BARGAINING FOR SURVIVAL

UNIONIZED WORKERS IN THE NIGERIAN TEXTILE INDUSTRY

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and
Björn Beckman

October 1996
Throughout Africa, industrial workers and unions have been badly hit by economic recession and structural adjustment programmes. Africa’s industrial growth in the 1960s and 1970s owed much to imported inputs, state subsidies and protection and was therefore adversely affected by the decline in import capacity and the macro-economic crisis that began in the 1980s. Market oriented adjustment policies further exposed industry’s vulnerability to external competition. The net effect has been de-industrialization, which has led to massive contractions in the industrial labour force, reductions in the density of unionization, declines in real wages and social benefits, and unfavourable working conditions. However, de-industrialization is not inevitable for all countries and the process of industrial decline is not uniform across sectors. In some countries where domestic markets are relatively large, and where industries can source raw materials locally as well as re-orient production for the export market, results have been relatively less bleak. One such sector is textiles, the focus of this Discussion Paper, where Nigerian workers and their union seem to have been able to strike a good bargain and to consolidate their power in industrial relations.

The paper examines the effects of the sharp economic crisis of the 1980s on Nigeria’s textile industry and its workers. It looks further at the way industry adjusted to changing market opportunities and economic policies, and how workers and their unions responded. The authors argue that the unions’ bargaining power owes much to the relative autonomy of the workforce in the process of production. Relative autonomy is derived from three important processes that tend to distinguish Nigerian textile workers from their counterparts in other countries in Asia, Latin America and Europe at similar stages of industrialization: the high educational attainment of the workforce; the existence of an important small-holding agricultural sector, which offers alternatives to industrial work; and the nature of non-industrial modes of labour subordination.

In treating the first of these issues, the authors demonstrate that the Nigerian textile workforce is overwhelmingly male, and is usually drawn from the most active age groups, with family responsibilities and with a remarkably high level of education and social status. This is in contrast to the early textile workers of East Asia, who were mostly very young, poorly educated, and often women, subordinated not only at the workplace but also by external relations of patriarchal control. The high status of the Nigerian textile workforce was made possible by the policies of import-substitution where industry was set up to produce for heavily protected domestic markets. This implied that for much of the early period of industrialization, the cost of labour was not central to the calculations of manufacturers. The dominance of the state as the major employer of waged labour also played a role in creating a relatively privileged workforce. When manufacturing employment grew in the 1970s and 1980s, the impetus for unionization and provision of good conditions of service, such as salary scales, promotions and incremental steps, which were dominant in the public sector, were extended to the private sector.

In addressing the second issue, the authors argue that the prevalence of small producers with independent access to land and other means of livelihood helped to accord high status to factory work and to reinforce the relative autonomy of workers. Workers’ militancy benefited tremendously from this relative autonomy. Possibilities of alternative non-waged work provided escape routes
and made the consequences of workers’ defiance of possible disciplinary measures look less threatening. In effect, workers were more prone to withdraw their labour if offended, either temporarily in some form of industrial action, or by leaving the factory. As the authors point out, the insertion of industry into an overwhelmingly agrarian and informal economy of petty producers made it difficult to mould workers to fit the requirements of factory work.

The third area concerns the nature of labour subordination of the workforce before its insertion into factory work. This was found to be particularly weak as the workforce was largely made up of first generation workers whose previous employment was in agrarian petty production. In contrast to societies where rural labour was subordinated to land owners and therefore available to factory managers in an already subordinated form, in the Nigerian context where such subordination did not exist in pre-industrial experiences, the authors argue that workers may be encouraged to resist submission to authoritarian factory regimes. In the Nigerian case, agriculture is less commodified and concentrated private control over land more limited than in the other highly stratified agrarian societies.

In general, workers’ power in collective bargaining was linked to the economic fortunes of the industry itself. During the early phases of the crisis, when the import squeeze was very severe and capacity utilization levels extraordinarily low, unions were unable to check the downward cycle of unemployment and real wage declines, and workers intensified their options in the informal and agrarian economy. The subsequent bold initiatives taken by managers to restructure the industry produced some relative stability, as the policy of large-scale redundancies was stopped even though employment did not pick up. Restructuring eventually led to rapid industrial expansion with capacity utilization levels and employment rising, and wages and social benefits recovering lost ground. Union power is strongly tied up with this process of industrial growth and the workers’ union responded effectively to the challenge. Although there was a steep decline in industrial performance after 1993 following protracted instability in the macro-economy and politics, the authors believe that a powerful union-centred labour regime is already in place to prevent a disintegration of the textile working class.

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Dharam Ghai
Director
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## Abbreviations and Acronyms

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<th>Abbreviation</th>
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<tr>
<td>GS</td>
<td>General Secretary (of NUTGTWN)</td>
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<td>ICFTU</td>
<td>International Confederation of Free Trade Unions</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>N</td>
<td>naira</td>
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<td>NECA</td>
<td>Nigerian Employers’ Consultative Association</td>
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<td>NIDB</td>
<td>Nigerian Industrial Development Bank</td>
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<td>NLC</td>
<td>Nigerian Labour Congress</td>
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<td>NNDC</td>
<td>New Nigerian Development Company</td>
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<td>NTGTEA</td>
<td>Nigerian Textile, Garment and Tailoring Employers Association</td>
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<td>NTMA</td>
<td>Nigerian Textile Manufacturers Association</td>
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<td>NUTGTWN</td>
<td>National Union of Textile, Garment and Tailoring Workers of Nigeria</td>
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<tr>
<td>PPIB</td>
<td>Productivity, Prices and Incomes Board</td>
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<td>SAP</td>
<td>structural adjustment programme</td>
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<td>UNTL</td>
<td>United Nigerian Textiles Limited</td>
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1. THE TEXTILE WORKERS’ HOUSE ON FIRE!

On Friday 21 May 1993, the Textile Workers’ House in Kaduna, the national headquarters of the textile union (NUTGTWN), was sacked by a vast crowd of angry men. Staff members were beaten up; the building was pelted with stones; vehicles, furniture and office equipment were wrecked and what could burn was burned. Two days later, the onslaught on the union office in Kaduna was repeated in Lagos. The industrial locations of Lagos are dispersed and the mobilizing began late at night in Isolo. The first group that arrived at the Ikeja regional headquarters of the union caused only light damage — mostly broken windows. When a second, larger and more agitated crowd arrived, they were dispersed with tear gas by the police (interviews with B. Isiguzoro, A.B. Dania, A.L.O. Shittu, J.B. Ojo, September 1993).

Why were workers so angry? What were their grievances? Branch meetings had been held in the major factories in Kaduna the day before the riots to report on the recently concluded collective agreement for a major wage increase. In one factory, Unitex, a rumour went around that the union had cheated the workers: the employers, it was alleged, had in fact conceded as much as a 52 per cent increase, but only a 35 per cent increase had been passed on to the workers by the union officials, who allegedly had pocketed the difference. Had the workers really been cheated, or was it all a terrible misunderstanding? Had they been deceived and instigated to riot by outside forces, as claimed by union leaders?

The textile union had a reputation as one of the best organized unions in the country, with a professional and progressive leadership which had shown great skill in fighting for workers’ causes both at the national and the sectoral level (Andrae and Beckman, 1991, 1992). Because of the union’s achievement, its General Secretary, Adams Oshiomhole, had for many years stood out as one of the most credible candidates for the presidency of the Nigeria Labour Congress. Why were the workers prepared to destroy their own buildings, the proud manifestations of union power and resourcefulness? Why were some even prepared to seek the blood of their acclaimed leaders?

This essay is about what happened to Nigeria’s mighty textile industry and its workers during the sharp downturn of the economy that followed on the contraction of the world’s petroleum markets in the early 1980s — a downturn that has yet to be arrested. It looks at the way industry adjusted to changing markets and new economic policies, and how workers and their unions responded. We summarize some of the findings from a study that began in the mid-1980s, undertaken primarily from the perspective of the union.¹ We then turn to a discussion of the 1993 workers’ rebellion and how

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¹. This essay summarizes some of the findings from a wider study of the development of the Nigerian textile industry in the 1980s and early 1990s. It draws partly on previously published preliminary
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it reflects the limits of collective bargaining. In conclusion, we consider the implications of our findings for wider issues of industrialization and working class formation. We argue that the experience of Nigeria’s textile industry, far from signalling the inevitability of de-industrialization and the un-making of the working class, suggests a remarkable scope for industrial restructuring and organizational consolidation in the face of extreme adversities.

