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A Qualitative Assessment of Socio-Economic Implications of Industrial Conflicts in Nigeria

Adebusoye Adejoke Helen^{1*}

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ABSTRACT

The endemic industrial conflicts in Nigeria have been a great concern not only to the employers or employees but to the society because of their economic dislocation and effects on national productivity. The study relies on Marxist (conflict) theory as a theoretical fulcrum having recognized that an organization consists of people with conflicting interests and constant competition for limited resources. Thus, this study aims at assessing the socio-economic implications of industrial conflicts in Nigeria using qualitative research methodology. Secondary data were collated from relevant literature, journals, publications, government documents and internet materials, supported by in-depth interviews of seventy-seven (77) randomly selected informants comprising trade unionists and federal government officials. The findings of the study revealed that incessant industrial unrest by Nigerian workers are caused by unpaid or poor emolument and unconducive working conditions of workers, obnoxious policies of the government, ineffective communication and breach of collective agreements reached by feuding parties during bargaining among others. The findings also revealed that industrial actions lead to low productivity as a result of loss of manpower, administrative paralysis, loss of revenue, discouragement of direct foreign investment, economic hardship and social stigma. It is, therefore, concluded that disharmony between the government and the labour will continue unless the government implements good salary structure and better welfare package for its workforce, engages the labour unions in decision making and honours the previous collective agreements among industrial actors.

INTRODUCTION

While industrial conflict is bound to exist its prevalence and re-occurrence as in Nigeria, express the existence of unhealthy relationships between key actors in industries setting (Ogunbameru and Oribabor, 2000). The nature of the workplace in any organization both at the microeconomic level and microeconomic platform is veil crucial in determining the level of which production activities are carried out in an economy. This is because work activities do not take place in a vacuum but within a given work- context. Therefore, sound and harmonious industrial relations in an enterprise is essential not only to employers and workers but also to the society that depends on it (Otobo, 1981).

According to Okene (2008), The human society is full of conflicts. Conflicts arise as a result of disagreement between two antagonizing parties/ classes. With reference to the industrial society, industrial conflict arise as a result of inability of parties to an employment (employers and employees) represented their unions or groups to reach agreement on any issue connected with the object of employer –employee interactions (Bamidele, 2000).

Industrial conflict could also be seen as a breakdown of cordial relationship between labour and management. Industrial conflict is thus, the result of an unpalatable, imbalanced and antagonistic relationship between and among (inter and intra)industrial relations parties .All sectors of the economy are bedeviled with industrial crises suggesting that the wheel that is turning the nation

is gradually grinding to a halt. This increasing incidence of strike implies that the very fabric of the Nigerian economy is being threatened with looming severe socio-economic adversity.

Trade unions, that had been involved in industrial unrest at one period or another, included Academic Staff Union of Universities (ASUU), National Union of Petroleum Gas (NUPENG) workers ,Nigerian labour congress(NLC) and the trade union congress (TUC)among others .

It is obvious that the protracted industrials disputes have constituted threats to workers, organizations and the Nation (Wokoma, 2011).

Statement of the Problem

Though, conflict is a sine qua non for human survival, peace and harmony are also needed for smoothly operations of any organization to ensure productivity of any kind (Nurse, 1992).

Virtually all sectors of the Nigerian economy have witnessed one form of industrial conflicts or the other. Some trade unions like academic staff union of universities (ASUU), Nigeria Labour Congress (NLC) among other trade unions have organized and participated in industrial unrest particularly strike actions, protests and picketing in order to press home their demands for better living and/ or reversal or mitigation of unfavorable government policies. This increasing incidence of industrial actions has negatively affected the fabrics of Nigeria economy tremendously.

¹ Department of Public Administration, City University, Cambodia

*Corresponding author's e-mail: Adejokeadebusoye@yahoo.com

Industrial disharmony had caused financial losses, reduced productive discomfort and hardship to workers, discouragement of foreign and local investments and paralysis of administration of the government among others.

