Strategic Roles of Business, Government and Society: The Nigerian Situation

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Abstract
This study analyzed the strategic roles of business organizations and government in relation to the society and explored the theoretical and conceptual framework of the relationship existing among them. The Nigerian situation was examined through the citation of cases and incidences. It was discovered that corporate organizations in Nigeria, for now, are gradually stepping up an aspect of Corporate Social Responsibility (CSR) – philanthropy, while government is believed to be paying lips service in enforcing appropriate rules on business organizations especially as regards the sustainability concept since business organizations still degrade the environment. Recommendation was made that business organizations should engage more in the real art of CSR which includes observing the ethics of business and corporate governance; while government must ensure that the role of civil society organizations is enabled to allow the society act as watch dog.

Keywords: Business, Government, Society, Corporate Social Responsibility, Business Ethics, Philanthropy, Nigeria.

1. Introduction
The involvement of government, business and civil society institutions in the diagnosis and solution of societal problems has been in existence for ages, but the concept has gained more supports in the international development arena in recent times (Covey and Brown, 2001; Austin, 2000; Chrislip and Larson, 1994; Gray 1998; Stone, 2000; Trist 1983). The current urgent need due to globalization, the end of the cold war, the information technology revolution and the division of world politics have all necessitated the re-evaluation of the business-society relationship (Acutt et al., 2001 in Idemudia, 2007). The face of business in today’s society is ever-changing, highly dynamic, and extraordinarily diverse. Some events are exciting, others depressing. But many reflect the basic trends and underlying forces that are shaping business and society (Post, Lawrence and Weber, 1999).

Since the late 1990s, there has been a gradual shift in the conceptualization of the business-society relationship from business and society (i.e., a collateral system) to business in society (i.e., an interpenetrating system) (Idemudia, 2010). This conceptual shift has reinforced the idea that business is not just part of the problem of development; it is also part of the solution.

Despite the polarizing nature of the transnational corporations (TNCs) development nexus debate, a general consensus now exists that business is well placed to make significant positive contributions toward improving social, economic, and environmental conditions in Africa (Visser et al., 2006; Idemudia, 2010).
This expression of a new relationship between private capital and public interest, frequently conceptualized in terms of corporate social responsibility (CSR), represents a shift away from the confrontational politics of earlier decades toward a newer emphasis on collaboration and partnership (Hamann and Acutt, 2003; Idemudia, 2010).

Various prominent framework of analysis which explains the relationship between business, government and society exists over the years. While majority laid emphasis on a wide variety of social institutions and factors, others emphasized the importance of government. This divide in emphasis reflects a reality in the corporate world, as many corporations tout the importance of their own independent social obligations, while others put their greatest emphasis on business-government relations and their own corporate activities to try to influence public policies (Collins, Gittell, Holcomb and Magnusson, 2009). Evolving expectations and changing roles create new opportunities for civil society-business-government engagement that will reshape each sector’s role and redefine their mutual obligations (Covey and Brown, 2001). In the view of Waddell and Brown (1997), the institutions of the government, business, and civil society are structured around different interests and concerns: government institutions are concerned with the creation and maintenance of order and the distribution of public goods; business institutions are concerned with the efficient production of goods and services; and civil society institutions are concerned with the preservation expression of core community values and beliefs.

However, there seems to be a general agreement that constructive inputs are needed from government, business and the civil society if sustainable development must be achieved (European Commission 2001; Warhurst 2001). Consequently, it is argued that sustainable development today, is no longer a matter of choosing between the state and the market; instead, it is a matter of creating the appropriate mix of government and private sector actions to maximize welfare. In other words, it is about creating an enabling environment with a strong regulatory framework to mobilize resources for development (Chris, Philips and Bhatia-Panthaki 2007). Underpinning this position is the proposition that CSR is not just about the business-society relationship; rather, it is a way of rethinking the roles of companies in society that takes governance and sustainability as core values and that favours social co-responsibility among government, business, and civil society (Albareda, Lozano and Ysa, 2007).