2. INDUSTRIALIZATION AND DE-INDUSTRIALIZATION

All over independent Africa, the manufacturing industry has been badly hit by successive crises and adjustments. The industry depended for its growth on imported inputs, state subsidies and protection and was therefore profoundly affected by decline in import capacity, indebtedness and fiscal crisis that began in the 1980s. Liberalizing adjustment policies further exposed industry’s vulnerability in market terms. The net result has been de-industrialization. The prevailing orthodoxy in the “development community” is that African industrialization, excluding white settler industry in South Africa and Rhodesia (equally heavily protected, and sponsored by the state!) was a mistake. Symptomatically, the 1995 World Development Report, Workers in an Integrating World, fails even to mention industry as a possible future source of employment in its drab scenario for sub-Saharan Africa (World Bank, 1995:122-23).

How has Africa’s fledgling industrial working class been affected? Does the violence meted out by Nigerian textile workers to their own union signify the demise of the institutions of a defunct post-colonial development model? Does it fit into the increasingly apocalyptic scenarios that are invoked for Africa and for Nigeria in particular? The Nigerian textile industry and its workers are particularly important to watch, as this is the single most important manufacturing sector in a country that has been expected to play a leading role in the industrial development of the continent by virtue of the wealth of its resources, both human and physical.

reports, especially Andrae and Beckman (1987, 1991 and 1992), and Andrae (1992 and 1993), partly on unpublished material that will be fully accounted for in a book that is currently being prepared. The wider study pays particular attention to the development of a union-centred labour régime, its diffusion and its determinants in society at large as well as in specific companies and locations. In this essay we focus on successive crises and adjustments of the industry, their impact on the workers and their responses, primarily within the framework of collective bargaining.

We wish to acknowledge financial support from SAREC, the Swedish Agency for Research Cooperation with Developing Countries. Andrae did her field work when she was an associate research fellow at the Center for Economic and Social Research, Ahmadu Bello University, Zaria. Beckman’s field work was undertaken first as a member of the teaching staff of Department of Political Science of the same university, later as a research associate of Bayero University, Kano. The study was undertaken in close co-operation with NUTGTWN, the textile workers union. We were granted full access to internal documentation and were assisted in the administration of a survey. A wide range of union officials granted interviews, assisted in the field work, and read and commented on draft reports. We have also been assisted by officers of the textile employers’ association and the managements of a range of companies. For all institutional and personal assistance at the Nigerian end we wish to express our profound gratitude.
Nigeria was an ideal case for import-substituting industrialization in the de-colonization phase. A large commercialized and surplus-generating peasantry, and a rapidly expanding public sector ensured a domestic market for mass consumer items, and textiles in particular. As decolonization approached, the colonial commercial firms could no longer count on privileged access and rushed to invest in manufacturing in order to get a share of the protected market. Textiles were a priority for regional and federal investors as well, drawing on the accumulated surplus of the marketing boards. State investments were undertaken in partnership with transnational firms as well as with international finance institutions (the World Bank, the International Finance Corporation), which offered credit and technical advice through state development companies such as the Nigerian Industrial Development Bank (NIDB) and the Northern (later “New”) Nigerian Development Corporation (later “Company”) — the NNDC. Indigenous private entrepreneurs with roots both in pre-colonial and colonial commercial classes went for their share (albeit a minor one), often as the junior partners of state and foreign private capital. Nationalist economic policies during the Civil War offered new incentives, including a ban on the importation of textiles. After the war, an even stronger incentive was the expanding income from petroleum. Economic nationalism (“indigenization”) brought restrictions on foreign ownership, but this did not deter foreign capital from entering the country — even when investors were obliged to exercise managerial control with less than a majority share holding. Despite chaos, waste and bottlenecks, Nigerian industrial markets expanded quickly. A NIDB report, drawing on Central Bank data, suggests that value added in cotton textiles doubled from 1972 to 1980. In the case of synthetics, it increased by 10 times (NIDB, 1986).

By 1980 Nigeria had become an industrial giant, with the largest textile industry after Egypt and South Africa (ITMF, 1984). The Nigerian Textile Manufacturers Association (NTMA) had some 70 members, covering most of the large firms, one third of which employed over 1,000 workers. Ten had around 3,000 or more, and giant UNTL in Kaduna had almost 8,000. The textile union, NUTGTWN, claimed some 75,300 members in 1980, a reasonably reliable figure based on check-off payments of membership dues (GS Report, 1983). By its own estimate, the union organized some 75 per cent of the industry (Textile and Garment Worker, No. 2, 1981) which may suggest an industry of some 100,000 workers, leaving out the informal sector. While the majority of factories were in Lagos, some of the largest plants, including UNTL, were in Kaduna, the administrative centre of the north, and a favoured site for large-scale public investment. Kano, the other major northern city, with its long commercial history, was also an important textile centre, with a strong input of indigenous Nigerian and naturalized Lebanese capital. In terms of number of plants, Indians were, nationally, the single largest group of owners (30 NTMA members), but in terms of output, the Chinese Cha group was dominant, owning UNTL and associated companies. State ownership was important in some of the other large firms.

3. THE COMING OF THE CRISIRES

The first half of the 1980s was a period of turmoil and decline. By 1985, the textile union had lost one third of its members (GS Report, 1986). Both
employers and union sources speak of capacity utilization below 30 per cent. Much of the decline occurred before the national economic crisis “officially” set in with the sharp drop in petroleum prices and export earnings. For Nigerian industry, and for textiles in particular, the crisis, if measured in financial losses, retrenchment, closures and underutilized capacity, had already reached alarming proportions during the latter years of the oil boom. This “crisis before the crisis” was integral to the mode of industrial expansion that had been promoted by the sharp rise in oil income. New textile companies mushroomed and old ones expanded to meet demand in a booming, oil-fuelled domestic market. Market potential, however, was undermined by the distortions that accompanied the boom. Externally the naira was strong, but domestically it was eaten by oil-fed inflation. While the procurement of foreign machinery and inputs should have been facilitated by the overvaluation of the naira, the rush for imports caused serious congestion and corruption, including in import licensing, customs and ports handling, and thus added heavily to import costs. With big swings and uncertainties in world oil markets, foreign exchange management was characterized by stop-and-go policies, adding to the decline.

The cost of putting imported inputs to productive use continued to rise. Production costs in industry were exacerbated by numerous bottlenecks, not the least in power supply. Wages were also volatile, with government intervening intermittently either to impose wage freezes or to concede, administratively, large wage increases to compensate for long periods of declining real wages. With the explosion of economic opportunities, the labour force was unstable and difficult to discipline. Skills were lost through the rapid turnover of labour. High domestic production costs and a strong naira were, of course, an invitation to the importers of consumer goods for whom tariffs and other restrictions, including outright bans on textile imports as in 1977, were obstacles that could be overcome through informal and parallel channels (Cotton Council International, 1986). The vastly expanded textile industry was thus unable to reap the fruits of its investments. Moreover, the market share appropriated by smugglers was growing, while competition between the locals for the remainder intensified. Companies were affected differently, depending on their line of products, the condition of their machinery and the quality of their management and labour. The industry as a whole, however, faced a serious cost and market crisis that precipitated strategies of adjustment, including closures, take-overs, mergers and retrenchment, as well as efforts to introduce more competitive products and up-grade technology and productivity. The industry was highly uncompetitive. An international report estimated that in 1981 the typical number of looms operated by one worker varied from 18-24 in Nigeria, as compared with 160-190 in Japan and 40-60 in Singapore (Cotton Council International, 1986).

While the union attributed the slump to dumping, smuggling and corrupt customs officials, a sharp increase in wages added greatly to the vulnerability of the industry. After a major wage hike in the mid-1970s (the Udoji Award), the military government imposed a wage freeze to hold back the inflationary surge. Compensation for the subsequent erosion of real wages was therefore the first demand of the Nigeria Labour Congress (NLC), the central labour organization established in 1978. The civilian government, elected in 1979, increased the monthly minimum wage from 60
to 100 naira in 1980; the NLC demanded 300 naira. After a partially successful general strike in May 1981, the government conceded another N25, more than doubling the pre-1980 level (Otobo, 1981; van Hear, 1988).

The NLC was dominated by the public sector unions, which were not directly exposed to international competition. But its wage demands were generalized throughout the formal wage economy, irrespective of the carrying capacity of different sectors. While the textile union publicly criticized the NLC’s policy on the minimum wage, it felt obliged to make sure that its own employers complied. This was a disaster for an industry already in crisis. Union reports speak of a sharp reduction in employment in nearly all companies; a few closed down immediately after negotiations on the National Minimum Wage were concluded or threatened to do so (Union Zonal Reports, Lagos, Ogun, Ondo, 1982). Others retrenched, with many shedding more than half of their workforce over a period of two to three years. While the reasons were many, the wage hike exacerbated an already problematic situation.