Various mechanisms such as collective bargaining, arbitration and judicial adjudication by industrial courts are distributed channels where workers grievances can be redressed, some of which have been exploited in the past industrial actions but insincerity on the part of Nigerian governments and high handedness of the government official have rendered these conflict resolution processes inconclusive and ineffective.

X-raying the causes and consequences of industrial conflicts on socio-economic development of the nation and proffering solutions to this recurrent menace are of much interest to this study.

Objectives

The General objective of the study is to examine the socio-economic implications of industrial conflicts in Nigerian while the specific objectives aim at examining the causes, socio-economic, consequences and various solutions to resolve industrial crises in Nigeria.

Research Questions

The following are the research questions:

- (1) Do industrial conflicts affect socio-economic development of Nigeria?
- (2) What are the major causes of industrial crises in Nigeria?
- (3) What are the socio-economic implications of industrial conflicts in Nigeria?
- (4) What are the solutions to industrial conflicts in Nigeria?

Significance of the Study

This paper will offer broad understanding of the phenomenon under investigation. The hindsight will assist the Nigerian workers, the government and the trade unions in finding lasting solutions to their endless clashes of interests that usually escalate into industrial disharmony. it will also add to the body of knowledge.

LITERATURE REVIEW

History of Industrial Conflicts in Nigeria

The general purpose of a strike is to take a stand when all other methods of airing grievances have failed. (Bamidele 2020), it is seen as final alternative to getting what you need or want. It is important to note that strikes in Nigeria are not modern phenomenon, as there have been several strikes that have taken place in the past (Okene, 2009).

The 1st General Strike of 1945

According to Otokoba (1981), many Trade Unions in Nigeria became federated under the "Federated Trade Unions of Nigeria". In the 1942, Organization served as a central control for all Unions under it. The strike

of 1945 occurred as a result of rising cost of living for workers after the World War II. The workers' wages were not commensurate with the rising inflation and because of racial discrimination. Nigerian workers complained of receiving lower wages than their European counterparts and this could not be tolerated by the workers. 30,000 workers from 17 labour Unions across Nigeria went on strike until their demands were met. The strike lasted for 37 days.

The 2nd Strike of 1949

The second important strike to occur in Nigeria was the Enugu Coal miners' strike of 1949. The coal miners went on strike based on their belief that the management was intentionally holding up their salary. Therefore, the miners, held a Sit-down strike in the miners, refusing to work. The tension that ensued led to the killing of 21 miners and 51 were injured. This event led to the eruption of anger across cities in Nigeria. (Otokoba, 1981).

Academic Staff Union of Universities (ASUU) Strikes

The strikes by the Academic staff union of universities (ASUU) and the failure of the government in finding last solutions to the protracted crises have continue to destroy the university system in Nigeria. In the last 23 years, (1999-2022), ASUU has embarked on 11 strikes. The reasons ranged from failure to implement the memorandum of action signed between the Union and the Government, the government's poor commitment to the payment of academic earned allowances, the continued use of the integrated personnel payroll information system and refusal to adopt the universities Transparency and Accountability solution and proliferation of universities in the country. ASUU first strike in 1988 protested against the extremities of the regime of General Ibrahim Babangida which led to the banning of the group on August 7, 1988.

Nigerian Association of Resident Doctors ((NARD) Strike

The 2021 strike involving doctors organized under the Nigerian Association of Resident Doctors (NARD). The strike began on 2 August and was suspended on the 23rd August. This strike was caused by non-payment of salary arrears and non-payment of insurance benefits.

The Nigerian Labour Congress (NLC) Strike

The Nigerian labour congress (NLC) is an umbrella Organization for trade unions in Nigeria. Since its creation in 1978. NLC has embarked on tens of strike actions protests and picketing to register the workers displeasure over harsh government policies and government insensitivity. Some of them are;

- The general strike of 1981
- Fuel subsidy removal protest in 2012
- Warning strike over minimum wage in 2018
- National wide strike against structural Adjustment Programme of Military regime of Ibrahim Babangida.

