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A Critical Challenge for the Extractive Industry - Tourism as a New Frontier for Sustainability

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Abstract

Sustainability has been resonating within the business community and academia. Indeed, it has progressed from being an ideology to a technique that adds to the triple bottom line. Given that the new contract is driven by global competition, several companies are striving to take advantage of the current narrative in their drive toward innovation. Most importantly, the expansion of corporate social responsibility (CSR) frontier is driving the discourse on sustainability, thus, leaving business with limited options. Therefore, sustainability is no longer optional especially for industries, whose activities directly affect people and planet. Arguably, the more directly a company's activities affect people, the more like the come into direct contact with society. The implication is that the run the risk of being confronted by members of society especially rights groups and activists. This paper aims to demonstrate the author's curiosity to investigate the extractive industry's approach to sustainability in its operations. It also examines the extant practices of the extractive industry, which have direct links to sustainability. The paper reviews the existing literature relating to sustainability and production in the selected industry. Essentially, it discusses the level of acceptance of sustainability in the extractive industry, particularly in the less-developed world. This has exposed gaps, which will require policy overhaul and reorientation. Findings demonstrate a correlation between institutional environment and sustainability consciousness. Recommendation focuses on social, economic, political, and technological perspectives. These factors have been found to influence the level of adoption of sustainability by companies. This paper serves as a precursor to a proposed qualitative research project, which will adopt a comparative approach to review the sustainability practices of two companies, based in New Zealand and Nigeria. The author's main goal is to publish a working document from the proposed research.

Keywords: CSR, Extractive Industry, Exploration & Production, Sustainability.

Introduction

The theoretical perspectives on sustainability can be traced to a series of conferences between 1972 and 1992. Particularly, the United Nations (UN) conference on Human Environment held in Stockholm in 1992, where it was first deliberated on a global scale (Linner & Selin, 2013). The recommendations at the conference were emphasized in the 1980s at the World Conservation Strategy, a collaboration between the World Wildlife Fund [WWF] and the UN Environment Program [UNEP]. The dominant issue was to advance sustainable development by making conservation a policy focus. However, the concept has assumed a more diverse position in recent times. It is relevant to submit that some form of economic and environmental sustainability existed in communities before the current discourse. For example, the apprenticeship program in Igboland has promoted prosperity in different towns. Apprenticeship in this regard refers to an established trader to take on board other members of the community to train them on a similar trade. Lived experience demonstrates that this reduces poverty in a community to an appreciable extent.

Lately, the discourse on sustainability is shaped by growing concerns for the environment most importantly climate change, rising poverty, social inequalities and others (Giovannoni & Fabietti, 2013). Prior to this outlook, the Organization of Economic Cooperation and Development (OECD, 2007) and the International Institute for Sustainable Development came up with the Bellagio STAMP (Sustainability Assessment and Management Principles) as a benchmark for assessing managers towards sustainability through the OECD (Linner & Selin, 2013). This approach comprises the UN organizations, national governments and the civil society organization in the development of other measurement indices of human progress that could accurately measure social and environmental factors. Nevertheless, many nations have existing sustainable development indicators as a supplement for economic indicators (OECD, 2007). In this disposition, many companies are making powerful statements about sustainability through their CSR reports. Apparently, more than 1500 organizations from 60 countries have adopted the Global Reporting Initiative (GRI, 2010). This marks a paradigm shift in business thinking as well as governments and civil societies. The paper focuses on how stakeholder attributes can be used to entrench sustainability in society

CSR, a major Driver of Sustainability

For many decades, profit maximization (the business case) has been at the core of business goals; therefore, companies have attempted to create and sustain competitive economic performance (Khoon & Mah-Hui, 2010). Indeed, the frosty relationship between business and society can be attributed to this philosophy. Consequently, the concept of sustainability has started to reverberate in business practices. Sustainability is surrounded by the ambiguity of definition and scope suggestive of the CSR concept. This view is consistent with the position of some authors, who express ambiguity in the actual nature of sustainability referring to it as being about everything and nothing at the same time. Underscoring this opinion, Pesqueux (2009) acknowledges this ambiguity in their argument that the complexity around this concept and associated interest devolve into a confusing cacophony.