The peak in oil fortunes in 1980 was followed by a steep decline. Industry was hit by the contraction of purchasing power and local markets. The most immediate problem, however, was the supply of imported raw materials and other inputs. The textile industry, drawing on Nigerian-produced cotton, had in the past been less import-dependent than other industries. But the impact of the oil boom and the strength of the naira had redirected demand towards external sources of supply, including a growing share of synthetic yarn. Domestic cotton production was constrained by high labour costs and an outflow of labour from agriculture, which were other side effects of the oil boom. The situation was further aggravated by the decay in the administration of the marketing board system (Andrae and Beckman, 1987). Raw material shortages overtook high costs and smuggling as the main threat to the survival of the industry. The supply situation was unpredictable, and companies were unable to plan production. Licenses which had been obtained could turn out to lack Central Bank cover, others might lapse without being revalidated. The union joined management in the struggle for licenses and letters of credit. “The faith and progress of our members and the organization in general”, declared one union report, “rests solely on the availability of raw materials” (Union Zonal Report, Igalu, 1985).

As the import squeeze set in, in 1983, employment continued to go down. A survey of 17, mostly large, companies showed a drop in employment from 40,100 to 30,400 between 1983 and 1986 (NIDB, 1986). Overall union membership during the same period fell more moderately, by another 5,000 to some 45,000, which was the bottom line for the period covered in the present study (NUTGTWN, 1986). The union figures underestimate the drop in overall employment, as new members had been added through unionization. A survey made by the textile employers’ association showed that in 1984 one quarter of a sample of 47 factories employed less than 50 per cent of their potential full labour force. Only about one third employed over 75 per cent, while the overall reduction in employment for the sample was about 40 per cent (V. Eburajolo, interview, 1985). Capacity utilization was lower still. The reduction was not just in overall numbers employed but in effective working time. Workers were sent on “compulsory leave” during temporary closures, with or without pay or with partial remuneration.
Sometimes closures lasted several months, due to delays in delivery of required raw material inputs. A detailed report, Direct and Indirect Application of Redundancy, on 25 Lagos factories in mid-1984 points to reductions in the number of shifts and working hours, with various levels of cuts in pay (NUTGTWN, 1984). There was also a shift from a six- to a five-day working week.

4. INDUSTRIAL RESTRUCTURING AND MODEST RECOVERY

Although bred on protection and wary of liberalization, the textile industrialists welcomed, at least in principle, the “homegrown” (although World Bank-sponsored) structural adjustment programme (SAP) which was introduced in 1986 by the Babangida government. Trade liberalization and devaluation radically altered the operating conditions of the protected and import-dependent Nigerian manufacturing sector. A deflated naira, rather than tariffs, now became the main source of protection. Firms were “free” to import whatever inputs they were capable of paying for, with the help of foreign exchange bought from bankers bidding on their behalf in weekly auctions. They had problems in financing the sharply increased costs of foreign exchange, whether for inputs, maintenance or investments.

The devaluations from 1986 onwards reinforced the strong recessionary tendency of the economy. The textile industry, however, seems to have been in a better position than most to adjust to changing conjunctures and policies. A review prepared by a leading commercial bank with strong commitments in the sector concluded in 1987 that the industry continued to be profitable, with good prospects for further development. The report praised managements for having been remarkably skilful in steering the industry through successive crises (CMBNL, 1987). The oil-led expansion of the 1970s had itself been a source of restructuring. New lines were opened up to meet demand in an increasingly differentiated and sophisticated consumers’ market. The chaotic situation at the turn of the decade, with the oil-boom spurting and collapsing, thus coincided with a period of technological upgrading in the industry. Viable bits were picked out and rescued while others were scrapped. Take-overs created a more integrated production cycle with the making of fibre and finished products by the same enterprise. Backward integration was an important aspect of restructuring, affecting the links not only between the various stages of manufacturing but also between industry and agriculture (Andrae and Beckman, 1987). The expansion of domestic spinning capacity made the industry less dependent on imported yarn. Major new spinners came on stream and others were modernized and expanded (W. Jibrin, interview, 1990).

The overvalued naira at the beginning of the decade had made imported inputs cheap and domestic labour expensive. Following the 1980-1982 wage increases, for example, industrialists claimed that labour costs constituted as much as half of their production costs. Industrial surveys by the Federal Office of Statistics point in a similar direction (FOS, 1983; 1984). Cutting labour costs was thus central to the restructuring of most companies during
the first half of the decade. When imports were still cheap, acquiring new, less labour-intensive machinery was an obvious strategy. But also within the confines of a given technology, much was done to raise productivity by shedding labour, intensifying labour utilization and upgrading skills. The union speaks of increasing “over-loading” as the production process was sped up and workers were obliged to man more machines (R. Egbe, interview, 1987).

The share of labour in the cost structure of the textile industry declined both as a result of the drop in real wages and the rising costs of other inputs, both imported and domestic ones, such as electricity and fuel. The state imposed wage freezes and wage controls from 1982 onwards. In real terms, the 1981 minimum wage had been cut by 75 per cent by the end of the decade. But the share of wages in total production costs dropped even more drastically. An official spokesman of the textile employers suggested that it had been reduced to a mere 5-6 per cent by 1990 (V. Eburajolo, interview, 1991).

The process of restructuring was subjected to contradictory pressures as a result of the policies of liberalization of the late 1980s. An almost tenfold increase in the cost of foreign exchange raised barriers to technological upgrading. The continued decline in purchasing power made it impossible to compensate for shrinking markets with higher prices. The contraction of the domestic market, however, was compensated for by the increase in exports, primarily from smuggling to the West African region where the CFA franc was tied to the French franc and supported politically by the French Central Bank. As the value of the Nigerian naira was slashed, the differential to the CFA franc widened dramatically. In CFA francs, Nigerian textiles became the cheapest in the region and unofficial exports boomed.

At the beginning of the new decade, industry leaders expressed satisfaction that the industry had weathered the storm and they were optimistic for the future. Capacity utilization, which was said to have been at its lowest in 1986, at some 30 per cent, had risen to 50 per cent on average in 1990 and to 60 per cent in 1991, with exporters even producing at 70 per cent (V. Eburajolo, interviews, 1990, 1991). Employment, which had been at its lowest point in 1986/87, had risen by at least 10 per cent by 1990, although it did not match the increase in capacity utilization as less labour was used to produce more. While the strength in exports was primarily a result of devaluation, not of increased labour productivity, the employers also recognized the contribution of the latter. In the words of Victor Eburajolo, Executive Director of NTGTEA, “workers are sitting up when they know that they are on the firing line all the time” (interview, 1990).

The textile industry had demonstrated a notable capacity for restructuring, including the upgrading of technology, backward integration, raising domestic value-added and labour productivity, and reorganizing management and finance. How sustainable was the recovery? Domestic markets continued to stagnate or decline, and the export success was a temporary windfall resulting from the uneven enforcement of the new market-oriented foreign exchange régime in the region. The overvaluation of the CFA franc had become a major controversy, and the IMF was putting pressure on the French government to allow the CFA franc to find its “true market level”. By mid-1993, as support of the overvalued CFA franc
became increasingly costly for the French treasury, resistance was weakening. Free convertability was stopped and was followed later in the year by a 50 per cent devaluation (West Africa, various issues, August to November 1993). Textile traders in Kano noticed an immediate drop in the CFA franc business (A. Ilo, interview, 1993). The Nigerian producers still had a competitive edge, especially as the devaluation did not reflect the major differences in the strength of the different CFA economies. In the long run, however, it was likely that exchange rate policies in the region would be further adjusted.

More fundamental worries, however, were caused by the continued decline of the Nigerian economy. Economic policies were undermined by the inability of the régime to maintain some minimum of fiscal control. Especially after a coup attempt in 1990, the régime engaged in indiscriminate spending to buy support, setting inflation rocketing and undermining the external value of the naira. Efforts to stabilize exchange rates through Central Bank directives were futile in the context of the lack of fiscal discipline. The manipulative and repeatedly postponed programme for transition to civilian rule created fundamental uncertainties about institutional arrangements, even threatening national unity. With the abandonment of the transition programme in 1993, Nigeria entered a new chaotic phase that was bound to affect the fortunes of the textile industry in multiple ways.

