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BARGAINING FOR SURVIVAL

UNIONIZED WORKERS IN THE NIGERIAN TEXTILE INDUSTRY

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◆ Preface

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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Director

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◆ Abbreviations and Acronyms

GS	General Secretary (of NUTGTWN)
ICFTU	International Confederation of Free Trade Unions
IMF	International Monetary Fund
N	naira
NECA	Nigerian Employers' Consultative Association
NIDB	Nigerian Industrial Development Bank
NLC	Nigerian Labour Congress
NNDC	New Nigerian Development Company
NTGTEA	Nigerian Textile, Garment and Tailoring Employers Association
NTMA	Nigerian Textile Manufacturers Association
NUTGTWN	National Union of Textile, Garment and Tailoring Workers of Nigeria
PPIB	Productivity, Prices and Incomes Board
SAP	structural adjustment programme
UNTL	United Nigerian Textiles Limited

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

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

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.

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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 decolonization 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