Consequently, the recognition that humanity has become a dominant feature in nature can hardly be disputed. Invariably, it is shaping the global landscape through its activities, which exert pressure on the world's finite resources and thus pushing the earth's biophysical system beyond its limits (Jager, Carson, Bradshaw, & Steffen, 2002). These changes are being addressed through many phrases such as climate change, degradation, and loss of biodiversity (Crutzen, 2006). In this regard, it is contended that the sustainable practices that society constantly engages in are not enough to create a sustainable system (Sterman, 2012). The author reckons that real issues around sustainability are ignored or yet to be addressed. This position has placed some commentators in a position of joining technology as an obstacle to sustainability. In this regard, Van de Leeuw (2010) while acknowledging the role of technology in simplifying life, opines that it has also had some negative impact on sustainability. The replacement of humans with artificial intelligence in some sectors is a classic example of how technology is undermining the sustainability and preservation of human intelligence. Some commentators argue that this innovation may spiral out of control and create an imbalance that will short-circuit the sustainability drive.

It, therefore, follows that sustainability goes beyond changing light bulbs; it is rather a concept that is broad, interrelated and all - encompassing (Weinstein, Turner, & Ibanez, 2013). Consistent with this, decision-makers in business and society have come to grasp that policies have come short of solving persistent sustainability problem, but on the contrary causing them (Sterman, 2012). An example of such a situation is witnessed in some well-thought-out programs that could create unanticipated side effects (e.g. emission from cars).

The Dilemma of Sustainability in the Extractive Industry

Broadly speaking, the extractive industry refers to the industry that is involved in the exploitation and production of non-renewable resources such as oil, gas, and minerals (UN, n.d). this process has brought most companies in the sector into direct confrontation with different stakeholder groups especially host communities in developing nations (Okoro, 2014; Eweje, 2007; Campbell, 2011). This is largely because activities in this sector result in the alteration of both built and natural environments and have a direct impact on host communities. This impact is felt directly as opposed to the effect of the actions of some other sector like the banking industry or service sector. The nature of their activities is such that involves look people, who may witness the degradation of their environment on real-time bases. This arguably puts the international oil companies at the centre stage of conflicts within the region.

In Nigeria, the detrimental effects of oil E&P occasioned by oil spills are so evident in most host communities in the NDR and have been well documented in the last three decades However, the major crisis in the region stems from when "youth liberal dispositions were at odds with older citizens, whom the young people have accused of conniving with the companies to the detriment of the people" (Amaewhule, 1997). Consequently, these young people have prevailed on IOCs through threats of violence to attend to their needs (Eweje, 2001). This is a classic case of stakeholder power attribute, where legitimacy can be overtaken by events. In his submission, Akpan (2006) reinforces the perception by the youths that their leaders are ignorant, self-centred and lack the capacity for effective negotiation. Paradoxically the youth has become the chief negotiators and no longer as naïve as claimed in the past. This discovery is an aftermath of the study by Okoro (2014), where first-hand interaction with host community members exposed the level of awareness of these young people. This fits into the narrative of getting the biggest share of the national cake (Campbell, 2011). In an economic sense, the oil boom was associated with an increase in local manpower demand and flow of foreign exchange. The development benefited the elites and politicians; who formalized corruption and mismanagement of resources (Campbell, 2011; Turner & Sherman , 1997). The international community took note of this anomaly and the consequence was the turning down of a loan request to IMF in 1985. Most Nigerians viewed this development as a danger sign. However, this action was accompanied by some advantages as the currency was devalued "four-fold, import restrictions were lifted, import licenses abolished, wages frozen, price controls, subsidies removed, wages frozen, price controls lifted, jobs cut, the minimum wage eliminated, and profitability of oil investment enhanced (Turner, 1986).

Dangote Multi-billion Refinery vs Sustainability Initiatives in the West

Nigeria as an oil-dependent economy shivers whenever focus is being taken away from crude oil. Historically, oil was first discovered in Nigeria in 1956 (Abe & Ayodele, 1986), ever since the economy has been shaped after oil prices thereby reducing the relevance of other sources of revenue pre-independence. While some other countries are moving away from the dependence on fossil fuel to renewable energy, Nigerian leaders are not showing a proactive attitude toward a more sustainable approach to energy production and use Although the conversation of an outright retreat from fossil fuel to renewable energy resonates in the west, Nigeria is applauding the construction of a multi-billion refinery by its leading industrialist Aliko Dangote. Simultaneously, the project of reducing or even eliminating the use of non-renewable energy is keeping several scientists busy in countries such as France and the United Kingdom.

