descriptive survey design. The population of the study was 740 respondents consisting of 307 Boards Members and 433 leaders of Community Based Organizations. The sample of the study was 408 respondents consisting of 186 Board members and 222 leaders of the Community Based Organizations in the study area. The study used a self-designed questionnaire for data collection. The reliability of the instrument was established using Cronbach Alpha with a coefficient of 0.83 and 0.86 respectively. For easy comparison of variable, the data gathered with the questionnaire were analysed using mean statistics and standard deviation to answer the research questions. The findings of the study among others indicates that socioeconomic projects executed through the Global Memorandum of Understanding of multinational oil companies has contributed to promoting healthy living and wellbeing in Rivers State by providing access youth skills development schemes, business management trainings, micro credit schemes, soft loans, training for women in enterprise management to support their families among others. Based on the findings of the study, it was recommended among other things that the Rivers State government should carry out micro projects to promote micro credit schemes, soft loans, youth skills development schemes, business management trainings as this can help to improve socioeconomic conditions and promote healthy living and well-being

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## Introduction

Socioeconomic projects involve projects that promote the improvement of people's wellbeing through improved education, incomes, skills development and employment. It includes livelihood, income and employment generation projects, such as manpower/skills training, organizational development, and other necessary inputs intended to further enhance the socio-economic or living and working conditions of the people in a society. According to Verma (2020), socioeconomic development projects lead to economic growth. The term "economic growth" refers to the increase (or growth) of specific measures such as real national income, gross domestic product, or per capita income. It is the process by which a nation improves the economic, political, and social wellbeing of its people. According to Ferolino (2018), socioeconomic development projects teach people to fish rather than giving them a fish. Socio-economic development projects should concentrate on two areas, namely imparting transferable skills, and enabling access to employment. This implies that such projects should ensure that beneficiaries can contribute to the economy thus making them more valuable and better equipped to care for their wellbeing as active contributors to the economy. Shell Petroleum Development Company (2010) reports that the companies Youth Development Scheme (YDS) has helped to equip youths in oil bearing communities with employability skills in welding, hairdressing, sewing and other vocational trades. The report further indicates that the Women in Development Initiative (WDI) project, geared towards encouraging Women-driven income-generating and welfare projects has contributed to training women in project design and enterprise management. To develop viable and sustainable businesses in host communities, most multinational oil companies facilitate the provision of microcredit schemes through revolving loans and credit guarantee schemes that are linked to savings. According to Mordich (2010), these schemes offer small loans to poor people for self-employment activities, thus allowing the clients to achieve a better quality of life. They also enhance perceptions of women's contribution to household income and family welfare, increasing women's participation in household decisions about expenditure on women's welfare. Harish (2012) aligned with this view when he opined that micro-credit provide small loans for people who need money for self-employment project that generate income for urgent family needs such as, health problems and education. In addition, they provided women with loans to improve their existing economic activities or to start a new enterprise. Such investments, would lead to social and gender equality (Maheswaranathan & Kennedy, 2010).

The role of agricultural development projects in the achievement of socioeconomic development cannot be overstressed. According to Kubsad, Nilsson, King, Ingrid, Beck, and Skinner (2019), investments in sustainable agriculture not only positively impact the environment but also improve the health and well-being of farmers and ranchers, participants in the agricultural value chain, and consumers alike. In their view, emphasis should be placed on agricultural projects that promote better nutrition and decreased exposure of food to contaminated industrial agriculture inputs and practices as this can help to promote healthy living and wellbeing. On the other hand, Bodeker (2018) conceptualize wellbeing in terms of a general sense of wellness in the physical, social, occupational, spiritual, financial, and environmental aspects of our lives. Veenhoven (2018) aligned with this view when he defined wellbeing as the appraisal of one's circumstance and functioning in

society and proposed five dimensions that capture the global definition of wellbeing as: social integration, social contribution, social coherence, social actualization, and social acceptance.

Global Memorandum of Understanding (GMOU) was adopted by Multinational oil Companies (MOCs) as a tested strategy of delivering sustainable development to host communities following the conflicts that emanated from previous models of community engagements in their operational areas (Bower, 2009). According to Okoroba (2020), memorandum of understanding agreements are a way that MOCs show their commitment to the development of host communities in order to protect their wellbeing. The outcomes of such agreements are activities intended to promote the peoples wellbeing generated through the stakeholder relationship. In a related view, Dashwood (2014) opined that the GMOU was adopted by MOCs as a better way of delivering sustainable development to host communities against the background of discontents thrown up by the old models of corporate community engagements in the Niger Delta. As opposed to the old practice of entering into Memorandum of Understanding (MoU) with individual host communities by MOCs, the GMOU was widely advertised by promoters as dealing with a cluster of communities to maximize economy of effort and resources, provide seed money to community institutions based on production figures and technical assistance through Non-governmental Organizations and banks (Utting & Marques, 2010).