5. THE TEXTILE WORKERS

How did the workers respond to the changes in the industry? Our study addresses this question primarily from the perspective of collective bargaining. The structure and formation of the workforce, however, had decisive implications for the scope and orientation of the collective response. A survey of some 500 workers in eight factories in Kano and Kaduna was undertaken in 1987, at an early point of our study. It probed the structure of the workforce and workers’ perceptions of the options available to them. It was carried out with the assistance of the NUTGTWN.2 The workers were nearly all male and mostly in age groups with family responsibilities. There were few women, except in the small garments firms, which were largely outside our study and not covered by the survey.3 Nearly all workers surveyed were married and had other dependents who were with them in the city, including younger relatives who went to school and rarely contributed any income, but took part in household labour. Wives were said to have some income in only a quarter of the households. Children were usually going to school, and said to make virtually no contribution to income. The income of wives was primarily from trade or some marginal farming. On the whole, other family income was not thought to be a major source of livelihood by these male factory workers — although men tend to downplay women’s contributions to household budgets in particular, feeling that such

2. The data from the survey are only summarized below. For a report on the data and the relevant tables, see Andrae (1992).
3. In a separate study, Andrae has studied women workers in the Lagos garments industry, their coping strategies and their relation to the union. For a preliminary report, see Andrae (1993).
admissions may reflect on their ability to perform their “manly responsibilities”.

Asked what they did to make ends meet when real wages had gone down, most workers responded that they simply consumed less. But they also commonly depended on supplementary income from other sources. About half of the workers had found some extra income within the city, including from farming. One third had urban type income (crafts, trade, etc.): 35 per cent in Kano, with its relatively strong informal sector, and 27 per cent in Kaduna. Trading as a side-line was more pronounced in Kano, an old merchant city, than in Kaduna, a colonial administrative centre.

Our survey confirms that the overwhelming majority of the workers were first generation non-farmers. Their parents were farmers in most cases, and they themselves frequently had experience of agricultural work, often as their only previous job experience. The farming background was particularly strong in Kaduna. Most workers said they knew how to farm and were prepared to do it if they had access to land. Farming was a major option as an income supplement, especially in Kaduna, where almost one third of the workers claimed that they farmed. In Kano, trading and crafts were more important. In both places, farming was more common among workers from the same state, who could be expected to have better access to land and knowledge of farming methods relevant to the area. As could also be expected, those with higher educational achievements were less likely to farm. Most workers (close to 90 per cent) claimed, irrespective of state of origin, that they would have access to farmland in their home areas — even, in most cases, “enough to live on”. Very few, however, some 3 per cent, participated directly by means of their own labour. Others contributed financially by hiring workers: 8 per cent in Kano and 17 in Kaduna. Proceeds from such home area farming were likely to be used to meet family obligations.

Supplementary sources of income may help to explain how some workers were able to sustain themselves and their families despite the drastic decrease in the real wage. However, half of the surveyed workers claimed that they did not have any such supplements. Some suggested that the workload in the factory was all they could cope with, irrespective of their needs. Especially before the stabilization and upturn in industry during the late 1980s, many workers left employment voluntarily because they could not cope. Temporary closures with or without full pay, repeated compulsory leave and prolonged periods of employment without any substantive work induced many to look for alternatives. Accumulated gratuities and other end-of-service benefits provided starting capital. The improved redundancy benefits negotiated by the union during the height of the crisis of the early 1980s added to the inducement. Many workers saw factory work as a stepping stone to other things. Our interviews with branch union officers suggested that workers’ aspirations in this direction were either to accumulate enough capital to set themselves up on their own, or to move on to clerical work or further education.

Many workers decided to accept the redundancy offers in the early phase of the crisis. However, as the crisis deepened, lay-offs throughout the wage economy caused overcrowding in the informal sector and workers became
less willing to leave voluntarily. This was despite the intensification of the work load that the union characterized as “overloading”, which pressed a reduced labour force to keep up the same production. Company employment records show a marked decline in labour turnover. Overloading and intensified work discipline undermined the scope for certain income supplementation strategies. The lack of alternatives, with the whole economy in crisis, had confined the workers to the factories in ways that they themselves may not have anticipated when they first entered.

The options were narrowing. With receding markets, the employment capacity of Nigeria’s import-dependent industry as a whole was crumbling and the turnover of remaining jobs was low. The public service sector had been forced to reduce its staff and the informal sector was invaded by those made redundant. At the same time, the demand for the goods and services provided by a swelling number of entrepreneurs in this sector was receding. For most, farming in the city could be little more than a marginal source of income. Main (1989) suggests that most of the redundant workers in Kano at that time returned home to the rural areas. The textile workers we interviewed were pessimistic about their chances of getting alternative city jobs, especially in Kaduna, where only one quarter thought that they might be able to make a living in the city if they lost their textile employment. In Kano, half of them thought they could. Very few expected to find other waged work. Trading and education were perceived as more substantial alternatives, particularly in Kano. Leaving the city to farm was the main alternative for two thirds of those interviewed in Kaduna and for some one third in Kano.

But workers did not want to return to agriculture. Their reluctance made sense considering the investment that most of them already had made in urban life. This is indicated, for instance, by their level of education and their non-agricultural work experience. Acquiring formal (“Western”) education was in itself a sign of aspiring to leave farming. Nearly all the workers in our survey had a primary school background and many had some post-primary education as well, sometimes in the form of commercial or technical training. Few had Koranic schooling only: less than 10 per cent in Kano and only a few per cent in Kaduna. Almost half of the Kano workers had had other non-agriculture work experience before joining the textile industry; one third had had previous waged work. This was twice the proportion found in Kaduna, where the labour force had a stronger agrarian background. A predominant aspiration in both places was to acquire further training.

While agriculture and returning to the village continued to be seen as a safety valve and an escape route, workers were increasingly anxious to hold onto their jobs, although they had suffered a dramatic deterioration in pay and working conditions. Our survey reveals a labour force that contained a growing core of workers who saw themselves as committed to urban-based waged work, were well educated and had rather long experience in waged employment. Their aspirations lay not in industrial employment alone, but they were determined to move out of farming and to remain in the urban economy. The crisis, by narrowing their options, had reinforced working class identity, despite the growing inability of workers to reproduce themselves as wage-earners alone.
6. UNIONS AND COLLECTIVE BARGAINING

The union helped in deepening collective identity and structuring workers’ responses. The textile workers were organized in the National Union of Textile, Garment and Tailoring Workers of Nigeria (NUTGTWN). It was established as a result of a reorganization, at first forced on Nigeria’s unions by the state but soon widely accepted by the unions as a new source of strength (Otobo, 1987; Hashim, 1994; Beckman, 1995). The 1976-1978 labour reforms created one central organization, the Nigeria Labour Congress (NLC) and 42 industrial unions, amalgamating previous rival industrial and house unions. It was thus a distinctly corporatist arrangement, where the union was granted the right to be the sole organizer of the textile workers (Cawson, 1986; Hashim, 1994). It allowed for the compulsory deduction of union dues (“check-offs”) by management, once a majority of workers had joined the union, thus giving it a strong financial basis which was used to hire staff, rent offices, pay for transport, print information material and organize meetings, seminars, conferences and rallies. By 1980 the textile union had 56 paid staff, from the General Secretary down to the office boy (Textile and Garment Worker, 1981:5). Special levies were deducted to fund the building of the central secretariat in Kaduna and a sub-secretariat in Lagos.

In most major companies, union branches held regular and competitive elections. Many had a tradition of competitive branch politics from before the new national union, and participation in elections and union activities was often high. In big firms, branch executives had their own offices provided for by management. Key officers were allowed to take time off for union work without loss of pay. This was a dominant pattern in the large Kaduna mills, such as the United Nigerian Textiles Limited (UNTL). In Kano, where most managers were hostile to unions, branch executives were weak and easily subverted. The union depended in such cases largely on the interventions of the zonal officers of the national union dealing directly, and often unsuccessfully, with management (For the differences in unionization between Kaduna and Kano, see Andrae and Beckman, 1991; 1992).

The 1976-1978 labour reforms facilitated the negotiation and implementation of industry-wide collective agreements. The first was signed in 1979, generalizing conditions of service from the better organized firms to the unionized part of the industry as a whole (GS Report, 1982). The implementation of the centrally agreed conditions of service had to be negotiated separately with management in each individual company. In addition, branch executives and zonal officers pushed local demands.

The labour laws that regulated collective bargaining at the national as well as the local level made it difficult to engage in strikes “officially” (Fashoyin, 1980; Otobo and Omole, 1987). Disputes were supposed to be resolved through compulsory arbitration and, in the final instance, adjudication by the Industrial Court. Such laws predated the imposition of the new consolidated
union structure of the late 1970s. In combination, they held the authoritarian and repressive potential of corporatist labour régimes from elsewhere in the Third World, where states “grant” unions monopolistic rights of representation in exchange for effective state control. (For the Latin American experience in this respect, see Malloy, 1977.) In the Nigerian case, it did not prevent unions from encouraging workers to engage in “unofficial” industrial action to put pressure on management.

