

**LABOUR UNREST AND UNDERDEVELOPMENT IN
NIGERIA: AN APPRAISAL OF 2000-2013**

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Approval Page

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Dedication

I dedicate this research work to God Almighty. Also to my beloved parent Chief and Mrs. F.O.C. Muoh and my siblings Nonso, Ebere, Ifeoma, Obiora, Amaka Ugochukwu, Uchenna and Chinedu.

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Abstract

One of the major impediments to development in Nigeria is labour unrest. This is given the fact that no Nation can develop without human resource because they constitute and play very significant role in Nation building and development. The Nigerian case has been so pervasive that labour unrest extends to every situation when the Government takes major public policy decision that seems to affect the labour union and generally the masses without due consultation of labour statement; especially that which affects the social life of their member and welfare packages of the entire masses, specifically that which affect the socio-economic and political aspects, hence Nigerian development remain dependent.

Thus in our attempt to analyze and investigate this problem, we use the relative deprivation theory for theoretical framework while documentary research method was also used for gathering and analyzing data.

This research work, labour unrest and underdevelopment in Nigeria: An appraisal from 2000 – 2013 is being carried out for the purpose of assessing various means of curbing labour unrest. This study is however divided into five chapters, chapter one deals with the background of study, statement of the problem, objective of the study, significance of the study, hypotheses, method of data collection and analysis, scope and limitation of the study and definition of terms. Chapter two contains the public policies and labour unrest in Nigeria. In chapter three, we looked at labour unrest and underdevelopment. Chapter four of this work dealt with the strategies for curbing labour unrest in Nigeria.

Finally, chapter five which is the last chapter efforts shifted to the summary, conclusion, recommendation and bibliography. However this work is very incisive, interesting and educating.

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Chapter One: Introduction

1.1 Background of the Study

The organized labour union movements in Nigeria dates back to 1912, Nigeria workers like their counterparts in other developing countries have witnessed fundamental changes in their condition over time. To a large extent, labour unions have played significant roles in the transformation of most developing countries.

Government is the largest employer of labour with private individual employing a minimal proportion of the working class (Fajara, 2000). In Nigeria, labour unions has become a very important agents of socio-economic transformation and class struggle (Aremu, 1996, Akinyanju, 1997) which began from the colonial struggle and continued till in the post independence era. In the later, labour unions played significant role in the struggle against dictatorial military rule in the country. In the same vein under the current civilian dispensation, labour

unions is at the forefront of the struggle against unpopular government policies such as deregulation of the oil sector, retrenchment of workers and refusal to honor agreement on wage increase.

Nigeria is a third world country that comprise of labour unions spread across the country. The unions are structured into industrial line and as at 1977 precisely 42 labour unions were recognized by the Government and allowed to contribute enormously to the development of economic, social, cultural and even political system of the state. The role of these labour unions is usually regarded as people oriented because it tends to oppose Governmental policies and decisions not favorable to the masses through strike actions, protest etc popularly called labour unrest.

However, in a multi ethnic democratic country like Nigeria, there exist different labour unions across the country. But for the purpose of this study, we shall dwell

more on those labour unions that have in one way or the other succeeded in influencing Governmental policies and decision. In the past such as: National Union of Petroleum and Natural Gas Workers (NUPENG), Nigeria Labour Congress (NLC), Nigeria Union of Teachers (NUT), Trade Union Congress (TUC), Academic Staff Union of Universities (ASUU), Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAU) Nigerian Union of Journalist (NUJ).

In 1978 however, it's important to note that Nigerian Labour Congress (NLC) was formed and inaugurated and the 42 industrial unions became affiliates of the Nigerian Labour Congress with a legal backing of the trade union amendment Decree 22 of 1978. Again in 1989 the trade union was restructured to become 29 affiliates unions to the Nigerian Labour Congress after their role against the anti-people Structural Adjustment programme of General Babangida.

Consequently, in 2005, the trade union act section 33 (2) was amended by substituting the phrase “central labour organization” for the phrase “federation of trade unions” the intention was to weaken the cohesion of the trade unions.

Since time immemorial labour unrest has always occupied the front burner of criticisms and oppositions. in Nigeria whenever the Government through its policies makes life unbearable for its citizens.

Nevertheless most activities of the organized labour in the form of unrest to attack Government policies and programmes often result in underdevelopment and grounding of the economy culminating in loss of revenues and sundry economic activities. However, it is not implausible to aver that one of the greatest problems that result to labour unrest and consequently underdevelopment is Governmental policies and

programmes on certain National issues especially those that affect the labour unions across the Nation.

In the light of these, this research work is inspired out of the burning desire to interrogate the motive of the labour union in their activities through protest, strikes etc against certain Governmental policies and programmes through a critical analysis and alternative roadmap to labour unrest with a view to averting resultant and decay in Nigeria.

1.2 Statement of the Problem

Labour unrest remain one of the most glaring problems hindering the development of this great nation especially when Government tends to implement policies and programmes not favorably for the majority of the people in the society (country). This is because the labour unions, using the NLC (Nigeria Labour Congress) ad TUC (Trade Union Congress) as the umbrella bodies tends to

constitute parts of organization or union that keeps the country going through their daily activities. In other words, when there is labour unrest, the economy of the country tends to be disrupted and destabilized which is why whenever Government policies and programmes that are not favorable to labour are formulated, there is usually a mass protest and strikes that dislocates the economy as the civil servants who are very significant to the Government of the day also partake in the strike and protest by not going to work.