This study is necessitated against the background that studies in the past have focused on developed economies e.g. the United States and the Western Europe (Wu and Davidson, 2011). Such studies focused specifically on the relationship among business, civil society, and governmental sectors, and on the interdependence and interconnectedness of the three entities (Lussier and Sherman, 2009; Steiner and Steiner, 2006). While in Nigeria, some studies have looked at corporate partnership and community development, as well as CSR and re-thinking the role of government and the possibility of corporate social development in the Niger Delta (Idemudia, 2007; Idemudia, 2010), no known study has been able to integrate this tripartite relationship in the Nigerian context. Therefore, the objective of this study is to discuss the tripartite relationship between government, business and society within the Nigerian context with a view to ascertaining the state of affairs regarding their strategic roles. This study is relevant at this point in time because of the changing role of government and business on one hand; and that of society on the other hand.

2. Literature Review

2.1 Theories of Government, Business and Society relationships

The relationship between government and business is complex, with both positive and negative aspects in terms of what can be called “the public good” (Alfredo, 2011). This notion of “public good” changes depending on one’s ideology and this makes the appreciation of the phrase even more complex. Therefore, an accurate understanding of the relationship that exists between the three requires an examination of the three main theories of political economy – the free market economy, socialism and mixed economy.

The free market economy is an economy whereby decisions regarding investment, production and distribution of goods and services are based on the forces of supply and demand (Gregory and Stuart, 2004) and the prices of goods and services are determined in a free price system (Altvater, 1993). The Free Market approach grew out of the theories of Adam Smith which is laissez faire in nature and translated as “let it be”. The theory proposes that there be little or no formal relationship between business and government.
The approach argues that the public good can be seen as similar with economic gains and efficiency in the standard of living for individuals. The “unseen hand” of demand and supply tends to produce better goods at cheaper prices for more people. This theory asserts that business interacts with others in society through the market place (Post et al., 1999). Products and distribution are consumer-driven, since businesses depend on consumers making their “choice” of products and services over a competitor’s (Ferrante, 2011).

Socialism is an economic system characterized by collective ownership of the means of production and distribution (Schaefer and Lamm, 1997). It is designed to eradicate competition, since goods are sold at predetermined prices regardless of the demand for an item or the cost of producing it. The aim is to provide goods for the general welfare and to distribute them in accordance with people’s needs, not their ability to pay (Henslin, 2007). Socialism rejects the idea that what is good for the individual and for privately owned businesses is good for society (Ferrante, 2011). By the late 19th-century, "socialism" had come to signify opposition to capitalism and advocacy for an alternative system based on some form of social ownership (Gasper, 2005). Therefore, government on behalf of the people should take control of business and direct what goods would be produced at what prices to remedy capitalism’s dehumanizing and selfish tendencies.

Mixed economy is an economic system where both the state and private sector direct the economy, reflecting characteristics of both market economies and planned economies (Wikipedia 2013). This system supports that the means of production be under private ownership and that markets remain the dominant form of economic coordination; while profit-seeking enterprises and the accumulation of capital remain the fundamental driving force behind economic activity. In this economic model, the government assumes a critical role in providing social and economic benefits to its citizens (Ferrante, 2011). In other words, unlike a free-market economy, the government would wield considerable indirect influence over the economy through fiscal and monetary policies designed to counteract economic downturns and capitalism's tendency toward financial crises and unemployment, along with playing a role in interventions that promote social welfare (Wikipedia, 2013). In essence there may not be a single definition of mixed economy but to say that it involves a degree of private economic freedom mixed with degree of government regulation of markets.