7. FIGHTING RETRENCHMENT AND WAGE FREEZE

The restructuring of the textile industry took place, as we have seen, at an enormous cost to workers in terms of lost employment and income. What could the union do? What scope existed for meaningful collective bargaining when the unemployed were lining up at the gates? On the employers’ side, leadership was dominated by big firms with experience of dealing with unions and where, in most cases, conditions of service were better than in the smaller ones. Similarly, leading union cadres tended to be drawn from companies with a record of strong union presence in the pre-amalgamation period. The collective agreements therefore tended to generalize conditions of employment from the better organized and better paying firms to the industry as a whole, extending benefits to large new groups of workers but bringing retrenchments and closures in weak companies (A.D. Suleiman, interview, 1987). Moreover, industry-wide collective bargaining ensured that the full impact of the 1980 and 1981 minimum wage hikes hit the industry as a whole. “Success” at the negotiating table carried negative repercussions in terms of company closures and retrenchment. Some firms were “like sick babies that no man would like to fight without risking committing murder” (GS Report, 1982).

Higher redundancy payments to discourage employers from lay-offs became a main issue for industry-wide collective bargaining. The union was able to negotiate an increase in compensation, which was added to existing gratuity. This was a major achievement, at an early point during the crisis, which provided the union with a potent weapon to restrain further mass retrenchment. Companies were induced to hold on to excess workers while waiting for better times, rather than paying them off. Both closures and retrenchments had to be subjected to collective bargaining at the plant level, according to the Procedural Agreement, the contract of employment.

The scope for making companies show restraint in retrenching workers was enhanced by the latent threat of a violent breakdown if the aggrieved workers felt that they were treated badly. The firms would have to consider possible damage and disruption of production when calculating the costs. The pressure in this respect affected both union and management. Firms sought to escape the union by expanding the number of casual, temporary workers. This was strongly and in most cases effectively resisted by the union. Attempts by firms to use sub-contractors with non-unionized labour were also resisted successfully. Frequent disruptions of production due to shortages of input resulted in reduced working hours or temporary closures.
when the workers were sent on “compulsory leave”. The terms were hotly contested.

Real wages were declining rapidly. The official index of consumer prices rose by an annual average of over 20 per cent during the first half of the decade (Forrest, 1993:135). The government wage freeze, introduced in 1983, was maintained until 1988. While the Nigeria Labour Congress fought the wage freeze at the national level, industrial unions sought various ways of dodging it, trying to negotiate allowances, bonuses, incentives and other “non-wage” or fringe benefits. When responding to an inquiry from the International Confederation of Free Trade Unions (ICFTU) in 1987 about its “priority demands”, the union underscored that it was prevented by PPIB, the government agency for regulating prices and wages, from demanding wage increases, and therefore had to fight for “non-taxable benefits” such as extended leave and leave allowances, medical facilities, death benefits, maternity leave, transport allowances, out-station and night allowances, retrenchment benefits and improvement of hours of work and overtime rates. At the plant level, priority demands were said to include dust, heat and canteen allowances, annual bonus and incentives (NUTGTWN, 1987). The spectrum of compensatory demands kept expanding. Pension schemes, industrial safety, health and periodical medical examinations were those highlighted by the General Secretary’s report to the 1986 Delegates Conference (GS Report, 1986). The proportion of fringe benefits in total take-home pay kept increasing during the period, from less than one third to almost half (V. Eburajolo, interview, 1990).

The most important and hotly contested fringe benefit was the annual end-of-the-year bonus. At the time when the wage freeze was introduced, it varied from as little as a week’s extra pay in some companies to as much as three months’ pay in others. Although the employers kept insisting that it was an ex-gratia payment, and therefore non-negotiable, the bonus was in most cases subjected to negotiations, which normally were carried out under intense pressure from the “spontaneous militancy” of the workers. Strikes and go-slowes were commonplace during the last months of the year. Unionists spoke of the “annual bonus fever”. Concessions by one company could be used by other union branches in claiming equal treatment. The union position was normally that one month’s extra pay was a non-negotiable minimum. It was certainly not always granted, but in most of the companies the struggle concerned payments above that level.

The government always sought to restrict bonus payments to one month. The textile union would refuse to comply, and the employers would be obliged to settle for whatever the local balance of forces seemed to suggest as a reasonable outcome, ignoring the state. Disturbed by this non-compliance, the state would increase the pressure on employers. Firms that were anxious to avoid confrontation with both the state and the workers would negotiate alternative forms of payment. The management in one company, for instance, while sticking to the one month’s bonus rule, offered money for the union co-operative to purchase essential commodities for the workers. This way of dodging the PPIB directives was put into general operation under the name of “incentives”, which not only compensated for a shortfall in bonus but also added significantly to the total take-home pay. It included an
increasingly complex set of payments in cash, staple foods and other commodities, including “gifts” of cloth produced in the factory.

8. THE RETURN TO WAGE BARGAINING

The continued high rate of price inflation made the wage freeze increasingly untenable. Especially with the introduction of “structural adjustment” in 1986, a supposedly “liberal” new economic policy régime, the freeze stood out as both anomalous and hypocritical. Why should other prices be governed by the “market” and not the price of labour? While it took until the 1988 federal budget before the freeze was lifted, the modest consolidation of the textile industry, at a reduced level of output, provided openings for a union wage offensive even before this time. Despite a defensive barrage, employers were willing to make major concessions. As the wage freeze was lifted in 1988, the union demanded fresh negotiations and achieved, among other things, a major advance in terms of incremental rates, which previously had been the exclusive domain of company level bargaining and had varied strongly from plant to plant. The 1988 agreement laid down industry-wide standards and the employers agreed, collectively, to raise the rates for each “incremental step”. A two-step increase was granted ex-gratia as compensation for “hardship”, after an appeal from the union the following year (GS Report, 1989; V. Eburajolo, interview, 1990).

The value of the 1988 agreement, however, was again swiftly undermined by price inflation which, after three years of modest increases (a 7 per cent annual average from 1985 to 1987) rose steeply in 1988 and 1989 (38 and 51 per cent, respectively), all according to “conservative” official figures (Forrest, 1993:135; see CBN, 1990:96 for the revised 1989 figure). While the official rate of inflation came down to around 10 per cent in 1990-1991, primarily as a result of good harvests, according to the Central Bank, it jumped again to 45 per cent in 1992 (CBN, 1992:112), thus launching an upward surge that would reach a three digit level by 1993, the year the “transition programme” finally collapsed in economic and political chaos.

The disappointment with the limited results of industry-wide collective bargaining caused the union to look for political solutions that could help overcome the resistance of industry to general wage increases. At the national level, the labour movement and the military government were on a collision course. The Nigeria Labour Congress fiercely contested the structural adjustment policies, including the effort to raise domestic petrol prices in step with the continuing devaluation of the naira. Unions played a central role in thwarting government efforts to comply with World Bank directives. In 1988 use was made of a split within the NLC, which the government itself had been exacerbating, to clamp down on the labour leadership and prepare the way for a less “confrontational” leadership. The new NLC president sought political recognition and state financial support for NLC programmes, but pressures from within the organization placed limits on accommodation (Beckman, 1995).

As the decade of the 1980s drew to a close, the revision of the minimum wage became the rallying point for a new challenge to the government. The
campaign was led by the General Secretary of the textile union, Adams Oshiomhole, who had become a Deputy President of the reconstituted NLC and chairman of the committee set up to pursue the revision. At the beginning of the decade, the extreme weakness of the textile industry led to union opposition to the minimum wage demands of the Nigeria Labour Congress. The partial recovery of the late 1980s, however, allowed the union to spearhead the demand for a major revision of the minimum wage, which had been left at its 1981 level. This move was opposed by the liberalizing reformers of the World Bank, for whom state intervention in wage regulation was objectionable on principle. After protracted negotiations, the state finally accepted a 100 per cent increase, although it did retreat from its commitment by claiming that the increase referred to the total take-home pay, not the basic wage as demanded by the unions. As the former was almost twice the latter, at least in the case of the textile industry, this was a major issue. The interpretation became a matter for those negotiating implementation at the sectoral level, where the textile union led the way. The textile employers, unlike in 1981, were confident that they would be able to accommodate the 100 per cent increase, especially as wages — before the increase — had been reduced to only some 5-6 per cent of total costs (V. Eburajolo, interview, 1991). The low figure was the result of the compression of wages throughout the decade while other costs, especially of imported inputs but also of domestically produced electric power and fuel, had sky-rocketed with the decline of the naira.