- 1994 agitation for the restoration of democracy during the military regime of General Sani Abacha.
- 2022 Strike action against non-implementation of minimum wage in 7 states in Nigeria.
- Peaceful protest organized by NLC in Jos in solidarity with ASUU and other affiliate Unions over the industrial action in Public Universities.

Causes of Industrial Conflicts in Nigeria

The incessant industrial conflicts like strikes, protest, go-slow, picketing, sabotage among other have created tension in the country (Bamidele 2020). The following are some of the identified reasons why workers and their unions have adopted industrial actions most especially strikes as the only weapon used to compel a recalcitrant employer, as in Nigeria, to comply with the terms and conditions of an employment relationship (Nurse, 1992).

Lack of Recognition

Workers often embark on strike to compel the employer to recognize them and make them parties to collective bargaining.

Poor Remuneration and Conditions of Service

This is perhaps, the most singular reasons why labour embarks on strike actions. Unconducive working environment, inadequate pay packages, poor welfare services are some of the plights that prompted them to down tools.

Breach of Collective Agreements

This is another major reason for industrial conflicts and strikes. Okene (2008) avers that “the main justification for industrial action is the failure of collective bargaining” When workers and employers engage in collective bargaining, there is no guarantee that it will be successful. Even when successful, there is no guarantee that the agreement will be honoured. As a result, unsuccessful bargaining and failure to adhere to agreed terms naturally lead to industrial conflicts.

Ineffective Communication

Industrial conflict could also result from conflict of opinions, when there is asymmetric information between the workers and employers. This arises from clash of interests during the process of negotiation and incompatibility resulting from incomplete means in the pursuance of their respective goals. This could be as a result of insensitivity and insincerity in handling union demands by the government and managements

Obnoxious Public Policies

Unfavorable public policies by the governments and employers are veritable factors that have caused several industrial conflicts. Most policies made by government have met stiff opposition by the labour. Workers and their unions usually resort to strikes to express their displeasures on such perceived anti-labour policies, decisions and/or legislations.

Solidarity Protests

On Tuesday, July 26, 2022 and Wednesday, July 27, 2022, the protest was organized by Nigeria labour congress (NLC) and Trade Union solidarity with the Academic Staff Union of Universities (ASUU) that had been on strike for Nigerian government to honour an agreement on issues bordering on funding universities, as well as on salaries and allowances of lecturers.

Socio-Economic Impact of Industrial Conflicts

Industrial conflicts inflict economic and non-economic losses not only on the parties involved but on the society as a whole, the economic losses caused by a strike may be serious according to Mohammed, Muslim, Ifthekhar, (2009) and Suleiman, (2009). Some of the implications of industrial conflicts are:

Financial Loss

This is only one among the various losses of industrial strike. When the production stops, the sales will go down. Besides, additional expenditure are incurred in protecting the plants and taking other steps to deal with the effects of strike. A lot of money is wasted in the efforts made by both the labour and management in the projecting their respective images (Ogunbameru and Orilabor, 2002)

Low Productivity

The strike actions reduce economic activities which in turn lead to low productivity. The loss of man hour depreciates labour productivity which automatically affects the nation's Gross Domestic product (GDP) as well as the Gross National Product (GNP).

Affects Direct Foreign Investments

Incessant strikes are a reflection of the unhealthy nature and structure of our industrial society. Thus, foreign investors are scared away and are not encouraged to invest in an environment of unstable industrial peace and harmony, where their return on investment will be distorted.

Hardships

When on strike, workers are not usually paid salaries. This will impoverish the worker that involve in the disputes. This stoppage of wages leads to contracting debts and all other personal hardship of the workers. When the funds are exhausted, workers may find it difficult to make ends meet.

Administrative Paralysis

Although, strikes are based on genuine grievances, they usually paralyze administration and disturb the pace of planning and development.