However, the study shall make a critical appraisal of some of the major cases (protest and strikes) by labour unions and also investigate their modus operandi, so as to River at the objectives of the study, in the quest of doing this, the following research question would serve as a guide.

- i. Are public policies responsible for labour unrest in Nigeria?

- ii. Is underdevelopment a consequent of labour unrest in Nigeria?
- iii. Can dialogue and collective bargaining curb labour unrest in Nigeria?

1.3 Objectives of the Study

The broad objective of the study is to assess the consequences of labour unrest on Nigeria's development.

Thus the specific objectives of the study are:

- (i) To ascertain if public policies are responsible for labour unrest in Nigeria.
- (ii) To determine if underdevelopment is a consequence of labour unrest in Nigeria.
- (iii) To discover if dialogue and collective bargaining can curb labour union in Nigeria

1.4 Literature Review

The literature review of this work is based on 2 concepts via-a-viz labour unrest and underdevelopment.

These concepts are social science concepts which of course lack clearly definite definition hence scholars see it from their own view point and encapsulated.

Firstly labour union according to Fagane (2009) is any combination whether temporary or permanent. According to him, its principal objectives are the regulation of the relationship between work-men and workmen or between masters and masters or the imposing of restrictive conditions on the conduct of any trade or business and also the provision and benefits of members.

However, labour union is important to note are the main power resource of working people. The power in this collectivity of workers tends to promote the resolution of a variety of problems faced by the workforce which help in Nation building.

Labour unrest according to Amesen Eric (2007) is a term used by employers or those generally in the business community to describe organizing the strike actions undertaken by labour unions especially where labour disputes become violent or where industrial actions which members of a workforce obstruct the normal process of business and generate industrial unrest are essayed.

Labour unrest could be defined as the disruption of the day to day labour activities that generates income both local and international In the country and makes the economy stagnant for a while due to the strike action and protest by labour unions in the process of facilitating the interest of their members endangered by Government policies unfavorable to them (Labour Unions). However unrest in organization and industrial establishment can be disruptive when the organizational goals are stressful to the health of industrial workers.

Again labour unrest can be defined as the inability of members in a role set are unable to reach an agreement on an issue concerned with the objective of interaction. There is hardly any gainsaying the fact that industrial conflict on labour unrest are realities of any economic system where workers and the management interact. Labour unrest seems to be more pronounced in public sector organization most especially. Anugwom and Ukaegbu (1998) argue that public union have substantial market power and are usually in a position to play a key role in the political process and its this unique positioning that make them conflict prone.

Dimension of Labour Unrest

Labour unrest is so closely related to loss of peace because like Ofube (2001) argues that unrest (conflict) is as central to life, because like we know, life without conflict is no life. Therefore labour unrest is not abnormal in any organization (private or public). Hence

in the public sector, workers are always disenchanted with the Government over its handling of workers welfare and the general penury facing the nation.

Anugwom (1997) views the dimension of labour unrest as a situation when the economic depression in the country as exposing workers to a high level of economic hardship. He further contends that the public sector workers especially have been faced by given economic realities and may have seen unrest as a way of breaking loose from the shackles of economic deprivation.

Okechukwu R. O. (2002) expresses his view in the labour unrest in Nigeria especially the June 2000 strike and argued that some Government policies that are unfavorable to the workers tend to generate the often strike action and protest leading to labour unrest.

Finally it's important to understand here that when Government formulates policies not favorable to labour

unions, they adopt some strategies or dimensions leading to labour unrest in the country.

- (a) Labour Unions threaten the Government by issuing ultimatum within which its demand will be met. Thus failure of the Government to oblige them may elicit strike or demonstration thereby leading to labour unrest.
- (b) Propaganda using mass media and handbills is another dimension of labour unrest; here workers all over the federation are notified on the latest development and even the public.
- (c) Employment of protests, strikes and demonstrations is another dimension of labour unrest which could be peaceful or violent.

In economics underdevelopment is when resources are not used to their full socio-economic potential, with the result that local development is slower in most cases than it should be. more so, it results from the complex

interplay of internal and external factors that allow less developed countries only a lop-sided development progression.

Effects of labour unrest and underdevelopment

- (i) Underdeveloped countries have low reservoir of natural resources and as such any kind of labour unrest tends to destroy some of these resources in the country.
- (ii) Socio-economic inequality: This is another effect that propagates labour unrest in Nigeria that leads to underdevelopment.
- (iii) Low level of industrialization.
- (iv) An unconditional policy is another effect of labour unrest and underdevelopment that hinders development in Nigeria, because Government policy not favorable to this labour union across the federation tends to generate labour unrest.

Ezema (2007) contends that most labour union and workers are often very restless and confrontational in their approach to issues which affect them as a group such as not fulfilling some of the employment contracts and as such, workers result to anti-government posture which if care is not taken can lead to labour unrest or even tear the state apart.

The existing gap here is that Government always perceive the workers as lazy, uncooperative individuals, who always hold secret labour meetings and plan drastic actions against Government and any other organization they consider threat to their interest while on the other hand workers (labour unions) perceive the Government as exploiting them especially when they make policies concerning labour without labours consultations (Chukwu, 2008). It is this perceptual basis arising from the Government and the workers that sometimes serve as the “brewing pot” of labour unrest. Hence the Nation

tends to lose a great deal of financial and material resources (Akereke, 2010).

1.5 Significance of the Study

Essentially, every research is a quantum of knowledge; this study will therefore be of a theoretical significance to future researchers as it is going to enclose the identified questions. Also, it is going to add to the existing body of literature as it tends to extend the frontier of knowledge. The study will definitely put the icing on the cake already existing literature of labour unrest and underdevelopment in Nigeria.