In negotiating the implementation of the new minimum wage in 1991, the main bone of contention was the extent to which wages above the new minimum should be revised upwards. Employers insisted that there should be no “across the board” increases. The textile union, jointly with other private sector unions, issued an ultimatum at short notice, in open defiance of government directives, that no agreements arrived at “under duress” would be approved by the state. The textile workers got their across the board increase (an increase in the total wage bill of some 80 per cent, according to the employers), the night before the ultimatum expired. The union refused to submit the agreement to the government for approval as stipulated. The employers quietly acquiesced. The union was particularly proud that it had achieved an increase in fringe benefits which, as we have seen, were a substantial part of the take-home pay, commensurate to the general wage increase (A. Oshiomhole and V. Eburajolo, interviews, 1991).

The January 1991 agreement meant that the textile workers on the average might have recovered roughly half of what they had lost in purchasing power over a decade of crisis and adjustment. A take-home pay that had been cut by two thirds was doubled for the lowest paid and increased by at least 50 per cent for most others. The big question, though, was, what was it worth? Developments in the first half of the 1990s underscored the limited scope for making sustainable gains through collective bargaining in a context of extreme macro-economic instability and decaying public institutions. This is the context in which the significance of the May 1993 workers’ rebellion needs to be assessed.
9. COMPENSATING FOR INFLATION: A RUNNING BATTLE

The May 1993 rebellion, as briefly sketched at the opening of the essay, was sparked off by what was supposed to have happened at the negotiating table — or rather, under it. The major achievements of the 1991 minimum wage negotiations could not be sustained. The fiscal and monetary policies of the régime were less capable than ever of providing the conditions necessary for preserving the wage gains. The rate of inflation reached some 30 per cent in the second half of 1991 and 50 per cent in 1992, according to official figures summarized by the Manufacturers Association (MAN, 1992). Inflation was reinforced by another major devaluation in March 1992. For a period, the régime had attempted to compensate for its failure to maintain fiscal and monetary discipline by placing (unofficial) price ceilings on commercial bank bidding at the foreign exchange auctions. The result was a widening gap between official and parallel market rates and massive profiteering by those with access to funds at official rates. The March 1992 “deregulation” aimed at eliminating the gap, in line with World Bank conditionalities. It was met with popular protests and the Nigeria Labour Congress demanded that workers be compensated. The employers insisted that no negotiations should be allowed to take place before current collective agreements expired. This was also the line taken by the textile employers and, unlike in 1991, when they conceded to the new minimum wage, they refused to enter into fresh negotiations (GS Report, 1992; A. Oshiomhole, interview, 1993). “Appropriate pressures” (selective strikes) were therefore organized at the factory level to force employers to the negotiating table. They finally did so and accepted another 50 per cent increase in basic salaries and fringe benefits, including a corresponding revision of the minimum wage (NEC, 1992).

The whole system of orderly, periodic collective bargaining had been disrupted by government policies, causing new waves of inflation that made “nonsense of whatever gain that could have accrued”. Proposals for fresh negotiations had to be drafted as soon as an agreement had been signed (NEC, 1992). The textile union was notably successful in the new type of bargaining game. In both 1991 and 1992, it was ahead of other unions both in reaching and implementing agreements and in terms of actual wage gains. The public sector, in particular, was lagging far behind. Many state and local governments, corporations and authorities had not even implemented the 1990 minimum wage and had no cash to compensate their workers for the March 1992 devaluation.

In August 1992, the federal government gave up its resistance to compensation and offered its workers a 45 per cent increase, backdated from 1 June. Struggles to make employers, and particularly public employers, live up to this federal wage offer dominated the labour scene for many months to come. Their failure to do so resulted in a spate of strikes — in some cases, but not always, resulting in the federal government, belatedly, rushing in with fresh money to allow cash-strapped public agencies to pay their angry workers.
What was the textile union to do in this new situation? It had already achieved a deal with its own employers which was more favourable than what the government had offered. It had agreed not to come back to the employers unless future government offers were superior. Many workers, however, saw the government offer in line with earlier government wage awards that had been generalized to the private sector (cf. Forrest, 1993). The union leaders felt that they had to be able to offer their members something on top of the May 1992 deal, especially as inflation continued to be rampant.

How much could it ask for? The union expected stiff resistance from the employers who could maintain, with some justification, that the May agreement had absolved them from any further responsibilities arising from the government’s August offer. In the end, they grudgingly conceded 35 per cent. The union officials felt, also justifiably, that they had reason to be proud of themselves and their performance: first the swift implementation of the 1990 minimum wage award, then the 50 per cent “compensation” in 1992 which the textile union was the only union to have achieved! And now, in May 1993, another 35 per cent, over and above what others had obtained. Why did it all go sour? Did the workers have cause to think that they had been betrayed?

10. WHY DID WORKERS REBEL?

Nigerian workers have a strong tradition of challenging and questioning union leaders when they believe that they have been short-changed. Their tactics might include shouting down union officials, giving them a beating, locking them up or intimidating them by carrying them shoulder high. The May 1993 riots, however, were something quite different. The leaders hinted sombrely at external interests of the highest order. At the end of May 1993, Nigeria’s increasingly reckless military dictator, General Babangida, was just about to play his most disastrous trick so far, the nullification of the presidential elections of 12 June, thus preparing another extension of military rule. This was the much talked of “Hidden Agenda”, suspected by some and disputed by others. After the event, however, the nullification appeared to have been well planned. The régime, according to the General Secretary of NUTGTWN, had ideas about the divisions within the labour leadership that it wanted to exploit for its own purposes. It sought to neutralize the unions by “creating problems in our backyards” (A. Oshiomhole, interview, 1993).

But there were more suspects, closer at hand. The union leaders suspected that some of the employers were involved in deliberately misinforming and instigating the workers. In a press interview, the GS suggested that employers had become hostile because the union had become so strong that they could no longer sack or retrench workers as they liked (Vanguard, 10 June 1993). In the interview with us, the GS emphasized employers’

4. It is a complicated story, with many potentially conspiring forces at work. We are compelled at this point to limit ourselves to only a few. Other prominent features included the role of a former senior union official, his relations to management, the passivity of the police, and factional infighting in some of the union branches involved. A fuller account will be available in our book-length manuscript, which is currently under preparation.
resentment of the union’s successes at the negotiating table. Our own investigations suggest that the textile firms were divided among themselves on where to dig in their heels, not only because of the different carrying capacities of the firms, but also because they had different views on how to handle unions and industrial relations. The resentment of the employers against the union leaders grew as the running battle against inflation was intensified.

The rebellion cannot be adequately explained, however, by focusing on “external” instigation alone. That would leave unexplained the wider appeal that the rebellion apparently gained. Why were the workers prepared to listen to “disgruntled” branch activists, believe what they told them, and readily join in the rebellion? The rebellious mood was more than a sudden flare-up and it did not die down simply because the workers were told that they had been misinformed and misguided. In early June 1993 the Kaduna workers were out again, barricading the streets and calling for the removal of the General Secretary. It took a month before a peace settlement was reached. This included the promise of substantial *ex-gratia* payments to placate the aggrieved workers before they were ready to resume.

Nothing suggests that the workers were actually cheated, and yet they had good reasons to be unhappy. None of the agreements were capable of protecting them from the onslaught of rising inflation. In his 1993 New Year’s Party Address, the Afprint branch chairman, Comrade Ayode Adedeji, noted that the past two years had been “very, very unusual”, with “fantastic salary increases”. But “can we honestly say”, he asked, “that the living standard of the workers has been improved?” His answer was an emphatic “NO”:

> “In fact, so many of us are now living below poverty level, three square meals have become proverbial in many homes. Transport fare has skyrocketed, house rent is no go area. In fact the rate at which people are dying now is frightening. But where do we put the blame for all this hardship. Is it because Ayo [the branch chairman who was speaking] had been bribed and as a result cannot fight for the workers, or that the Management has remained so exploitative that the welfare of the workers is of no concern to it? I think the blame should be placed at the doorstep of SAP” (cited in Afprint, 1993).

It is in the context of the devastating impact of government policies that the rumour that the union leaders had been “settled” needs to be situated. Nothing surfaced in the subsequent months which suggested that this part of the rumours had any substance to it. The collapse of institutional constraints at the level of the state was the main cause of the rampant inflation which destroyed the workers’ income. However, it also allowed high level political corruption to reach an unprecedented height as a means of reproducing power and control. Having lost most of the legitimacy it may have had on assuming power, the Babangida régime attempted to neutralize or buy over its opponents by selective favours, or to “settle” them, as the practice came to be known in popular parlance. Everyday the newspapers were full of suggestions of such “settlements”. “No person changes position unless he has been paid, settled” (A. Oshiomhole, interview, 1993). Within this generalized perception of “government by settlement”, it is not surprising
that workers, agonizing over their own deteriorating living standards, were led to suspect that their own leaders had also been “settled”.