Therefore, today’s relationship between government and business is neither laissez faire nor socialist, but rather a combination of both called “mixed economy”. This theory buttresses the fact that business and society have many nonmarket interactions as there are social influences on business stemming from cultural and political forces in society, while business also has an influence on the political life and culture of any society (Post et al., 1999). There is a feeling that the increased business-government-civil society integrations are so valuable that they are evolving a new form of governance (Bruyn, 1991; Zadek, 2001; Waddell, 2002). The government, business and society relationship cannot be discussed in isolation of the concept of Corporate Social Responsibility (CSR) which has evolved over the years. This concept which was hitherto the major focus of multinationals is now being used by government, businesses and other types of organization as framework for sustainable development (Ite, 2007; Okomoh, 2004). Some authors aver that the real definition of sustainable development is a subject of much debate, and a consensus seems not realistic in the near future (Giddings, Hopwood and O’Brien, 2002; Redclift, 2006; Luke, 2005 in Ite (2007). Given this new outlook, two key concepts which reflect the “new” role(s) of business in the society have emerged (Okomoh, 2004). These are Stakeholder and Sustainable concepts.

The Stakeholder Concept is part of all the perspectives which give names and faces to the audiences that a business has to deal with (Freeman 1984; Carroll 1991; Svendsen 1998; Waddell, 2002). Stakeholder is used with two different meanings – Firm-centric and Issue-centric stakeholder views. Firm-centric grew out of a tradition from business literature which shows the firm as having primary and secondary stakeholders which have business relationship with the firm; while Issue-centric grew out of societal change and writing about social issues of environment, poverty, water supply, etc (Waddell 2002). In essence, the firm-centric holds that business managers are out to serve the interests of all those who have a “Stake” in the firm. The stakeholders include shareholders, employees, suppliers, customers, government and the communities. The main objectives of the firm according to this view are to co-ordinate and serve the interest of the various groups. It becomes a moral obligation of the manager (and thus the firm) to reach an appropriate balance among the various interests in directing the activities of the firm (Okomoh, 2004). On the other hand, the Sustainable Concept is a broad approach generally talked about in a period when environmental problems caused by different activities of humans require urgent solution (Lutteken and Hagedorn, 2013).
Sustainable development is defined as the “development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs”. In essence it is “a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations” (WCED, 1987). The concept holds that today’s generation has been reckless and wasteful in its exploitation and use of natural resources through series of socio-economic and industrial policies which endanger global environmental security (WCED, 1987). Viewed as doctrine of qualitative societal change, the concept highlights the danger of global environmental degradation e.g. oil spills, deforestations, acid rain, ozone depletion, toxic waste, etc and call for the initiation of policies that would do less damage to the environment, meet the “needs” of the present generation and enable future generations to meet their own needs (Okomoh, 2004). The characteristics of this paradigm as enunciated by the WCED posit that sustainable development is:

a. Centered on the people and aims at improving the quality of human life
b. Conservation-based as it is conditioned to respect the ability of nature to provide resources and life support services.
c. A normative concept which embodies standards of judgement and behaviour to be observed and respected by humans as they strive to satisfy needs of survival and well-being.

A cursory look at this suggests that the concept has many dimensions within which to think about human conditions – ethical, ecological, economic, social, global, and the linking of economic production versus social compensation processes and dimensions. Elkington (1998) in Warhurst, (2005) posits that the concept of sustainable development spawned the emergence of the “triple bottom line” concept which lies at the heart of corporate responsibility and corporate citizenship. The WBCSD (2000) concept of sustainable development seems to be in tandem with that of WCED. The WBCSD considers sustainable development to be made up of three fundamental and inseparable pillars viz: generation of economic wealth, environmental improvement and social responsibility. Examining these three dimensions of sustainable development, social responsibility otherwise referred to as Corporate Social Responsibility (CSR) appears the broadest and most crucial in the quest for sustainable development. The broad scope of Corporate Social Responsibility (CSR) which turns around to include the first two dimensions in its classification of social responsibility explains this. For better understanding, WBSCD defines Corporate Social Responsibility as the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

2.2 Business Sector

Every business has complex involvements with other people, groups and organizations in society termed as stakeholders, who are affected by or that can affect an organization’s decisions, policies and operations (Donaldson and Preston, 1995). This is due to the mixture of economic, political and cultural influences generated by its own system of people, institutions, and ideas (Etzioni, 1993 in Post, Lawrence, and Weber, 1999). Some are intended and desired; others are unintentional and undesired. The people and organizations with which a business is involved have an interest in the decisions, actions, and practices of the firm. Customers, suppliers, employees, owners, creditors, and local communities are among those affected by the profitability and economic success of the business (Post et al, 1999). While business decisions can have both positive and negative impacts on society, the actions of a society can also influence and affect the prosperity of a business firm or otherwise (Frederick, 1995).