Thus its importance lies in the very fact that labour unrest is currently a prevailing cankerworm and it is very spontaneous and topical. However this work will in the long run guide the Government in the quest to quell further problems associated with labour unrest and underdevelopment in Nigeria in the nearest future.

1.6 Theoretical Framework

The relative deprivation frustration aggression theory will stand as the theoretical framework of this study Dollard (1939) postulates that the primary source of the human capacity for violence appears to be frustration aggression mechanism.

Thus according to him, anger induced by frustration is a motivating force that disposes man to aggression. Frustration is an interference with goal directed behavior. According to Gurr, "Relative Deprivation is a perceived discrepancy between relative deprivation and their value capabilities".

Value expectations are the goods and conditions of life to which people believe they are rightfully entitled. Value capabilities are goals and conditions they think they are capable of attaining and maintaining given the social means available to them. Gurr also suggests some

variables that affect the intensity of emotional response to the perception of deprivation.

The first proposition is that the greater the extent of discrepancy the man sees between what they seek and what seems to be attainable, the greater their anger and consequent disposition to aggression.

The second proposition relates to oppositions “men who feel they have many ways to attain their goals are less likely to become angry when one is blocked than those who have very few alternatives.

The third general proposition is that the greater the intensity of men’s expectations, the greater their anger when they meet unexpected or increased resistance.

Gurr further states four (4) intervening variables in his quest to explicate the Relative deprivation frustration model. Thus the legitimacy of the political regime in which violence occurs, coercive potential

institutionalization and social structures which may condition the perception of deprivation.

However, in a related manner, James Davies attributed violent outbreak to the frustration that result from short term decline in achievement following a long term increase that generate expectation about continuing increase. Basically, a person thwarted in the attempt to reach a goal is made angry and likely to protest against the imputed sources of frustration.

Dowse and Hughes observes in social life, men comes to value many things, status, power, security, equality, freedom, wealth etc when they cannot achieve those values means loosing another, angry, dissatisfaction and in the cases aggression occur, Mayer (1976) argued in support that the normal tendency towards violence aggression or dispute is increasingly frustration desire. To him, when a goal presumably attractive two or more individuals is made available in such a way that it can be

obtained looser. Those frustrate actors in political system can become sponsors of things kidnapers or even cause political, economic or even labour unrest in the country.

Davies (1973) postulates that aggressive action required four (4) main steps namely: activation of demand, frustration of demand mental process of deciding how to overcome.

Thus it is important to note that various individuals or groups involved in political, religious or even labour unrest such as the Nigeria labour congress, (NLC), trade union congress (TUC), academic staff union of universities (ASUU) etc engage in peaceful protest and subsequent strike because they perceive a sense of injustice on the part of the Government from its policies.

This is often due to the fact their needs are not properly met, and as a result of this, they stoop to strike and protest which could induce violence from some individuals and the Government of the day sees it as a

rebellious act, hence the lost of popular consensus and legitimacy thereby causing loss of life and property and starvation in the country.

Accordingly Kerlinger (1977) a theory is a set of interrelated constructs propositions and concepts that presents a systematic view of phenomenon by specifying relations among variables with the purpose of explaining and predicting the phenomena. Thus having said these, among all the theory and paradigms drafted by various school of thoughts over the years, the focus therefore is on the labour unrest and underdevelopment, its impact and effects on the countries economy.

1.7 Hypotheses

In accordance with the research questions and founded on empirical verification deduced from the research study hypotheses thus:

- i. Public policies are responsible for labour unrest in Nigeria.

- ii. Underdevelopment appears to be a correspondence of labour unrest in Nigeria.
- iii. Dialogue and collective bargaining seem to be a veritable alternative to labour unrest in Nigeria

1.8 Methods of Data Collection and Analysis

The method of data collection used in this research study is the secondary source which is also known as documentation due to the spontaneous nature of the issue under investigation. We gathered information from library, textbooks, articles, magazine, journals, internet services and printout etc which are relevant to the study. The framework of content analysis is what we adopted due to the fact that it will aid us in giving better appreciable acknowledgment to the study and make us knowledgeably acquainted to the subject under analysis.

1.9 Scope and Limitations of the Study

The scope of this research work is quite wide and broad that it encompasses the investigation of “labour unrest and underdevelopment in Nigeria” An appraisal from 2000 – date. This is because of the spontaneous nature.

The scope is hinged on what have been noted from time immemorial to present in the main sub-heading of this research work. Furthermore, notable reference though is on the already listed statement of problem and hypothesis which would be used in the continuation of the research work up till the point of arriving at the conclusion and preferred recommendations of this research work.

As regards to the limitation of this study, we would point out that there were indeed limited documented materials on the issue and the factors of it being timely in conjunction with financial impediments or constraints, time and numerous academic work in campus. However,

it was obvious that the prevailing unrest was at its peak at the time of this research.

1.10 Definition of Terms

This term that have been carefully selected for definition in this research work are those that are related to the course of study and those terms which also have ambiguous meaning, here an attempt is made to give clarity on their usage in this research work.

Underdevelopment: Liberal and Marxist scholars contend underdevelopment in terms of retardation, primitivity and backwardness or simply the lack of development for which the later view it as a man made process while the former connotes it as an internal variables and not external factors, which is occasioned by national and internal milieu.

Labour Unrest: This is a term used by employers or those generally in the business community to describe organizing and strike action undertaken especially when

Government tends to implement policies not favorable to their members.