Labour relations in the Nigerian textile industry had been destabilized by inflation running out of control. It created an opening for “outside instigation”, sparking off a chain of events that escalated into a full-scale rebellion. Inflation made it more difficult to sustain the authority of the union among the workers. The credibility of the whole process of collective bargaining was at stake. What were agreements good for when their substance was so easily nullified by inflation? The ability of the workers to make a sound judgement about the performance of their leaders was similarly undermined. What was a good agreement? Was a 35 per cent wage increase an achievement or a mere pittance?

The social contract was also undermined at the employers’ end. How was the industry expected to respond to the turbulence of a deteriorating macro-economic policy environment? What wage demands were to be deemed reasonable or unreasonable under such volatile conditions? Could employers on their own restrain the inflationary spiral? It is not surprising that companies were divided among themselves over what constituted appropriate wage policies. It was within this context of a heightened conflict between union and employers that the rebellion took place, the product of tensions produced by deteriorating economic and political conditions in society as a whole. The national crisis was political and institutional as much as economic. It reflected the failure of the military dictatorship to develop and sustain, politically, a credible economic policy régime.

11. A PARADOX: INDUSTRIAL CRISIS AND UNION CONSOLIDATION

Workers were increasingly frustrated. The accelerated economic and political decline of the early 1990s raises questions about the sustainability of the restructuring and partial recovery that had been achieved over the previous decade. However, the substance of these achievements should not be overlooked — in particular, there were remarkable advances, in the face of successive crises and policy changes, towards the consolidation of a union-centred labour régime. This success related in particular to the upper echelons of the industry — the large, integrated textile mills that dominated in terms of output and formal employment and controlled the textile employers’ association, although the union’s achievements at that level did tend to be diffused further down the scale to smaller, single-process firms that were more hostile to the union. The diffusion was promoted by industry-wide collective bargaining, in combination with active union enforcement in the face of such hostility. Firms in the garment sector tended to be largely outside the domains of both the union and the employers’ association, at least during most of the period studied by us. It was only around 1990 that a new determined effort was made by the union to reach out to these firms (Andrae, 1993). We also note an important difference in the level of unionization between localities. It was related to the structure of the industries themselves as well as to the surrounding economies as manifested,
for instance, in differences in the formalization of labour recruitment and in workers’ orientation towards alternative and supplementary income options. Thus in Kano, family-owned, mostly indigenous or Lebanese textile companies, in an urban environment dominated by informal commercial and crafts activities, generated informal modes of labour recruitment, clientelistic relations to management and workers’ perceptions of options, which all constrained the scope for unionization. In Kaduna, however, the formalization of labour relations and unionization were facilitated by the absence of strong informal links and the predominance of large-scale state and foreign capital in a newly settled urban environment.5

Looking at the period as a whole, our examination of union records, interviews with officials and participation in union meetings suggest a paradoxical expansion and vitality at all levels of the organization at a time marked by overall economic decline, as well as by labour’s diminishing share in the cost structure of the industry. Production was reorganized, with more machines managed by fewer workers (“overloading”), and work discipline and labour control were stepped up. The labour force was cut by one third. All this points to a decline in labour’s bargaining power, both in the workplace and in the labour market.6 Simultaneously, however, it provided for the emergence of a smaller and more qualified workforce. The upgrading of competence and work discipline went hand in hand with the generalization of collective bargaining. The union assisted managements in disciplining labour, but achieved simultaneously the extension of workers’ rights in the workplace. With the union’s ability to intervene in what Burawoy (1985) calls the “political apparatuses of production” at the workplace level, supervising and challenging managerial practices of labour control were enhanced.

The generalization of collective bargaining at national and company levels accelerated the modernization of the industry. Confronted with an increasingly powerful union, weak companies were obliged either to restructure themselves in line with industry “standards” or fold up. At least until the temporary breakdown of relations in 1993, the leading employers had come to accept working with the union. V. Eburajolo, the Executive Director of the textile employers’ association, spoke of the textile union as “the most advanced in the country” (interview, 1990).

Our evidence suggests that the union had a genuine base in the self-organization of the workers. This was reflected in the union’s mode of responding to workers’ grievances and what it achieved in these respects. It also manifested itself in political processes at the branch level, and the scope for influence and control from below. We saw evidence of accountability, rooted in the militancy of the cadres on the shop-floor and their willingness

5. The main report from our study pays particular attention to the determinants of labour régimes at the level of different localities as related to distinct local histories of class formation, local politics, and mode of integration in a wider regional political economy. The differences are reflected, for instance, in types of enterprise, ownership, management, labour market, recruitment and reproduction conditions (e.g. scope for alternative and supplementary income), all of which had consequences for forms of labour subordination, labour relations and the scope for unionization. For a preliminary write-up, comparing Kano and Kaduna, see Andrae and Beckman (1991, 1992). Our theoretical argument draws on work in economic geography; see Storper and Walker (1989), Warde (1988) and Griffiths and Johnston (1991).

6. On market and workplace bargaining power, see Arrighi (1983).
to challenge and defy union officials when they felt short-changed. It constrained co-optation by state and management while simultaneously providing the union with a basis for confronting management and exacting genuine concessions on behalf of the workers. The union had to be accommodated. It could not simply be repressed. The prevailing conditions of crisis and shifting policies reinforced the imperatives of accommodation as the firms faced dislocations and shortages and the need to restructure production. Rather than risk provoking “spontaneous”, unpredictable and potentially violent forms of labour resistance, enterprises sought to enlist the co-operation of the union.

Union autonomy vis-à-vis the employers was thus backed by militant self-organization at the workplace level. This contrasts strongly with the stereotypes of submissiveness commonly associated with Third World workers. It is also at odds with conventional narratives of labour movements where effective organization is assumed to emerge from the sustained formation of working class identity and consciousness as part of the process of proletarianization. As reported above, our survey suggests that most of the workers were first-generation workers, mostly migrants with a background in the rural economy; most had parents who were farmers; and most thought they had escape routes back into agriculture. They were thus only partially proletarianized. Most had notions of career paths, especially in the early part of the period studied by us, that were not specifically working class, at least not as workers in industry. On the contrary, many saw factory work as a means for acquiring skills and/or savings, which at some point could be invested in independent production, trade, further education and an office career. The pattern conforms to the picture of an unconsolidated stratum of wage earners with multiple livelihood strategies that has been documented in studies on Nigeria and other countries with a low level of commodification of production (Lubeck, 1986). Were such workers likely candidates for militant organization? How could they sustain meaningful collective bargaining in the context of the extreme pressures caused by crises and adjustments?

12. THE ORIGINS OF BARGAINING POWER AND AUTONOMY

In concluding our essay, we wish to focus on the roots of the union’s continued bargaining power, how the union relates to the structure of the labour force and the way it is situated in the wider political economy. Certain features distinguish the Nigerian industrial workforce encountered by us from the notoriously subordinated workers in the early textile industries of East Asia, who were mostly very young, poorly educated, and often women, subordinated not only at the workplace but also by patriarchal control outside it (Munch, 1988). In the Nigerian case, we find an overwhelmingly male workforce, usually from the most active age groups, with family responsibilities and with a remarkably high level of education. Their autonomy may partly be explained by their standing in society, and the
dignity and respect that they could claim for themselves on such grounds. But autonomy was rooted also in a political economy dominated by small producers with independent access to land and other means of production. Not only was the level of formal proletarianization low, which is of course true for all early industrializing countries, but other modes of labour subordination outside the household were also weak. This is in contrast to European, Latin American and Asian societies where rural labour was subordinated to land owners and feudal lords and therefore “available” to the new industrial masters in an already subordinated form. In these other cases, labourers had been deprived of the autonomy which, in the Nigerian context, seems to encourage workers to resist submission to authoritarian factory régimes. Here, the commodification of production relations in agriculture and the concentration of private control over land were still limited.

Militant self-organization benefited from this relative autonomy. Workers were weakly socialized into the role expectations associated with factory work, less accustomed to the indignities of authoritarian factory régimes, more prone to defy what they perceived as unacceptable working conditions and offensive managerial practices. In particular, they were more prone to withdraw their labour if offended, either temporarily in some form of industrial action, or by leaving the factory. Society outside the factory gates held prospects of alternative modes of making a living, if not in practice, at least in the world view of the workers. It provided escape routes which made the possible disciplinary consequences of defiance look less intimidating. Union leaders spoke of the mentality of “damning the consequences”.

Again, our surveys show important differences between Kano and Kaduna in these respects. The Kano workers were more urbanized and integrated into local clientele networks, while the Kaduna workers were more agrarian in background, making them more autonomous and more available for unionization.