A report by Health Finance and Governance (2020) indicates a 15.2% increase in HIV Prevalence, rising cases of tuberculosis (over 23,000 cases), and under 5 mortality rates of 58 per 1000 deaths in Rivers State. The oil exploration activities of multinational oil companies have further worsened the situation for host communities. The problem with this situation is that host communities of multinational oil companies in Rivers State whose resources are harnessed for financial gains feel cheated and marginalized as the activities of the oil multinationals have destroyed their environment and source of livelihood with direct impact on their socioeconomic development and wellbeing. Global Memorandum of Understanding as a community development model was introduced by multinational oil companies to minimize these challenges. This study therefore intends to examine how multinational oil companies socioeconomic projects executed through global memorandum of understanding promote healthy living and wellbeing in Rivers State.

### **Purpose of the Study**

The purpose of this study was to examine the role of socioeconomic projects implemented through Global Memorandum of Understanding of **multinational oil companies** on the achievement of healthy living and wellbeing in Rivers State.

Specifically, the objectives of the study sought to:

1. Find out the extent GMOU vocational training programmes promote the achievement of healthy living and wellbeing in Rivers State.
2. Examine the extent GMOU agricultural development projects promote the achievement of healthy living and wellbeing in Rivers State

### **Research Questions**

The following research questions guided the study:

1. To what extent have GMoU vocational training programmes contributed to promoting healthy living and wellbeing in Rivers State?
2. To what extent have GMoU agricultural development projects contributed to promoting healthy living and wellbeing in Rivers State?

### Hypotheses

The following hypotheses were tested at 0.05 level of significance:

1. There is no significant difference in the mean ratings of Cluster Development Board Members and members of Community Based Organizations on how GMoU vocational training programmes promote healthy living and wellbeing in Rivers State.
2. There is no significant difference in the mean ratings of Cluster Development Board Members and members of Community Based Organizations on how GmoU agricultural development projects promote healthy living and wellbeing in Rivers State.

### Methodology

The study adopted a descriptive survey design. The target population of the study was 740 respondents consisting of 307 GMoU Boards Members and 433 leaders of Community Based Organizations from 11 local government areas in Rivers State where the GMoU is being implemented. The sample size of the study was 408 respondents consisting of 186 GMoU Board members and 222 leaders of the Community Based Organizations. The cluster sampling technique was adopted in clustering the state into three Senatorial Districts. The purposive sampling technique was adopted in selecting two Local Government Areas each from the three Senatorial Districts, making a total of six Local Government Areas. All members of the GMoU Boards and leaders of the Community Based Organizations from the six selected local government areas constituted the sample of the study. The study used a self- designed questionnaire for data collection. The reliability of the instrument was established using Cronbach Alpha with a coefficient of 0.83 and 0.86 for the two sections of the instrument. The data collected for the study were analyzed using Mean and Standard Deviation to answer research questions, while the z-test statistics was used to test the hypotheses at 0.05 level of significance. The following scales were used to determine level or extent of agreement of the respondents with items on the questionnaire:

<b>Classification</b>	<b>Value Range</b>
Very High Extent (VHE) = 4	3.50 – 4.00
High Extent (HE) = 3	2.50 – 3.49
Low Extent (LE) = 2	1.50 – 2.49
Very Low Extent (VLE) = 1	1.00 – 1.49

A criterion mean of 2.50 was used to determine if a mean score indicates accepted or rejected. Therefore, any item whose mean score is less than 2.5 is rejected, while those with mean score of 2.5 and above are accepted as positive responses.

### Results

1. **Research Question 1:** To what extent have vocational training programmes implemented through Global Memorandum of Understanding contributed to promoting healthy living and wellbeing in Rivers State?