Labour Union: This are group of people who come together in line with their profession or career with the sole aim of protecting their interest through influencing Government policies through strike actions and protest.

Development: According to the liberal view implies change which “often follows a well ordered sequence and exhibits common characteristics across countries or what Michael Todaro calls series of successive stages of transformation.

Development according to the Marxist perspective is a dimensional process as Walter Rodney encapsulated that development. In human society is a many sided process.

Strikes: This is a refusal to work organized by a body of employees as a form of protest typically in an attempt to gain a concession or concessions. Thus it’s a work stoppage undertaken in support of a bargaining position or in protest of some aspect of a previous agreement or

proposal agreement between labour unions and the management or the Government.

Government: This is an institution rules and administration of state authority. Thus it's a group of people that governs a state. It sets and administers public policy and exercises executive political and sovereign power through customs, institution and laws within a state.

A Government can be classified into many types: democracy, republic, monarchy, aristocracy dictatorship are just to mention but a few.

Protest: This is a statement or action expressing disapproval or objection to something or to affirm in a public or formal manner to declare solemnly to a vow.

Deregulation: This is the removal of government control from an industry or sector to allow for free and efficient market place. Thus it's the reduction or elimination of government power in a particular industry usually enacted to create more competition within the industry.

Chapter Two: Public Policy and Labour Unrest in Nigeria

2.1 Economic Reforms and Retrenchment of Workers

With a population of 160 million people, that makes Nigeria the most populous country in Africa and a GDP second only to South Africa, yet following several years of military rule and poor economic management, Nigeria experienced a prolonged period of economic stagnation, rising poverty levels, and the decline of its public institutions. Thus by most measures human development indicators in Nigeria were comparable to that of other least developed countries while widespread corruption undermined the effectiveness of various public expenditure programs.

However, following years of economic stagnation Nigeria embarked on a comprehensive economic reform program during Obasanjo's second tenure. The program was

based on National Economic Empowerment and Development Strategy (NEEDS) which focused on four (4) major areas aimed at improving:

- (a) macro-Economic Environment
- (b) Pursuing Structural Reforms
- (c) Strengthening Public Expenditure Management
- (d) Implementing Institutional and Governance Reforms.

Though in previous decades, there were severe infrastructural bottlenecks that hindered private sector activities. In particular the poor condition of the power sector prior to the economic reform illustrated the severity of Nigeria's infrastructural deficit.

In a nutshell, the economic reform called NEEDS (National Economic Empowerment Development Strategy) embarked by President Olusegun Obasanjo's second tenure was complemented by individual state economic empowerment and development strategy (SEEDS) which

were prepared by all 36 Nigerian states and the FCT (Federal Capital Territory).

The NEEDs program emphasized the importance of private sector development to support wealth creation and poverty reduction in the country which is evident in the four major areas enumerated above. Furthermore, for proper understanding, we shall provide a brief background prior to the reform and subsequently examine the reform measures and program made so far.

(a) Macro-Economic Reform:

Nigeria's economic performance in the last decade prior to economic reforms was generally poor. Over the 1992-2002 annual GDP growth had averaged about 2.5 percent with an estimated population growth of 2.80 percent per annum. This implied a contraction. In per capital G.D.P over the years that had resulted in a deterioration of living standards for most citizens.

Thus a major challenge for the Nigerian economy was its macro-economic volatility driven largely by External terms of trade shocks and the country's large reliance on oil export earnings. By some measures, Nigeria's economy ranked among the most volatile in the world for the period 1960-2000 (World Bank, 2005).

Macro-Economic Reform Measures

The central thrust of the macro-economic reform was to stabilize the Nigerian economy to improve budgetary planning execution and provide platform for sustained economic diversification and non-oil growth. A major challenge was to de-link public expenditure from Oil Revenue Earning by introducing an appropriate Fiscal Rule.

(b) Structural Reform

A broad range of structural reform was also needed to improve the domestic business climate and enhance competitiveness to deregulate and reduce Government activity in various economic sectors and in an attempt in addressing these; four (4) major areas were looked into viz: privatization, civil service, trade policy and the banking sector.

- (i). Privatization:** Prior to the reform, the Nigerian public sector was underperforming and imposed a significant financial drain on the treasury within the public sector. Thus the underperforming of state owned enterprise was particularly costly. Large public investment in state owned enterprise in previous decade had yielded very few concrete benefits.

The Privatization Reform Measures

The privatization of some state owned enterprise as well as deregulation of Government activities in some sectors

were therefore needed to improve the efficiency of these enterprise to curb corruption and also reduce the financial cost to the Federal Government and by and large between 1999 – 2006 about 116 enterprise were privatized.

(ii) Civil Service: This was also over sized and poorly remunerated, resulting in poor service delivery, rapid public sector, recruitments under military administration had resulted in an oversized and under skilled work force in which employers often did not have the appropriate technical skills needed for the assignment.

The civil servants generally received low pay and several fringe benefits such as free housing, free vehicles and various other allowances that often led to waste and misuse of Government resources, weak management and oversight also meant that there were problems with what workers on the Government payroll.

The Civil Service Reform Measures

This began with five (5) pilot ministries and subsequently was extended to nine (9) MDAS (ministries, Department, and Agencies) in each internal consultation were performed while verification exercise were conducted to update personnel records and payroll data organizational structures for the reforming ministries were reviewed and rationalized.