Nigeria is the second largest producer of crude oil in Africa with 29% of entire Africa's crude reserves, yet it has been facing a plethora of challenges in refining crude oil in the last four decades.

Paradoxically, it takes the 3rd position in Africa for the importation of petroleum products. These challenges have forced the nation to import an estimated 80% of its refined petroleum products (PWC, 2017). The scenario has triggered a debate on how this approach impacts sustainable development and the sustainability of people and planet. Crude oil itself will become a thing of the past in the long term given the aggressive move of the West toward renewable energy. Commentators have viewed the construction of new refineries with mixed feelings. An argument against the consumption of petroleum products in the short-medium term in sub-Saharan Africa could be tantamount to a mirage. The expertise and technical know-how to support sustainability through the production of enough renewable energy are farfetched.

The construction of a multibillion-dollar refinery by the Dangote group is to fill this gap and maximize associated business opportunities. Indeed, this could address the immediate energy concerns at the very least curbing the importation of petroleum products and creating jobs for the teaming unemployed. However, as the future moves away from fossil fuel to renewable energy, the longevity of this industry is arguably suspect. The suspicion is that as Europe moves toward electric cars, most of the gasoline-based cars will be shipped to African and Nigeria particularly as 'tokunbo' (a colloquial name for second-hand cars) thereby, making the environment less sustainable than it was. The danger is that democracies in sub-Saharan Africa do not realize this as such have no proactive strategies for impending doom. The West has been investing significantly in electric plants to move away from the status quo while oil refineries are being celebrated in developing nations. A classic example of one country's poison being the delight of another country.

Some analysts contend that this is a case of applying a short-term solution to a long-term problem. The jury is not yet out on the contribution of this multi-billion refinery to sustainability especially the planet. The complexity around the importation of petroleum products and endemic unemployment fuelled by corruption makes the Dangote initiative a laudable one within sub-Saharan African and may not be generable globally.

Corruption, Democracy & Sustainability

When African leaders declared 2018 as the African year of Anti-Corruption, a lot of commentators in the region were sceptical. The Corruption Perceptions Index report of the Transparency International underscores those fears (Transparency International, 2019). In the past, authors including Campbell (2011) and to a reasonable extent Okoro (2014) have made submissions to support the notion that corruption is rather the norm than the exception in Nigeria. Indeed, they contend that corruption is a continental malaise for Africa and gets worse with sub-Saharan Africa. A direct consequence of this is the dearth of infrastructure, which can be traced to the self-aggrandizement approach of most African leaders. The OECD (2011) without ambiguity express the role of infrastructure in the sustainable development of any nation. Furthermore, it asserts that no meaningful development can occur without basic infrastructure. This acknowledgment aligns with the opinion that sustainability cannot be isolated from institutional environments. The normative or descriptive nature could be where the challenge lies.

Transparency International (2019) report establishes a nexus between corruption and democracy by suggesting an inverse relationship. However, the descriptive nature of institutional environments especially in developing countries poses a huge challenge. A number of these countries are battling poverty and disease thereby operating at the bottom of

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Maslow's hierarchy of needs. Global news demonstrates that corruption is a human disease that is arguably endemic and renewable in most developing nations. From an African's perspective, a triangular approach (figure 1) can be deduced from corruption, democracy, and sustainability, where a correlation could be established. Isolating corruption from democracy and sustainability can be delusional. Corruption to a reasonable sense can be inimical to both democracy and sustainability. However, in some cases, the development of a nation may not equal democracy. For example, Nigeria was under British rule before it gained independence on October 1, 1960 (Ikoya, 2007).