Also, business managers must take responsibility to fulfill their duties to the three tiers of government. Business can influence the government primarily through lobbying groups, political action committees, and public relations. Business and trade associations as lobbying groups have become more sophisticated and active in presenting their ideas and views at the federal, state, and local levels of government. In Nigeria for instance, there is the Chambers of Commerce whose primary objective is to promote, support or oppose legislative or other measures affecting trade, industry, commerce and agriculture as well as represent the opinion of the business community on these matters in particular and the economy as a whole. Business can either support existing groups, hire, or form their own lobbying groups for a specific cause. It is then the responsibility of these lobbying groups to contact all involved lawmakers and the staff members who draft the legislation to ensure that they are...
fully aware of businesses' view on the subject. Letter writing to legislators is also an important aspect of lobbying (Collins, Gittell, Holcomb, and Magnusson, 2009).

As political action committees, business is heavily involved in both the electoral and governmental process. For example, in Nigeria in 2005, the National Employers Consultative Association (NECA) was involved in the National Political Conference (Confab) to set the tune and direction of electoral processes. Political action committees in some developed countries like America are permitted to solicit funds from employees and stockholders and make contributions to political candidates.

2.3 Government Sector

The last decade has witnessed governments joining other stakeholders in assuming a strategic role as drivers of CSR (Moon, 2004; Albareda, Lozano, Tencati, Midttun and Perrini, 2008) and adopting public sector roles in strengthening CSR (Fox et al., 2002; Albareda et al., 2008). The increasing profile of CSR as a concept in government action is linked to other challenges brought about by globalization and economic changes in the late 20th century (Aaronson and Reeves 2002b, Fox et al., 2002; Albareda et al., 2008), such as the debate on corporate citizenship, the changing role of business in society (Detomasi, 2007) and the interrelationship between trade, investment and sustainable development. Albareda et al., (2008) conducted a research to analyze governments’ CSR, public policies and initiatives in order to understand what comprise the main elements that shape government thinking when drawing up CSR public policies. Their research presented comparative analysis between CSR and public policies developed in three European countries: Italy, Norway and the United Kingdom. These three countries show three different approaches in terms of governmental actions promoting CSR (Lozano et al., 2005). Based on the work done by Mendoza (1991, 1996), Albareda et al., (2004) proposed a CSR public policy relational approach. Both Albareda et al., (2004) and Lozano et al., (2005) developed a CSR public policy-relational analytical framework in order to better understand the role of government in CSR. This tool enables the analysis of a government’s approach to CSR from two key perspectives: the overarching policy framework, and policy implementation in terms of specific policies and programmes. In this context, governments operate in a new relational approach, where the different perceptions of each exchange relationship need to be addressed to develop CSR public policy, and a consideration of these relationships allows a more complete view of government CSR policy (Albareda et al, 2004 and Lozano et al. 2005).