(iii) Trade Policy Reform

Prior to the economic reform, Nigeria's trade regime was viewed as complex and restrictive following the SAP (structural adjustment program) in 1988 a seven (7) year tariff schedule was adopted which significantly reduced tariff averages.

Trade Policy Reform Measures

Nigeria liberalized its import tariff regime by adopting the common external tariff (EEF) of ECOWAS. This was in keeping with the Government commitment to simplify the

tariff structure and improve the transparency and predictability of Nigeria's trade policies.

(IV) Banking Sector Reform

Prior to the reform, the Nigerian Banking sector was weak and fragmented, often financing short term arbitrage opportunities rather than productive private investment. The roots of the financing sector weakness could be traced to its poorly managed liberalization during SAP of the 1980s. The Banking sector was repressed before the SAP largely because of the imposition of interest rate that resulted in negative interest rate. However, many Banks conducted only limited lending to the private sector while engaging in a more lucrative short term arbitrage foreign exchange :Round tripping" activities. Consolidation and improved supervision of the sector were needed to strengthen the banking sector.

Banking Sector Reform Measures

To strengthen the Banking sector and improve availability of domestic credit to the private sector, a bank consolidation exercise was launched in middle 2004. The CBN (Central Bank of Nigeria) requested all deposit banks to raise their minimum capital base from about 15 million dollars to 192 million dollars. Thus by the end of 2005, Bank failing to meet the new requirement were expected to merge or else have their license revoked. This was however, initiated to strengthen the industry.

(C) Institutional and Governance Reform

A Bane of Nigeria existence since the oil boom of the 1970s has been the reputation for corruption largely. Corruption and poor Governance affected growth and public service delivery in Nigeria in various ways. Corruption distorts the climate from doing business and serves as a tax on private investment. In corrupt

environment resource for human capital and other needed investment such as infrastructure, health and education are often diverted which usually occur in various ways.

Institutional and Governance Reform Measures

Public procurement following an extension review of public procurement system. The Government introduced a value for money audit or due process mechanism in public contracts. This promoted an open tender process with competition bidding for Government contracts. With this, notable improvement in the efficiency of capital spending. The federal government saved over 200 Billion Naira since 2001 in the form of reduction from inflation contract process.

Retrenchment of Workers

The retrenchment of workers was introduced in Nigeria by the military Government few months after the overthrow of the civilian administration at the close of

1983. The retrenchment of workers was regarded as one of the short term measures to resuscitate the depressed economy through the reduction of overhead cost.

Paradoxically mass retrenchment of workers has brought about devastating side effects such as insidious inflammation of psychosocial problems. However, the retrenchment effect has been mostly experienced by ethnic minorities, the poor and less educated Nigerians. A sample of 500 retrenched workers has revealed a variety of devastating problems such as deteriorating self esteem general instability stomach, ulcers, a tendency to commit crime, high blood pressures and heart disease. Financial emaciation and depression.

The retrenchment procedure as laid down in the labour relation act (LRA) must be followed properly and in good faith by the employer.

Finally, most Government economic reforms especially since Nigeria became a democratic state have seen or

witnessed the retrenchment of workers such as the privatization of public enterprise, for instance NEPA which is now called PHCN (Power Holding Company of Nigeria etc) These economic reform by the Government that leads to the retrenchment of workers tends to bring poverty to Nigerians because in Nigeria today, there are too many people chasing too few jobs.

2.2 Non Sustainable Minimum Wage and Welfare Package

Minimum wage may be defined as the rate of pay fixed either by a collective bargaining agreement or by Government enactment as the lowest wage payable to specified categories of employees. On the other hand, it would be understood to mean the minimum sum payable to a worker for work performed or services rendered within a given period, whether calculated on the basis of time or output which may not be reduced either by individual or collective agreement which is guaranteed by

law and which may be fixed in such a way as to cover the minimum needs of the workers and his family in the light of National Economic and social condition.

Over the last decade the issues of non sustainable minimum wage and welfare package have being the front burner and National issues in the country.

Earlier in 1967 the international labour organization (ILO) made analysis of what minimum wage and their analysis can be categorized into 3 (three) basic ideas. Viz;

- (a) According to the ILO (International Labour Organization) minimum wage is the wage considered sufficient to satisfy the vital necessities of food, clothing, housing, education and the recreation of the worker taking into account the economic and cultural development of any country.
- (b) Minimum wage represents the lowest level of remuneration permitted in law or fact, whatever

the method of remuneration or qualification of the worker.

- (c) Minimum wage is the wage which in each country has the force of law and which is enforceable under threat of penal or the appropriate sanction.

Essentially the establishment of minimum wage is to ensure that the workers and in most cases their families receive basic minimum which will enable them to meet their needs and those of their families. However, policies initiated to implement the minimum wage are aimed at improving the welfare package (material condition) of workers and guaranteeing them a basic minimum standard of living which is compatible with human dignity.

Going down memory Lane, the first minimum wage law was enacted by the Government of New Zealand in 1894, In Australia 1896. They established wage boards on

which workers and employers were represented in equal number with the power to fix minimum wage enforceable on the employer.

In Nigeria as it concerns us, arising mainly from the fact that the Government is both the regulator and the largest employers of labour, the actions of Government in the area of minimum wage and welfare package for labour are usually very fundamental, and as a result, the history of minimum wage and welfare package cannot be separated from the history of public service wage negotiation and increment. For instance in 1943, the wage fixing and registration ordinance (No. 40 of 1943) had come into force establishing wage board modeled after the British (colonial master). In 1973 the Federal Government enacted the wage board and industrial council act which empowered the minister of labour to set the machinery for fixing minimum wage and

condition services for both the public and private enterprise.