The significance is that the country has been self-governing for 58 years. Paradoxically, the country has struggled with several complexities including corruption, ethnic wars, uprising, institutional decay amongst others. Similarly, the just concluded general elections is a testament to how the country still struggles with democracy. Reports from media organizations and more unconventionally the social media indicate that the outcome of most elections is being contested including that of the presidency. Therefore, it is not unreasonable to assume that in such an environment issues around sustainability will be subsumed in the national chaos. Lived experience reveals that the fight goes on and on and unfortunately the state foots the legal bills in several cases. Across the Pacific, countries like New Zealand continue to strengthen their democracy fabrics by promoting transparency and making elections more sustainable and cost-effective.

The latest Corruption Perceptions Index (CPI) report is an indictment on some countries in their effort to fight corruption. The report is unequivocal on a troubling link between corruption and the state of democracies globally. The index is based on the ranking of 180 using a scale of 0 – 100 where 0 is the most corrupt and 100 the most transparent (Transparency International, 2019). Underscoring the link between weak democracies and corruption is not particularly unnerving for people from developing regions such as sub-Saharan Africa. Ironically, some of the leaders in this region are promoting their half-baked anticorruption initiatives, which are imaginary at best. The situation aligns with Campbell (2011) argument on the economic superiority of Nigeria in sub-Saharan Africa based on the pervasive poverty in the nation. this submission is strengthened by a recent report that listed Nigeria as the global poverty headquarters (CNN, 2018).

Poverty and corruption could act as a lethal mix, which undermines every effort toward sustainability and sustainable development. Overall, analysts opine that corruption in sub-Saharan Africa is orchestrated by factors such as weak institutional environments and dormant political systems. Some practical experience suggests that Nigeria is plagued by these factors as well despite carrying itself as the giant of Africa. Indeed, internal conflicts and unstable governance structure in countries like Nigeria have made it difficult for any dialogue on sustainability. The country is beleaguered by an unsettling crisis like kidnapping, election malpractice, Boko Haram, MEND, IPOB, and other groups with a high propensity of violence. The panel is still out to determine the efficacy of President Muhammad Buhari's anti-corruption drive.

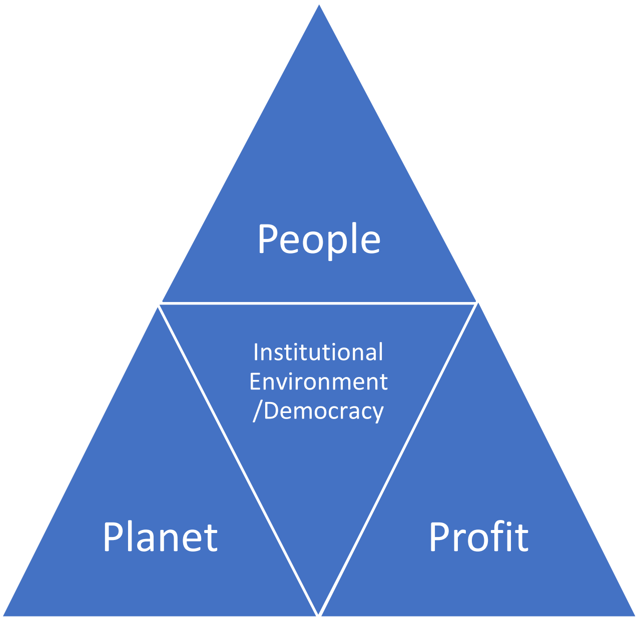

Figure 1. Hypothetical Sustainability Triangle for a Developing Nation

The above triangle underscores the overwhelming impact of the institutional environment on the sustainability discourse of a nation. Suffice it to say that globalization has affected the control of national governments on the domestic environment (Held & McGrew, 2007), the relationship between sustainability and democracies can hardly be exaggerated. For example, a country like New Zealand with a strong institutional environment, which is evidenced in a near perfect democratic institution will have an unrestrained conversation about the sustainability of people, planet, and profits. supporting this narrative is the recent unanimous action by supermarkets in New Zealand to adopt and implement a no-plastic-bag policy and the outcome has been phenomenal. Arguably, this mover approach might not be unconnected with the level of awareness created by a strong institutional environment. Below is a poster by a retail chain in New Zealand to demonstrate their commitment to sustainability. some scientific commentators allude to the mitochondrial effect of institutional environments on the sustainability agenda. The mutual exclusivity of the two is yet to be established. Put simply, a strong institutional environment can be an enabler of sustainability and vice versa.