Government CSR policies and programmes may be examined through four relationships: CSR in public administration, CSR in government–business relationships, CSR in government–civil society relationships, and CSR in government–business–civil society relationships. The CSR in government–business–civil society relationship policy is called ‘relational CSR.’ These are policies or programmes that incorporate shared participation between government, business and society. In like manner, a new embedded relational model posited as an emerging model of corporate social responsibility and oriented societal governance was proposed by Midttun (2004). This model compared three governance models of the state – the Neoliberal, the Welfare state, and the emerging embedded-relational models while using the exchange theory and comparing the new model to older ones. Midttun’s new model based on CSR relies more on de-centralized civil society initiatives, media exposure and business self-regulation than on active state intervention. In the model, governments act as participants, organizers or facilitators, developing a softer role, where public sector agencies enable or stimulate companies to engage in innovation and partnering and endorse the soft regulatory agenda. In Nigeria, it is not certain if any of these models can be said to be fully operational, however, as in other developing nations, government is beginning to view CSR activities as a means to enhance sustainable development and a component of national competitiveness strategies to compete for foreign direct investment and to position their exports globally, as well to improve poverty focused delivery of public policy goals.

2.4 The Nigeria Situation

Nigeria’s economy has much in common with those of China, Malaysia and India. Free enterprises is the norm, although there are a number of important economic sectors like Telecommunication, Electricity and Water that have been, or continue to be partially owned and controlled by government. The government’s policy is to promote the commercialization, restructuring and privatization of certain government owned enterprises (Urbach Hacker Young, 2008). The government’s foreign policy principles seek to prevent conflicts, promote democratization, disarmament, and respect for human rights, sustainable development and poverty alleviation.
2.4.1 The Government and Business Sector

Direct foreign investment is allowed and encouraged in Nigeria. Being a developing economy, Nigeria is not different from other developing economies in using Foreign Direct Investment (FDI) as a strategy for achieving economic growth and development (Okomoh, 2004). The military rule era witnessed a reduction in the inflow of foreign investments due to various economic sanctions imposed on the country by the international community. It is on record that the economy of Nigeria in the first twelve (12) years of independence was sustained by export earnings from agriculture via a vast array of cash and food crops. The discovery of oil in the late 1950s and improvement in the fortunes from the oil exploration in the mid-seventies (70s) drew major investors to the country in order to tap the huge oil deposits. By the late 1980s the country had been reduced to a mono-income economy. Budgets were based on estimated revenue from the international sales of crude oil.

Unlike countries like Malaysia, Nigeria in spite of its huge deposit of human, natural and material resources has failed to achieve rapid economic growth due to several factors especially the issue of unstable political environment caused by long periods of military rule. However, the foreign direct investment of the Nigerian state increased from 1991 to 2003 (UNCTAD, 2003; FDI database online report in Ayanwale, 2007); and has continued to increase as can be seen by the FDI inflows of 2004 ($1.642bn), 2008 ($5.321bn), 2009 ($8.29bn), 2010 ($8.85bn) as reported by (Subair, 2011). This situation puts the country in an advanced position for foreign investments in spite of the numerous challenges facing the nation.

The period of military rule witnessed disregard for fundamental human rights, rule of law, and massive monopoly by firms having the favour of the military government. There was also declining economy due to unstable economic policies, large scale corruption and looting of public funds. Environmental degradation and pollution was high. For instance, the Niger Delta region was subjected to untold economic hardship through the activities of multinationals’ like Shell. Marine life and soil fertility was devastated by frequent oil spills and gas flaring in the region (Tuodolo, 2009; Aderemi, 2010). Multinationals like Pfizer Pharmaceuticals took advantage of the insensitivity of government to engage in human trials of its drug Trovan antibiotics at the break of meningitis in the northern part of Nigeria in 1996 thereby killing innocent children, while claiming that it conducted the trial with the approval of the Nigerian government that consent of the participants’ parents or guardians were sought (Aderemi, 2010). Pfizer subsequently settled the case out of court with a $75 million settlement that was subject to a confidentiality clause when in January 2009, the United States Court of Appeals for the Second Circuit ruled that the Nigerian victims and their families were entitled to bring suit against Pfizer in the United States under the Alien Tort Statute. By not checking for facts on the risk of such an unprecedented experiment on human beings, government thus became an accomplice in this gross abuse of social justice by Pfizer and also for condoning corruption in terms of the confidentiality clause of the settlement.