The minimum wage act was first passed in Nigeria in 1981 which gave birth to national minimum wage act of 1981, which prescribed minimum wage of N125 for labour per month, but was raised in years later to N250 in 1990 and later raised again in 2000 that led to the national minimum wage amendment act of 2000 which prescribed N500 per month. The 2000 minimum wage amendment act was further amended in 2010 based on the recommendation of justice Alfa Belgore led Tripartite committee of National minimum wage.

The national minimum wage rate in Nigeria is applied to every worker (private, public civil servants) or individual who has entered into work under contracts for manual labour. Thus for emphasis the concept of minimum wage means minimum monthly salaries payable to workers as

provided by the subsisting minimum wage legislation which could be determined by collective agreement.

From the brief background of minimum wage as aforementioned, we can argue that the absence of minimum wage policy, some workers tend to be subjected to such a terrible low welfare package and as such, their ability to discharge their duties and responsibility to their family, society and even themselves would be in serious jeopardy.

Minimum wage should be adjusted regularly to maintain the purchasing power of affected workers in the face of price increase and avoid large occasional stocks to the economy, because the welfare package of workers critically depends on both their wages and the prices they face. Thus in these contract, the sharply increase in food and oil prices and the high inflation forecast for 2008 and 2009 swift adjustment in minimum wage is paramount.

Accordingly Hon. Justice S.M.A. Belgore, the former chief justice in the wake of the amended 2011 minimum wage act committee headed by him:

The committee met severally and consulted widely, we took cognizance of the need to ensure that the outcome of the exercise must be growth propelled in terms of GDP growth rate; we also considered its capacity to promoting rapid socio-economic transformation of the country, which will not lead to inflation spiral. Our objective is aimed at alleviating poverty in the country as well as maintaining macro-economic stability for the sole purpose of worker welfare.

Essentially Justice S.M.A Belgore's committee tried to make the National Assembly under the need and importance for adequate and increase in the welfare package of workers in his report.

Consequently, based on these negotiations of stakeholders, the following were proposed by justice

Belgore's led committee and forwarded to the secretary to the Government of the federation viz:

- (i). A National minimum wage of N1800 per month for all established in the private and public enterprise employing 50 workers and above.
- (ii) An upward review of the sanction that would serve as a deterrent to would be violators of the new minimum wage.
- (iii) The committee also recommended that section 8 of the principal act, which prescribes a firm not exceeding N500 or imprisonment for a term not exceeding three (3) month or both be amended to a fine not exceeding N100,000 or to imprisonment for a term not exceeding 6 month or both fine and imprisonment and recommended the amendment of section 3 of the principal act, which prescribes a fine not exceeding N100 and in the case of continuing offence, day a fine not exceeding N10 for

each day during which the offence continues “be read instead“ a fine not exceeding N50,000 and in the case of continues offence to a fine not exceeding N10,000 for each day which the offence continues.

- (iv) A more frequent review period not exceeding 5 year to be carried out by a statutory tripartite committee that would be appointed from time to time by the president.
- (v) That the extant National minimum wage act of 1981, 1990 and 2000 be repealed and replaced with a new act to be enacted.

Thus the Belgore’s committee recommendation was accompanied by a draft new National minimum wage Bill of 2010 for onward transmission to the National Assembly.

Commenting on the effectiveness of the proposed enforcement in the minimum wage Comrade Peter Esele president of the Trade Union Congress (TUC) whom is

also a member of the tripartite committee on National Assembly Wage stated:

For the first time, we want to make it a law that any minimum wage divided at the federal level will be binding for every employer of labour in Nigeria. It should be made law so that we can use it in holding any state, companies and establishment liable for defaulting to pay.

In reaction to the new proposed minimum wage and welfare package recommended by the Belgore's led committee and comments by the NLC and TUC spokesperson. The Federal Government affirmed that is not possible to immediately pay the proposed N18,000 minimum wage requested by the Nigeria Labour Congress (NLC) and recommendation by the Justice Belgore's led committee.

President Goodluck Ebele Jonathan on the 6th of November 2010 (Nations Newspaper) urged the NLC and TUC organized labour to tow the line of reconciliation by

shelving the proposed strike. Because the labour union threatened to embark on a 3 day strike action should the new National Minimum wage is not implemented. President Goodluck Jonathan further emphasized that the Government needs to consult with the National Assembly and the council of state before the impasse could be resolved. He (President Jonathan) further explained that although no worker in the employ of the Federal Government earns less than N17, 000, but its paramount to consider how the private sector employers will cope with the new minimum wage pay if implemented.

Stakeholders eared their view that the peaceful manner in which the negotiation was done and concluded is commendable and also shows the understanding and practice of the parties especially the workers. They advice that it should be reciprocated by Government and the employers by implementing it immediately not

withstanding the fact that the assembly is in process of amending the national minimum wage of 2000 to give legal backing to the committee's recommendation.

The National Assembly was therefore set to address the issue of minimum wage and welfare packages of workers even though there were challenges.

Challenges to Non-Sustainable Minimum Wage and Welfare Packages

- (1) Delay in the passage of the 2010 minimum Wage Bill into law was one factor militating against the minimum wage of workers and their welfare package of both private and public enterprise. Thus commenting on the Delay; Comrade Issa Aremu notes that:

With respect to the new minimum wage, the Federal Government must show the same will and power that made speedy appropriation of supplementary budget of N87 Billion For INEC possible and make provision for the new negotiated fake possible in 2011 budget for the public

sector workers and also government must direct the private sector employers to negotiate with their workers with a view of implementing the new minimum wage.