Figure 2. Sustainability promotion poster (Source: The Warehouse Te Rapa)

The Oil that Lubricates Corruption to Undermine Sustainability

Different scenarios have been projected on how oil has made some nations poorer. This phenomenon has been referred to as the resource curse in some literature. The current reality can be linked to Rosser (2006) that the conventional wisdom in the 80s was that natural resources played a central role in the development of a nation. On the contrary, some development theorists and neoliberal economists further amplified this position until the emergence of a contrary view in the 80s as well. The opponents claim that natural resources may not be a blessing to those nations after all. This argument exemplifies the dilemma of some oil-based countries and their inability to channel accruing wealth toward sustainability to achieve sustainable development. Conversely, proponents argue that the abundance of natural resources such as oil would assist developing countries to migrate from underdevelopment to industrialization as evidenced in countries such as Britain, USA, and Australia (Akinlo, 2012). However, the situation in developing countries such as Nigeria starkly contradicts the view that oil is associated with economic development. Earlier commentators on transparency such as Vletter (1997) pointed to the role of transparency and accountability on the part of the government in wealth management and national development. This submission underscores the fact that weak democracy could lead to the hegemony and self-aggrandizement that plague most countries in sub-Saharan Africa. The recurring question is how all these fit into the sustainability narrative for nations that need it the most.

Stakeholder, CSR, and Sustainability

In the last couple of decades, Corporations have been experiencing challenges in their CSR programs as stakeholders have become increasingly aware of the consequences of corporate activities as a result, raising the bar for accountability. With the fast-growing information and communication technology industry (ICT), information is readily available, and people always put such information to any use that benefits them. Treviño, Gibson, Weaver, & Toffler (1999) contend that corporate responses to social demands can be mere camouflage thereby making it a challenge to establish a nexus with sustainability. It is also relevant to allude that some companies incorporate ethics related initiatives in ways, which can be easily separated from operational activities to enable such demands to be met without interfering with core business activities. Some commentators are of the impression that this effort is imaginary and call for independent scrutiny of request to determine authenticity and relevance. There is a growing consensus that companies are coming up with more ethically sound ways of doing things, but the expectation is that they can do more (Idemudia, 2007). To deflect this perception, companies are developing and communicating more socially responsible policies and procedures. However, it is imperative to acknowledge that incidents of irresponsible behavior are bound to increase as firms globalize. For example, the coffeehouse chain Starbucks has long and characteristically carried itself as an enthusiastic adopter of fair-trading practices. Unfortunately, the company has been criticized for trying to prevent Ethiopian farmers from securing trademark protection for their coffee and being able to obtain a better price for themselves (Adamy & Thurow, 2007). Instructively, fair-trading is one form of sustainability that reflects on people given that the concept is about people, planet, and profit. This incident aligns with the opinion of some analysts that CSR could be more of publicity than anything else.

One of the major criticisms of CSR as a business practice is that, unlike that of the financial front, performance on the social environment front is much more riddled with contradictions. The practice assumes even more ambiguity when firms attempt to present what looks like a widely accepted standard (Norman & MacDonald, 2004, Carroll, 2018). This can be the reason why setting a standard of CSR for firms has not gained the required support as companies operate differently and are affected by certain variables in different forms. For example, companies that are in the extractive business are more likely to be confronted by local communities than a bank. To reduce this vagueness, some nations allow organizations to draw CSR policies or initiatives based on peculiarity. A realistic argument points to the fact that more flexibility if backed by some level of legislation for guidance and control. It is an approach like that has thrown up the conversation on sustainability and business ethics, which are dominating corporate reporting lately.

Regardless of all these, the way CSR should be carried out has generated several debates. There are those who think it should be voluntary and on the other divide, those who are championing the imposition of the concept on firms. This confusion has led some to advocate the abandonment of both the concept and its practice. In the opinion of Henderson (2001) the effort should be more on perfecting the market dynamics, given that it is within the context of efficient markets that businesses can be legitimately expected to contribute to the public good. Interestingly, the contribution of public good to business innovations the internet, electric car, near field communication etc. can hardly be ignored. Yet, the other group advocates a firmer regime of CSR, insisting that it is CSR's voluntarism that predisposes the process to abuse by business corporations or leads corporations to put up a grandstanding disposition to it. They contend that it is not all about benevolently sponsoring all forms of campaigns in a remote village; rather it is how their operations impact the society and what can be termed the stakeholder license to operate (Swanson, 2002)., in this case, the license is not the same as the formal oil prospecting/drilling license given by the government.