**Table 1: Mean Response on Vocational training and the Achievement of Healthy Living and Wellbeing in Rivers State.**

S/N	Items	CDB Members N = 186 Mean	SD	Decision	CBO leaders N = 222 Mean	SD	Decision
1	Mat-weaving training schemes to provide source of income for women has contributing to healthy living and wellbeing of the people	3.03	1.06	HE	3.03	1.06	HE
2	Fish farming training to provide source of income has contributed to healthy living and wellbeing of the people	2.56	1.19	HE	2.56	1.19	HE
3	Welding skills training to provide employment for youths has contributed to healthy living and wellbeing of the people	3.08	1.06	HE	3.08	1.06	HE
4	Plumbing skills trainings to provide source of income for youths has contributing to healthy living and wellbeing of the people	3.88	1.26	HE	2.88	1.26	HE
5	Electrical training schemes to provide source of income which has contributed to healthy living and wellbeing of the people	3.55	1.34	HE	2.65	1.34	HE
6	Hair dressing training to provide source of income for young women has contributed to healthy living and wellbeing of the people	3.43	1.21	HE	3.43	1.21	HE
	<b>Grand Mean</b>	<b>3.15</b>		HE	<b>2.72</b>		HE

This result on table 1 above with grand mean of 3.15 for CDB members and 2.72 for CBO leaders were greater than 2.50 which was the criterion mean. This result showed that vocational training programmes executed through global memorandum of understanding of multinational oil companies has contributed to promoting healthy living and wellbeing in Rivers State.

**Research Question 2:** To what extent have agricultural development projects executed through global memorandum contributed to promoting healthy living and wellbeing in Rivers State?

**Table 2: Mean Response on Agricultural Projects and the Achievement of Healthy Living and Wellbeing in Rivers State.**

S/N	Items	CDB Members N = 186 Mean	SD	Decision	CBO leaders N = 222 Mean	SD	Decision
7	Fish farming project as a source of employment has contributed to healthy living and wellbeing of the people	2.86	1.12	HE	3.18	0.95	HE
8	Farm produce preservation project to protect farm produce and increase income has contributed to healthy living and wellbeing of the people	2.87	1.13	HE	2.71	1.12	HE
9	Poultry Management Project to improve production of chicken livestock as a source of income has contributed to healthy living and wellbeing of the people	2.74	1.38	HE	2.69	1.41	HE
10	Palm oil production project to boost source of income has contributed to healthy living and wellbeing of the people	2.76	1.16	HE	3.11	1.00	HE
11	Supply of fertilizers /agro-chemicals to farmers has for improved production has contributed to healthy living and wellbeing of the people.	2.94	1.10	HE	2.85	1.10	HE
12	Snail farming training to provide source of income has contributed to healthy living and wellbeing of the people	3.78	1.02	HE	3.56	0.80	HE
<b>Grand Mean</b>		<b>2.94</b>		<b>HE</b>	<b>3.01</b>		<b>HE</b>

This result on table 2 above with grand mean of 2.94 for CDB members and 3.01 for CBO leaders were greater than 2.50 which was the criterion mean. This result showed that agricultural development projects executed through global memorandum of understanding of multinational oil companies has contributed to promoting healthy living and wellbeing in Rivers State.

### Hypotheses

**Ho1:** There is no significant difference in the mean ratings of Cluster Development Board Members and members of Community Based Organizations on how vocational training programmes executed

through global memorandum of understanding by multinational oil companies promote healthy living and wellbeing in Rivers State.

**Table 3: Summary of Z-test Analysis of no Significant Difference in Mean Ratings of Cluster Development Board Members and members of Community Based Organizations on how Vocational Training Promote Healthy Living and Wellbeing in Rivers State**

Respondents	N	$\bar{X}$	SD	DF	Z-cal	Z-crit	SL	Decision
<b>CDB</b>	186	3.15	1.18	406	0.64	+1.96	0.05	<b>Accepted</b>
<b>CBO</b>	222	2.72	1.18					

Table 3 above shows that Z-calculated value of 0.64 is less than the Z-critical value of +1.96 at 0.05 significant level indicating that, there is no significant difference in the mean ratings of CDB and CBO members on how vocational training programmes executed through global memorandum of understanding promote healthy living and wellbeing in Rivers State. Therefore, the null hypothesis is accepted and the alternate hypothesis rejected.

**Ho2:** There is no significant difference in the mean ratings of Cluster Development Board Members and members of Community Based Organizations on how agricultural development projects executed through global memorandum promote healthy living and wellbeing in Rivers State.