Because according to the labour union the seeming silence and delay is worrisome and thus generating some uneasy atmosphere in the labour cycle.

(II) Labour Market Situation

The situation is such that there are too many people chasing too few jobs. Thus the level of unemployment and poverty in Nigeria today is unprecedented jobs lost occasioned by

- (a) The global economic meltdown
- (b) The relocation of companies from Niger Delta to other Regions because of the Niger Delta security crisis.
- (c) The Relocation of companies from Nigeria to neighboring countries because of the hydra headed power sector problems, the prevalent

multiple taxation, security challenges, corruption, terrible conditions of basic infrastructure etc.

Consequently the National Minimum Wage Bill was signed on March 23rd 2010, by the president yet some state governors voiced their unwillingness in paying the new national minimum wage for instance; the former state governor of Lagos state, Ahmed Bola Tinubu said his administration was considering staff rationalization as the way out for the wage crises, in reaction TUC threatened to paralyze business activities if states fails to ensure compliance.

This facilitated the Federal Government to convey a speedy meeting of all social partners such as NLC, TUC, NECA, (Nigeria Employers Consultative Association) and the NGF (Nigeria's Governors Forum) to agree on board guidelines for the implementation of new wage in various states though President Goodluck Jonathan stated:

While I cannot dictate to the State Government or the private sector I would do everything within my powers to encourage and cooperate with the state to do what is right for Nigeria workers because in the first analysis, we are first and foremost citizens of Nigeria before our indigenship of a given state, as for private enterprise, they can even pay more as long as our vision of growing Economy in partnership with them remain on course, I am very hopeful. (The Nations Newspaper: 2010:6).

However even though the speech/statement the president of the country made, one would have taugt that a democratic state their Nigeria Governors would obey the new law on minimum wage of paying, infact even after that statement some State Governors according to the Deputy President of NLC Promise Adewusi some state Government like Abia State proposed a N46, 700 National Minimum Wage, Kwara, Kebbi, Imo respectively proposed N30, 000, FCT, Anambra proposed N25, 000.

One year after the Bill has been passed some state Government are still unable to pay the new minimum wage, in July 2011, the labour union issued an ultimatum to embark on strike over the 18,000 minimum wage enacted in 2010.

Labour leaders seem unimpressed with the Government's release of N1.3 trillion fine allocations from the federation account to give all financial tiers of Government the financial backing or muscle to pay the new wage. To the greatest surprise of stakeholders and labour leaders some state Government that even proposed higher minimum wage was still unable to pay the 18,000 enacted.

This resulted to series of meetings by the NLC, TUC on one side and the federal and state government on the other side.

Finally, in a nutshell, an agreement was reached and signed after series of meetings from both party.

Welfare Package

On the other hand, welfare package for privilege Nigerians is a callous policy of some federal establishment. Though been in practice for years and possibly designed and developed by the military regime. Some civil servants (public and private) are without health care, payment of their children fees no basis infrastructure etc, thus, their welfare package is very poor, yet the funds that should be used to equip the medical center across the federation, provide basic infrastructure etc are used by. Some officials and dignitaries to travel to European countries for medical check up even when they have elements like “catarrh”.

The issue of welfare package of labour has led to the suspension of several key Government officials for instance, the director of administration in the federal ministry of health Dr. H. B. Oyedepo with his 33 years in civil service, he used his son’s (Omodele) Strondax Ltd to

share the welfare package meant for the labour, in the same vein, Prof Adenike Grange and Gabriel Aduku, the Federal Health minister and minister of state respectively were ousted from office for misappropriating the welfare package funds meant for labour.

Hence the argument therefore is that the welfare package program by the Federal Government always goes to top wealthy management staff. Thus welfare package in Nigeria primarily related to its general lack of development and the effects on the society especially in regards to economic stringency.

Furthermore, more stringent policy and laws should be enacted so that those who misappropriate labour funds will face more stringent punishment.

Hence the need for Government to embark on sustainable minimum wage and welfare packages is of paramount importance, in view of these, a member of house of representative: committee on pension. Hon Kola

Olabiyi said “The goal of having poverty and hunger in Nigeria by the year 2015 may not be adequately achieved without due consideration to the age category of the population”

Subsequently, for him coincidentally, the public pension schemes as a major component of welfare package programme did not fare better in lifting the old age from the shackles of poverty, hunger and deprivation. The scheme according to Hon Oabiyi should play significant role in ensuring that people and most especially labour have sufficient income to enjoy, sufficient standard of living in retirement etc.

As chapter 2 section 16 (2) (d) of the 1999 Nigerian constitution as amended in 2011, it clearly stipulates that the state should direct its policy towards ensuring that suitable and adequate shelter, suitable and adequate food, reasonable National Minimum wage, for

old, pensioners, unemployment etc seek benefits and welfare of the disabled and provided for all citizens.

2.3 Arbitrary Reduction of Fuel Subsidy and Increase in Fuel Price

Fuel subsidy is a Government programme created to reduce how much the populace would have to pay for petroleum motor spirit (PMS), automotive gas oil (diesel) and also to protect the citizens from crude oil volatility on the international market. Though fuel subsidy is very peculiar in oil producing states such as Kuwait, Nigeria, China, Qatar etc.

Fuel subsidy could be referred to the effort by the Government to paying for the difference between the price of fuel in the pump and the actual cost of the product. By so doing, the Government enables fuel to be sold at a lower price so as to help in alleviating the burden on its people especially the lower income group in the society.