Social Stigma

Industrial strikes, especially the prolonged ones, cast a social stigma and bad image on both parties involved in the industrial conflict (Wokoma, 2011). For instance, Academic Staff Union of Universities (ASUU) has been adjudged as a group of greedy and selfish folks who are

only after their selfish interest, owing to their frequent and often strikes. On the other hand, their employers, the government, have been labeled a bunch of insensitive lots. (Okene, 2008)

Mechanisms for Resolving Industrial Crises

Often a contract agreement can be signed while there are still some unresolved labour – management conflicts (Eboh 2011). For instance, the Academic Staff Union of Universities (ASUU) called off the industrial action they embarked on without reaching agreement on all the items under contention being handled by the resolution of conflict agreement.

Some of these methods are employed to handle grievances that do not fall within the process of grievance, some of these techniques are mediation, arbitration, inquiries, conciliation, continuous bargaining, and industrial courts.

Mediation

The object of mediation is to prevent or settle between labour and management. The mediator is usually a third party who attempts to use his good office to create a positive environment for the resolution of conflicts.

Arbitration

When the grievance process cannot resolve a dispute, an arbitrator can be appealed to the arbitrator is a third party and does not normally get involved in collective bargaining process. His job is to settle difference between the two parties. In a trade dispute His/her decision is usually final unless appealed by the parties in the court of law.

Continuous Bargaining

It is used to handle any item that could not be decided at the time collective agreement was signed. It makes it possible for items that could have delayed or prevented the signing of a collective agreement to be deferred to a later date.

Industrial Courts

This is the highest arbiter of industrial conflicts. All other methods have failed to resolve item, industrial disputes are usually referred to the industrial courts. Its decision on disputes is final and binding and cannot be appealed.

Theoretical Framework

A theory is a body of reasoned supposition submitted to offer explanations to ideas issues or hypothetical propositions. In view of this, it is pertinent to attempt to a theoretical conflict especially within the Nigerian environment.

In doing so, this study borrow from the Marxist theory of industrial relation to explain workers-employees relationship.

Marxist (CONFLICT) Theory

This theory explains that conflict is inevitable and stems from inequalities of power and economic wealth inherent

in a capitalist economy or society. In Marxian analysis, conflict is attributable to an enduring power struggle between workers and their employers over the control of various aspects of work.

Identifying the causes of workplace conflicts, Onah, Ayogu, and Paul (2016) further submitted that “inequality in the distribution of the proceeds of industry, job insecurity of the workers and poor management control strategies breed grievances which lead to conflict”.

Hence, conflict is seen as inevitable and trade unions are a natural response of workers to their exploitation by capitalists, since it is difficult and dangerous for workers to individually express their grievances to management. Industrial relation in Nigeria is largely imbalanced and unfriendly between the parties involved, often in favour of capitalists.

This theory is relevant to explain this industrial relation. Thus, in response to such exploitative tendencies, conflicts result (Mohammed, Muslim, and Suleiman, 2009).

METHODOLOGY

The research design employs a qualitative research approach by reviewing the existing literature, journals, government publications textbook and materials from the internet that are relevant to this story. The secondary data were supported by in –depth interviews of seventy-seven(77) informants drawn from the following government establishments and trade unions in Nigeria.

- Nigeria Labour Congress (NLC)
- Academic Staff Union of University (ASUU)
- Nigeria Union of Teachers (NUT)
- Nigeria Medical Association (NMA)
- Nigeria Union of Petroleum and Natural Gas (NUPNG)
- Nigeria Union of Journalist (NUJ)
- Nigeria Medical Association (NMA)
- National Industrial Court of Nigeria (NICN)
- Federal Ministry of Labour and Productivity (FMLP)

The data generated were thereafter analysed and presented as this research report.

From seventy- seven (77) interviewees sixty (60) are male while seventeen (17) are female. They were within the age bracket of 25-50 years.

All of them have education, experience, and had participated in one form of industrial actions before now while the government officials involved in this study have understanding of the subject under investigation.

Research Question 1: Do Industrial Conflicts Affect Socio-Economic Development of Nigeria?