The situation in Nigeria may not necessarily reflect a global perspective. Arguably, most corporations in Nigeria have the major decision-makers sitting on their boards and this makes it increasingly difficult to effect CSR policies that are not in line with shareholders 'philosophy (Akpan, 2006). In some countries, it is constitutional that people relinquish board position at the point of taking up a political position, but this is not strictly adhered to. The experience is that a significant number of people in management boards are always very influential even outside the boardroom and major decisions will not be passed without their overwhelming influence. The implication is that for sustainability matters to be taken seriously in an organization, the shareholders' motivation will be put into context.

Corporate activities have always been subject to scrutiny for alternative motivations, therefore most CSR policies reflect some form of corporate hypocrisy and some observers are still in doubt of the sincerity of most organizations in their CSR agenda (Wagner et. al, 2009). Following this orientation, there seems to be a need to appraise the meaning of corporate hypocrisy in relation to CSR. Therefore, organizations have the onerous task of convincing stakeholders of their determination to contribute meaningfully to society. In real terms, corporate hypocrisy can be simply defined as the belief that a firm claims to be something that it is not, essentially this occurs when there is an alleged disparity between claim and reality (Shklar, 1984). Checking performance against assertion can make or mar an organization. Therefore, organizations like people may be perceived as demonstrating hypocrisy when inconsistent information about their own statements and observed performance are revealed. It is applicable to note that there is no established relationship between individual hypocrisy and corporate hypocrisy. The question is, could corporate hypocrisy be considered a global or regional attitude that undermines sustainability.

The work of Jackson and Artola (1997)) suggests that little research has been done on cross-cultural ethical value and behaviour of organizations such as international oil companies (IOCs) in less developed countries (LDCs) even though the impact of globalization and demands for ethical behaviour are now far-reaching. However, a report by Global Environmental Management Initiatives (based upon World Bank data) exonerates IOCs by noting that most of them are proactive in both economic development and environmental health and safety quality in LDCs they operate. This acknowledgment reveals that some IOCs are committed to sustainability by engaging in sustainable development practices through their CSR agenda. Conversely, Ite (2004) notes the difficulty in applying universal or western CSR standards to LDCs such as Nigeria is very challenging. He concludes by suggesting that IOCs in the NDR are complicit in the injustice surrounding the equitable distribution of oil resources. Similarly, the work of Okoro (2014) does not completely exonerate or indict the IOCs in this regard.

CSR could mean different thing to different people because of the influence of culture, institutional environment and possibly geography on people's perception. Numerous synonyms have been associated with this concept, yet the objectives are similar and contextual as well. The consequence is that the concept is practiced differently and depends on the circumstances of the society in question. In the Developed World, CSR initiatives are centred on the environment, Health and Safety issues (Ite, 2004). However, in the developing world, the community dominates the agenda because the basic infrastructure to make life worthwhile is lacking. CSR in this instance involves the clamour for good governance and anti-corruption crusades, as legislation to achieve these are weak in these places. Generally speaking, CSR policies would involve the environment, community, health, safety, infrastructure, capacity building, corporate governance, and ethical issues. It is pertinent to note that CSR requirements of the developing world are significantly different from that of the developed world because of the value system, cultural differences and technological advancement (Ite, 2004). The odds favour CSR and stakeholders as potential drivers of sustainability. It gets more challenging in LDCs, where governments are unimaginably corrupt and aloof to the needs of the people. A parallel submission is made by Amaeshi, Adi, Ogbechie, & Amao (2007) for more customized approach to CSR, which aligns with the cliché of "thinking globally and acting locally". However, business ethics scholars would consider this phrase differently.