The institution of democratic government in May 1999 brought about a gradual change towards creating a political and social environment that is supportive of Corporate Social Responsibility (CSR) and ultimately sustainable development. Democratic principles were reestablished with the attendant empowerment of the constitution and the advocacy on the respect for fundamental human rights, rule of law, deregulation of various sectors like the telecommunication, downstream oil and gas, etc.

Presently, CSR practices by corporate organizations in Nigeria falls within the continuum of philanthropic giving (Aderemi, 2010). For instance in the restive Niger Delta region, the oil companies placate the restive host communities by building blocks of classroom, dig boreholes, construct roads and give some level of employment opportunities and scholarships to selected students from the catchment communities. Public sector support for Corporate Social Responsibility (CSR) is still weak due to the ignorance of policy makers about the fundamental constructs of Corporate Social Responsibility (CSR) and its impact on sustainable development. (Okomoh, 2004). The multinationals thrive on the ethnic disputes, resource control tussle between host communities and the federal government, and simply continue to get away with their abuse of the environment through gas flaring, oil spillages and radiation poisoning from indiscriminate erections of telecommunication mast in residential areas (Aderemi, 2010). In another vein, Ogundele (2012) contends that the multinationals give “surface” or “cosmetic” treatment to fundamental responsibility that they owe host community as part of stakeholders. Global standards of CSR include transparency and accountability of corporate organizations which is embedded in corporate governance. Corporate governance is about building confidence in your product, erected on the foundation of transparency and accountability, and this flows from practices that involved fairness, accountability, responsibility and transparency on a foundation of intellectual honesty (The Guardian, 2010).
Accountability has to do with the opportunity to perform or have an oversight over a subject, which may include or place on an institution, the liability to be called upon to render an account and the obligation to bear the consequences for failure to perform as expected (Iwu-Egwuonwu, 2011). Transparency is a measure of how good management is at making information available in candid, accurate and timely manner, not only in audit data but also in general reports and press releases (Alo, 2008 in Muraina, Okpara and Ahunanya, 2010). Succinctly put, corporate governance is a practice where corporations are governed and controlled in such a manner as to increase shareholders value while meeting the expectations of other stakeholders.

The Fiscal Responsibility Act of 2007 promulgated by Nigeria was seen by many observers as a way of enthroning sound corporate responsibility delivery to the masses, since the act empowers government to serve as custodian of the citizens’ rights - in relation to the activities of the multinationals. Nigeria in the recent past is assumed to be beset by poor corporate governance which has been a major factor in almost all known cases of distress of the financial institutions. The discourse on corporate governance in Nigeria has been heightened by the attitude of Boards of Directors of Corporate entities in undermining hitherto long held basic business ethics and culture of truth, honesty and integrity of corporate entities by placing personal interest and bad business practices over the time honored ethics (NIALS, 2010). Behavioural accountability should precede financial accountability otherwise no accountability is meaningful in organizations (Iwu-Egwuonwu, 2005). This seems to be on the decrease in Nigeria. This is evidenced in the failure and forced close down of about 54 banks in Nigeria between 1994 and 2005 (Iwu-Egwuonwu, 2011). The case of the then Lever Brothers Nigeria Plc in 1997 now Unilever Nigeria Plc over shady deals by the Chief Executive Officer; and that of Cadbury Nigeria Plc in 2006 readily comes to mind also. Cadbury Nigeria Plc in 2006 submitted a falsified Annual report of 2005 to Security and Exchange Commission (an accountability and transparency breach). Findings revealed that the company’s board since year 2002 used stock buy backs, cost deferrals, trade loading and false suppliers’ stock certificates to manipulate its financial reports that were issued to the public and also filed same with the commission. The leadership was appropriately sanctioned by government through fines, ban and the sacking of Directors and the board members. This shows that the Nigerian government is still alive to its regulatory function. However, what is supposedly marked as corporate distress or failure is actually an accusation on the moral character of executives and directors of the various organizations. This calls to mind the effectiveness of corporate governance being dependent on behavioural effectiveness of the organizations’ leaders.