The insertion of industry into a surrounding culture of independent production made the moulding of workers to fit the requirements of factory work more difficult. In that sense we can speak of an unconsolidated industrial working class. However, it did not make workers “half-peasants” — another popular stereotype. Their level of education and aspirations had set them on a course of emancipation from the peasantry and factory work was part of that advance.

The peasant environment helped to assign a high status to factory work. This does not follow naturally from the insertion of industry into a predominantly agrarian context. Elsewhere, both historically in Europe and contemporarily in much of South Asia, for example, early industrialization is associated with social degradation, oppressive factory régimes and human misery. What explains the higher status of factory work in the Nigerian context? The differences between the surrounding agrarian societies are only part of the story. We also need to look at differences in the history of waged work and the formation of industry itself. Nigerian factory workers required education to a certain level partly because of the foreign origin of industrial enterprise. Especially in the early plants, managers, technicians and supervisors were mostly foreigners and they preferred to employ workers who understood English. This, of course, applies more to the large plants owned by the state.
and multinationals. Even as middle-management and supervisory cadres were indigenized, English remained a natural means of communication in large factories where workers came from different indigenous language groups. Moreover, several years in school served as a preparation for workplace discipline, especially in a context where the culture of factory work was not well developed.

An industry based on an educated, high-status workforce, however, would have been unlikely in Nigeria at this point in time had it not been made economically feasible by the policies of import-substitution pursued by the post-colonial state and supported internationally, and where industry was set up to produce for heavily protected domestic markets. In that context, the cost of labour mattered less, at least originally. The high status of industrial labour was also supported by the dominance of the state as the major employer of wage labour in the economy. A pattern of waged work modelled on the public services was diffused to other “modern” sectors of economic activity, most directly through state ownership of industry, but also more generally, for instance, in the decisive role of public sector wage awards for wage setting in the private sector. Trade unions played a key role in this dissemination. The union movement originated largely in the public sector and remained predominantly one of public sector employees. When manufacturing employment grew at a later point, the impetus to unionization was already there, reinforcing models of waged work originating in an expanding public service, modernization and formation of the nation state. It carried with it expectations of conditions of service, salary scales, promotions and incremental steps unheard of in manufacturing workplaces in other early industrializing societies.

13. CONCLUSIONS: INDUSTRIAL SURVIVAL AND WORKING CLASS FORMATION

The hard won gains in wages and other payments achieved for Nigeria’s textile workers by their union from the early 1980s to the early 1990s, never came close to restoring the real level of wages. At one point in the mid-1980s, before the stabilization and modest upturn, real wages were reduced to as little as one quarter of their 1981 value. The successful wage offensive of the late 1980s and early 1990s reduced the gap considerably, to something more like one half. But even this modest level could not be upheld as the general economic and political situation was further aggravated after 1993. The modest recovery in employment achieved for the industry in the late 1980s and early 1990s, largely due to unofficial exports to the West Africa region, was threatened.

The unresolved institutional and policy crisis of the mid-1990s suggests that Nigeria was in for further de-industrialization. Does it also suggest the unmaking of Nigeria’s textile industry and its industrial working class? The current state of extreme instability does not invite forecasting. However, looking back at the experience of the 1980s, our main period of study, we
see a remarkable capacity of both industry and union to restructure and adapt to new market constraints and a volatile and disruptive policy environment. In particular, we wish to emphasize the ability of the workers to sustain a continued and deepening process of unionization — a union-centred labour régime — founded in the militant self-organization of the workers, and providing an autonomous political basis for union bargaining power. Autonomy was conditioned by the way industry was situated simultaneously as an island of waged work in a sea of independent producers and, within the wage economy, as the junior partner to the dominant public service sector. Without the union, however, this autonomy could well have generated a mode of workplace behaviour marked by individualized strategies of coping and resistance, hidden or otherwise (cf. Cohen, 1991), or more anarchic modes of collective behaviour, including the “rampaging” so often quoted by unionists as the typical “infant disease” of the labour movement. The strength of the union lay in its ability to give organizational cohesion to the forces on the ground. The acceptance of its leadership by the workers, most of the time, was assisted by their understanding that unions were natural participants in the organization of the workplace — in striking contrast to other industrializing regions of the world. It was based on expectation derived from already established patterns in the public services, as further reinforced and generalized by the corporatist pact of 1978, and efficiently implemented by competent union leaders.

Far from being a hindrance to industrial restructuring, the union played an active part in the upgrading of the industry. The unconsolidated nature of the industrial working class reinforced the centrality of union mediation in the labour régime, making the union itself a crucial agency of class consolidation. The process had two sides. On the one hand, it involved the formation and qualification of labour in terms of the requirements of the production process. New workers were educated about proper behaviour in the workplace by union cadres. We saw how managers appealed to the union for help when they themselves failed to control unruly workers. On the other hand, the union was instrumental in the development of a collective identity, expectations of rights, and the promotion of collective interests. The two sides went together: rights and duties. In both respects, it involved asserting leadership, enforcing discipline, and providing cohesion in a workforce that was readily provoked into outbursts of independent, militant industrial action.

The centrality of the union was reinforced by the extreme strains on industrial relations imposed by the successive crises of the early 1980s and the subsequent changes in economic policy. The combined vulnerability of both labour and capital in this situation enhanced dependence of both on the union as a mediator. To the workers it offered a defence in a situation where their bargaining position was extremely weak. To the managers, the union provided an unofficial ally in the difficult process of adjusting the industry and its workforce to the drastic changes in markets and production.

7. “Labour régime” is a key concept in our wider study, where we use it to integrate discussions of the development of labour processes, regulation régimes (Lipietz, 1986), labour practices and strategies (Brandell, 1991), including theories of “factory régimes” (Burawoy, 1985) and corporatism (Cawson, 1986). We start out from a political economy critique of conventional “industrial relations” literature (Hyman, 1989), emphasizing in particular the manner in which labour régimes are locally constituted (Warde, 1988). For a preliminary version of our argument, see Andrae and Beckman, 1992.
conditions. Their reluctant dependence on the union in this respect boosted its bargaining position. We may therefore argue that the drastic fall in workers’ market bargaining power, to use Arrighi’s (1983) terms, was partly compensated for by an increase in workplace bargaining power. Externally supported unionization interacted with the autonomous militancy of unsubordinated labour in boosting the workplace bargaining power of the workers. Their commitment to collective forms of action was enhanced, offering evidence of working class formation at a time when the class was experiencing decomposition, in terms of declining numbers as well as in its capacity to reproduce itself from wages. The process reflected the logic of industrial adjustment itself, where world market exposure forced not only cuts in employment and wages but also the upgrading of labour, both in terms of skills and in its adjustment to the labour process.

Were these remarkable achievements sustainable? Our latest round of discussions with the textile unionists were held in Kaduna in November 1995 against a backdrop of deepening national political crisis, including an added threat of international isolation. For the first time, there were signs of substantial disinvestment by major foreign textile manufacturers, with closures and retrenchments. Most affected industries were located in Lagos, probably reflecting the strain to which that city had been exposed since the annulment of the June 1993 elections and subsequent local political protests. The decision by the government in 1995 to deregulate foreign exchange markets and to cut public deficits and money supply may have restored some business confidence. Simultaneously, however, the new policies caused local markets to contract, especially as public wage earners were not compensated for inflation, which had been rampant. However, a recovery could be noticed in demand for Nigerian textiles in the West African market. The disruption caused by the devaluation of the CFA franc did not last long as the naira depreciated spontaneously at an even faster rate. In this way, Nigeria’s export advantage was re-established, although in markets which themselves were shrinking.

Galloping inflation had forced union and industry into a new pattern of collective bargaining, with more or less continuous reviews of wages and benefits. It was a rearguard fight in a context of the general decomposition of the working class, as manifested first of all in the decline in wage employment and in the ability of workers to subsist on their wages. But decomposition was also shown in the decay of national working class institutions as evidenced by the ease with which the state dismissed the leadership of the Nigeria Labour Congress in 1994 and, in particular, the failure of the industrial union to mount any real resistance to this brazen attack. Could a union-centred labour régime be expected to survive within such an environment of economic, political and institutional decay? This we do not know. What we have seen so far, however, is an astonishing level of resilience in the face of adversity. Not the least impressive was the physical resurgence of the union after the fire and rampage of May 1993. The workers had agreed to tax themselves to finance the reconstruction and redecoration of the three-storey headquarters of the union. At our visit in 1995, the work had been completed and the building, like a Phoenix risen from the ashes, struck us as a metaphor of the resourcefulness and fighting spirit of the Nigerian working class.
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