Tourism a New Frontier for Sustainability

The poverty alleviation impact of tourism on communities globally can hardly be exaggerated. This is exemplified in the numerous jobs associated with tourist activities (Croes, 2014). As this industry gets as competitive as any other, states and nations are redefining activities to encourage diverse stakeholders. For example, environmental sustainability is a very big focus for a country like New Zealand, which prides itself of as a custodian of nature. In this regard, strategies are constantly evolving on how to manage public goods like air, water, and environment. This effort is being embraced by most stakeholders in New Zealand's Tourism industry. As earlier expressed, stakeholders are being actively engaged to entrench sustainability in different spheres. Therefore, the argument in support of the contribution of tourism to local economies is valid. Rural communities and islands have benefited from tourism boost lately introduced in many countries (Dodds, Ali, & Galaski, 2018). However, some natural disasters around the globe have also slowed down tourism activities.

Mining activities need to be interweaved with sustainable development goals and safeguard that present and future generations will have the needed resources or alternative means to satisfy their basic needs of food, water, and energy and tourism inclinations. The internationally suggested good mining practices need to be observed in order to support environmental sustainability that ecotourism thrives on. Thus, there needs to be enhanced appraisal of environmental preservation and ecosystem services for ensuring that the tourists, both domestic and international have sound public health and life quality standards. This will drive mining to become a loftier ethically sound performer when viewed against past and some current pitiful mining practices. Using green technology in mining will serve to reduce carbon emissions in operations and mitigate adverse environmental impacts. It comprises the use of minerals and metals that support a conversion to low-carbon technologies for instance solar panels and wind power utilisation.

Most tourist centres are working to ensure that they do not lose the spark. In this regard, environmental sustainability has been a major dialogue. Communities and city councils are exploring different ways of protecting the environment to ensure its longevity and maintain their tourists' delight status. Indeed, they have started to treat the environment as an asset that depreciates. Focus lately has been on how to protect rivers, seas, forests, etc that form the centre of tourist attraction for such communities. Experience in New Zealand demonstrates a high level of environmental awareness. Stakeholders in this country are protective of the natural environment and can rise against any action to the contrary. Overall, tourism is becoming a good ally of sustainability as the concept keeps resonating. Nonetheless, innovation must continually support environmental conservation and in this regard, the mining sector needs to play a critical role in the circular economy. By means of using renewables such as solar energy to power machines will help ensure more sustainable mining and tourism industries.

Conclusion

Organizational philosophy to a reasonable extent shapes both policies and strategies. The organization fails because of people because if people were taken away from an organization it becomes mere mortar and bricks. The extractive industry involves activities that affect people and planet the most. This has led to instability and confrontation between government, communities, and industry groups. Therefore, it is incumbent up industries in this sector to articulate the roles that it can play in the drive for sustainability. Given the realization that it comes to direct contact with local communities, the bar on performance in this area can only get higher. The industry in the developing world is encouraged to think globally and act globally this time. The exploration and production process can be greener with technological innovations. However, there must be a long-term strategy to invest and focus on alternative energy sources especially in LDCs. Indeed, it is relevant for their business longevity as fossil energy can be a thing of the past in the long run. Experience demonstrates that outside stakeholders are more active in this regard. In all of this, the institutional environment will set the stage for the sustainability direction of this industry. Countries with transparent democracies have fared better in their drive for sustainability in this industry by tightening regulations around the environment. Therefore, there is a consensus around an existential threat to people and planet from the extractive industry.

Recommendations

The extractive industry operates in one of the most precarious environments. The most significant feature with such environment is poverty, which would have resulted from weak democracies leading to unbridled corruption among the elites. Therefore, the paper recommends the following: LDCs with an immense reliance on revenue from the extractive industry should be given all the assistance to fight corruption and promote a strong institutional environment to allow the nations to rid itself of corruption and self-aggrandizement. Developed countries can promulgate laws that will discourage the export of stolen wealth from LDCs with significant extractive industry presence to developed nations by revisiting banking secrecy and confidentiality. International organizations and donor agencies should move away from philanthropy to articulate self-reliance strategies that encourage sustainability, which invariably promotes sustainable development in LDCs with high dependence on the extractive industry, Finally, the extractive industry in LDCs should be transparent in the energy efficiency level of their oil E&P and not take advantage of host communities' lack of awareness regarding global warming and the carbon footprint of companies.

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