The analysis of the opinions of 77 interviewees revealed that all of them agreed that industrial conflicts affect the socio-economic development of Nigeria.

Research Question 2: What are the Major Causes of Industrial Crises in Nigeria?

The analysis of the opinions of 77 interviewers showed that 36(46.75%) agrees that poor salary and condition of service of workers contributed majorly to industrial

crises; 25(32.47%) opined that it is the obnoxious policies of Nigerian government; 13(16.88%) agreed that breach of previous collective agreements signed by the feuding parties while 3(3.9%) supported solidarity actions among trade unions.

The result of this analysis shows that most of the interviewees supported that poor salary and conditions of service as the major cause of industrial unrest among Nigerian workers.

Research Question 3: What are the Socio-Economic Implications of Industrial Conflicts in Nigeria?

The analysis of the opinions of 77 interviewees showed that 19(24.68%) opined that industrial conflicts lead to low productivity as a result of loss of man hour, 34(44.16%) agreed that it is loss of revenue, 10(12.99%) agreed that industrial disputes affect foreign investments while 14(18.18%) opined that during industrial actions, protesting workers experience hardship as a result of stoppage of wages. The result of the analysis shows that loss of revenue is the major consequence of industrial crises.

Research Question 4: What are the Solutions to Industrial Conflicts in Nigeria?

The analysis of the opinion of 77 interviewees, 46(59.74%) agrees that good salary structure and conducive working conditions is the major solution to industrial crises, 7(9.09%) agreed that it is the effective communication 21(27.27%) agreed that honouring of previous agreements during collective bargaining while 3(3.9%) agreed that judicial process is the best solution to resolve industrial conflicts. The analysis of result shows that good salary and condition of service is the major solution to industrial conflicts.

RESULTS AND DISCUSSION

This study is to appraise the socio-economic implication of industrial conflicts in Nigeria.

The finding of the study from the in-depth interviews of 77 respondents and reviews of literature of previous scholars revealed that the majority of the interviewees agreed that there are negative socio – economic implications of industrial conflicts in Nigeria. Most of the interviewees supported poor salary and poor condition of service of Nigerian workers as the major cause of industrial disharmony.

Also it was revealed that loss of revenue is the major consequence of industrial conflicts in Nigeria.

According to the study, as a panacea to these incessant clashes of interests between Nigerian government and its workers force, good salary structure and conducive working conditions must be put in place.

The findings of this study are similar to the research works of the following scholars: Onah, Ayogu and Paul (2016) on Nigeria Labour Congress (NLC) and Strike Action in Labour Conflict Management in Nigeria (1999 – 2011) and Okene (2008) on Collective Bargaining, Strikes and

the Quest for Industrial peace in Nigeria. After due juxtaposition of the findings. It was recommended that good industrial relations should be promoted among major industrial actors: The labour, the management and the government in other to contribute, in no small measures to socio-economic development in Nigeria.

CONCLUSION

The study concluded that Nigeria is under industrial conflict and chaos. From pre-independence to contemporary times, there have been a series of industrial conflicts and strikes leading to economic and social backwardness. some of these industrial actions have been violent leading to destruction of government facilities and loss of human lives .The present democratic dispensations has witnessed unprecedented strike actions by several trade unions in their quest to ventilate their grievances against one unfavorable government policy or another.

To tame the dangers posed by the incessant industrial actions to the national economic development, the study hereby submits the following recommendations.

RECOMMENDATIONS

The incessant industrial conflict and strikes in Nigeria need to be urgently addressed and checkmated. In view of the identified effects of industrial Conflicts, the following measures, among other things, are recommended as a way of resolving industrial conflicts and implications.

- Good remuneration and conducive working conditions of workers will guarantee industrial place
- The involvement of labour in decision-making processes especially on economic and social policies by the government will protect the interests of both parties.
- The mechanisms for industrial crises resolution should be utilised by feuding parties before the grievances escalate into crises.
- National Industrial Court of Nigeria should be given more powers to enforce collective agreements entered into during bargaining.

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