2.4.2 Government and the Civil Society Sector

It is generally accepted that civil society organizations are set of institutions and organizations that inter-phase between the state, business world, and the family (Essia and Yearoo, 2009). Civil Society organisations play a crucial part in the interdependency of business and society sphere in the developed countries of North America and Western Europe (Wu and Davidson, 2011). Across a range of values of corporate social responsibility issues – consumer issues, environmental issues, human rights, governance, etc., there are voluntarily-formed advocacy groups that serve as unofficial watchdogs and, often, organizational whistle-blowers, ready to raise a red flag of criticism if the corporation strays onto a path or into a policy deemed inappropriate by the group. Whether large, powerful and well-funded organizations or much smaller, more tightly focused ones, the thousands of advocacy groups in the West are an established and important part of the dynamics between business and the broader society.

Nigeria seems to have similar set up with these developed countries as there are a thousand and one of such civil societies all claiming to protect the interest of the citizens in different areas of the CSR spectrum, not many are neither well-funded nor focused as those of the developed world. This may not be unconnected with the fact that government of Nigeria is yet to come to terms with the role civil society organizations ought to be playing in the relationship.

Effective partnership for national development between government and civil society groups in Nigeria is hindered by some problems which can be examined at three broad levels viz; structural, institutional and social (Essia and Yearoo, 2009). For structural factors, clear lines of relationship between civil society and the state is yet to be established in many developing countries of which Nigeria is one; the model of relationship is always unstable where sometimes it is cooperative, in another conflictual, or integrative or even nonexistent, depending on the context and issues involved. For instance the nationwide strike and the uprising which followed the government’s withdrawal of fuel subsidy on January 1st 2012 is a typical conflictual relationship which saw
government flooding the streets of Lagos and Abuja with soldiers trying to disperse the demonstration by civil society groups. This is an indication that governments (majority) in the developing world is yet to come to terms with the role civil society organizations (CSOs) should play; CSOs on the other hand are not in tune with better ways of applying themselves to government issues. That is, both sides need further education on participatory governance art and practice.

2.4.3 The Media

A critical component of civil society relationship and interdependence with the business sector is the media. Western societies assume a collection of free and independent media organizations that have the capacity to probe into and hold up for public examination of the decisions and activities of business organizations. Media organizations are not only important in their own right but are seen as a tool for the watchdog functions performed by advocacy groups (Wu and Davidson, 2011). Print and electronic media abounds in Nigeria. Some are owned by government while others are privately owned. However, these outlets seem to be guided jealously by government regulations before the advent of democracy in 1999. Most of the news disseminated in print or broadcast media then was subject to government approval or else such medium will be thoroughly sanctioned. An example of such sanctions when media houses act independent is the ban/suspension bagged by AIT Television for about fourteen (14) hours after reporting the site of the Bellview airline flight which crashed in 2005 in Lisa village, in Ogun state, Nigeria, after take-off from the Lagos airport. Locating and reporting the crash site became a tall order for the government of the day until AIT broke the news. The civil society reaction via social networks and the likes led to the unbanning of the TV station. What is operational now cannot be totally classified as “free press” since information retrieval and dissemination is totally not free and easy.

This could be linked to what Essia and Yearoo (2009) described as one of the hindrances to effective partnership of government and the civil society under institutional challenges. One of such institutional factor is dealing with administrative practices and laws which enthrone secrecy and adhocism in government affairs. Institutional arrangements for information on who does what and how in government is not in place as to allow citizens play a role in governance. Methods for sharing information that do not constitute any known security and trade risk required for democratization of governance is not in place as well. There is also seeming restriction by agencies of government for civil society participation in policy formulation that affects the lives of citizens. Past and current attempts at incorporating the views of the civil society in policy issues have been at the instance of donors, the World Bank and IMF. Such efforts end with serving the specific needs of each donor because they are project-based and ad hoc in nature and do not extend to other aspects of government business (Essia and Yearoo, 2009). Intellectual and organizational capacities for budget work, policy analyses and constructive engagements with departments and agencies of government, has not been increased by CSOs. And as such, government is not willing to partner with the civil society; because often times, CSOs blow up perceived failure, but are unable to supply crucial recommendations for adjustment to the public policy.