**Table 4: Summary of Z-test Analysis of no Significant Difference in Mean Ratings of Cluster Development Board Members and members of Community Based Organizations on how Agricultural Development Projects Promote Healthy Living and Wellbeing in Rivers State**

Respondents	N	$\bar{X}$	SD	Df	Z-cal	Z-crit	SL	Decision
<b>CDB</b>	186	3.09	0.80	406	0.69	+1.96	0.05	<b>Accepted</b>
<b>CBO</b>	222	3.04	0.81					

Table 4 above shows that Z-calculated value of 0.69 is less than the Z-critical value of +1.96 at 0.05 significant level indicating that there is no significant difference in the mean ratings of CDB and CBO members on how agricultural development projects executed through global memorandum of understanding promote healthy living and wellbeing in Rivers State. Therefore, the null hypothesis is accepted and the alternate hypothesis rejected.

## Discussion of Findings

The findings of the study in research question one revealed that, vocational training programmes executed through GMoU have contributed to promoting healthy living and wellbeing in Rivers State to a large extent. This was done through employability skills, microcredit schemes, soft loans, training of women in enterprise management to support their family, and helping youths to be meaningfully engaged to avoid illegal means of making money. The corresponding hypothesis one shows that there is no significant difference in the mean ratings of Cluster development board

members and members of community based organizations on how vocational training programmes executed through global memorandum of understanding by multinational oil companies promote healthy living and wellbeing in Rivers State. This finding is in line with the findings of BEEWIN4ALL (2016) which revealed that vocational training programmes are usually focused on how beneficiaries can contribute to the economy thus making them more valuable and better equipped to care for their wellbeing as active contributors to the economy. Similarly, SPDC (2000) observed that the SPDC Youth Development Scheme as a vocational training programme has helped to equip youths in oil bearing communities with employability skills in welding, hairdressing, sewing and other vocational trades. Through the trainings, young ones are able to care for their wellbeing and those of their family members. Harish (2012) aligned with the findings of this research question when he opined that is a major way to generate income for urgent family needs such as, health problems and education. According to Maheswaranathan and Kennedy (2010) vocational training provides systematic guidance to low-income women, to pursue alternative income-generating activities aimed at improving their economic and social status.

The result of the findings for research question two revealed agricultural development projects executed through the GMoU have contributed to promoting healthy living and wellbeing in Rivers State to a high extent. This was done by improving food production, sustainable farming methods, creating awareness on modern farming techniques to boost farmer's income and production of improved variety. Hypothesis two also revealed that there is no significant difference in the mean ratings of Cluster development board members and members of community based organizations on how agricultural development projects executed through global memorandum of understanding promote healthy living and wellbeing in Rivers State. This finding is supported by the findings of Kubsad, Nilsson, King, Ingrid, Beck, and Skinner (2019) who opined that investments in sustainable agriculture can not only positively impact the environment but also improve the health and wellbeing of farmers and ranchers, participants in the agricultural value chain, and consumers alike. In a related study, the Union of Concerned Scientists, (2008) emphasized on agricultural development projects that promote better nutrition and decreased exposure to food, land, water, and air that has been contaminated by industrial agriculture inputs and practices as this can help to curb morbidity and premature mortality rates emanating from food and nutrition. Omonijo, Toluwase, Oludayo, and Uche (2014), also supported this findings when they averred that the goals of agricultural development projects should be to increase food production and farm incomes for the majority of the rural households and poor farmers, thus improving the standard of living and welfare of the farming population, with the hope of reducing abject poverty and improving their wellbeing

### **Conclusion.**

The responses of the various cluster development boards members and members of community based organization used for the study indicates that socioeconomic projects implemented through Global Memorandum of Understanding of Multinational oil companies have contributed to the achievement of healthy living and wellbeing in Rivers State. This achievement came through the implementation of projects in the areas of vocational skills trainings and agricultural development projects. However to achieve maximum benefits the GMoU should be expanded to accommodate other communities outside the operational areas of multinational oil companies etc.

## Recommendations

Based on the findings of the study, it was recommended that:

1. The Rivers State government should carry out micro projects to promote youth skills development schemes, business management trainings, microcredit schemes, soft loans, training of women in enterprise management to improve the socioeconomic conditions and promote healthy living and wellbeing in Rivers State
2. Federal and State Ministries of Agriculture should engage in agricultural extension programmes where farmers in rural areas will be assisted with improved ways of farming and encourage commercial farming among rural farmers. This will lead to food security, increased Gross Domestic Products and improve the standard of living of rural farmers and their families

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