2.4.4 Business and other Stakeholders

The relationship between corporations and other stakeholders like Employees, shareholders, community, consumers, employee and ethical consideration can best be described as still evolving. Shareholders in Nigeria are yet to finish counting of their losses in the capital market. This may be seen as the effect from the recent global recession.

However, most business relationship with stakeholders is nothing compared to assumed best international practices. The practice of CSR for most corporations is that of charity giving or philanthropy. The situation of non-guarantee of product safety for consumers/users still exists even as consumerism has not been wholly accepted by the consumers as their right. A recent case pointing to product safety is the just decided case on “My Pickin Teething Mixture” which killed about a hundred children in 2009. A Lagos Federal High Court ordered Barewa Pharmaceuticals Managing Director to be remanded in prison after his arraignment for allegedly manufacturing the adulterated drug, ‘My Pickin Teething Mixture’ (Shokunbi and Opeseitan, 2009). The incident warranted the government agency responsible for food and drug administration control to shut down the company and arrested about twelve of its officials. Presently the company is closed down; two of its senior officials each bagged a seven-year imprisonment sentence. It is assumed that employees are yet to enjoy full labour law protection as the rise of unemployment has perpetually made employees slaves to the employers such that even when their rights are trampled upon, they make no attempt at seeking redress.
Air and land pollution, gas flaring and degrading of the environment is still ongoing.

3. Conclusion

The relationship that exists between business organizations, government of the nation and the society could be said to be symbiotic in the sense that all exists for one and none can exist without the other and this has developed throughout human existence. The aim of business now is not that of profit making alone, but satisfying other stakeholders and ensuring sustainable development. In the same vein, government does not just regulate business alone but has found itself a player in the market just as business influences government in its regulation through pressure groups and opinion molders.

A look at the input-output relationship shows that business relies heavily on the society to provide the inputs needed for its operation ranging from human and material resources to the capital needed for survival of the business. Business needs the society to consume its goods and services, serve as labour force, and help fight its cause when needed; while society benefits from business in the supply of its needs in terms of goods and services, employment opportunities, and the preservation of the environment. Society is organized, protected, and enriched by business and governmental entities. Government on the other hand provides the enabling environment and regulates the economy to ensure that business organizations conform to the rules of the game. Government is largely funded by taxes collected from business firms, and relies on society to maintain legitimacy and, in democracies, foster public opinion to direct its policies. Since all three have grown to be so interconnected and interdependent on each other in our global society, when one component fails or experiences a major change, the other two must respond. Generally, the sustainability and stakeholder concept is yet to have a solid root in the Nigerian scene. Findings show that ethical and moral consideration is still at its lowest ebb, as corruption, falsification and manipulation of accounts is on the increase.

4. Recommendation

Business organizations in Nigeria need to take the issue of corporate governance seriously and step up its ethical behaviour and social responsibility to the stakeholders. Government/Civil Society Organisations (CSOs) partnership needs clear roles and terms of engagements to be defined. When the society perceives that government is truly serving its interest and not playing pranks with the rights and lives of its citizen, people will learn to respect institutions of government and abide by their guidance. The freedom of information (FOI) bill should be passed without conditions provided it does not undermine security in the nation. With it, the civil society can perform its whistle-blowing role. CSOs should realize that partnership and not confrontation in dealing with government is required.

However CSOs should see as a challenge the need to increase their intellectual and organizational capacities for budget work, policy analyses and constructive engagements with departments and agencies of government. With that, government will be more willing to partner with the civil society; because not just will CSOs blow up perceived failure, but would also supply crucial recommendations for adjustment to the public policy.

References


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