However, fuel subsidy before President Goodluck Ebele Jonathan's Administration was a Federal Government policy meant to assist the people of Nigeria to cushion the effects of the economic hardship.

Conceptually, it seeks to enhance financial capacity and also enhance the well being of the populace.

Subsidy is a financial aid paid by Government to business or on economic sector for the purposes of either protecting that sector from bankruptcy and collapse or for the purpose of ensuring that the difference between the true price and the marketed price of a service or commodity is absorbed by the state so as to reduce the cost of that service or commodity to the public.

Fuel subsidy is essentially: if the price of fuel for instance is N5 and as a result of prevailing economic circumstances Government mandates that it be sold at N2, the state then commits itself to absorbing the difference by paying the marketers the remaining N3.

Having explained what subsidy is all about, the need to further illustrate the arbitrary reduction of fuel subsidy and the increase in fuel price cannot be overemphasized in Nigeria.

The removal of fuel subsidy and eventual increase in the prices of fuel at one point in time of Nigeria history if not now, later in future cannot be undermined, but rather than total removal with the present economy situation in the country, it should be an arbitrary reduction of fuel subsidy, thus government needs to cut the allowances of political office holders. Because even though from history subsidy has been reduced 12 previous times, yet no significant. Improvement has been seen by the Government; rather the excuse Nigerians get is that the money realized was either diverted, or embezzled.

The problem of Nigeria which is the bitter truth is that the cost of "Governance" and public sector corruption is the biggest "financial burden" on Nigerian budget

because for instance just in 2011. The budget allocates N992, 57 million (\$6, 200, 549, 05) for the feeding of the president and his Deputy, and that is about \$518, 000 per month for just 2 men in the country and their families while about 70% of Nigerians live on about \$ 2 (Dollars) or less in a day. Even the labour on the other hand agitating for the payment of the agreed N18,000 minimum wage by some state governors are yet to be paid.

However the issue of balances and entitlement of the political “mis” ruling class is another factor of financial burden on the Government, therefore Government inefficiency to initiate policies that would be of great assistance to the masses especially as it concerns oil, the need to uproot the massive drainage pipes that sucks out capital at a phenomenal rate to subsidize the standard of living of the politically appointed and (s) elected Government need to first reduce those first feeding funds

of the president and his deputy). Then if the need is still truly there, then arbitrary reduction of fuel subsidy should be the front burner and once the standard of living of ordinary Nigerians have risen to a level comparable to what the size of our economy at the sacrifice of Nigeria justify, then fuel subsidy can then be totally removed.

Since the discovery of oil the Government of Nigeria were subsidizing i.e. paying some amount of money for fuel while Nigerians pay the rest at the filling station, but when President Goodluck Jonathan came on board, He felt the money paid by the Government could be used to develop other sectors and provide adequate infrastructure. His (Goodluck) policy is such that the rich, average and poor will henceforth buy fuel according to their pocket which means the money paid by Government will no longer be paid.

In January 1, 2012 fuel price increased from N67 to N141 per liter. These sparked labour agitation and consequently strike it is important to note that when fuel subsidy is removed, the price of petrol will go up and not only does the cost of consumable commodities, food because as transporter pays more to fuel up his trucks, so he will charge market women to deliver her suppliers, who then charges her customers more for buying her suppliers. The customer is then forced to spend on even greater amount of his meager salary to pay for basic services of all types feeding, paying more for his/her kids school fees and school material, and in the end paying more for rent as landlords too begin to feel the buffeting winds of inflationary law. This would then spread through the country's economy and thus hitting harder on those who have less to spend on the rising cost of living and perhaps showing down macro economic growth in the non-oil sector.

The arbitrary manner President Jonathan's Administration implemented the subsidy policy and the dishonest assertions implicit in the Government Justification; coupled with the devastating financial impact the policy has on the lives of ordinary Nigerian tends to result to labour unrest.

The Jonathan's Administration, oblivious to the financial hardship it will impose on ordinary Nigerian and the teeth of civil society opposition, has given many reasons for removing fuel subsidy.

In the wake of January 1, 2012, to implement this policy of fuel subsidy removal, 4 (four) broad themes emerged from President Jonathan's statement viz;

- i. Fiscal consolidation
- ii. Subsidy disproportionately favors the rich over the poor.
- iii. Reducing smuggling and eliminating arbitrage.

- iv. Raising revenue for infrastructure projects and socio-economic programmes.

With the above four enumerated from the president's statement, one would see the policy as a good one capable of ending the sufferings of Nigerians but the nature of the Government where corruption is rampant one would need to have a rethink and see the policy as a plot by the president and his cabals to enrich themselves. Thus if to this end, that we say before the removal of fuel subsidy be implemented if it was to come at this particular time, the Government of the day, the need to remove the financial burden to the budget of having to pay out in fuel subsidy as stated by the presidency in 2011 was N1.43 Trillion (\$8-\$9 Billion) in 2011 was a punching gapping hole in the balance sheet of the State (Iweala Report, 2011) Thereby increasing the state's debt profile and depleting the foreign reserve because for instance, the argument of Mr. President (Goodluck) is

that in 2011 alone, about N1.43 Trillion was spent on subsidy and N3.7 Trillion (23 Billion Dollars) was spent from 2006-2011.

He (President Goodluck) argued that about 8.5 Billion Dollars could be saved if subsidy is removed for the purpose of investing in infrastructure and socio-economic projects such as light, rail, Power Urban Mass Transit, Vocational Training, Improving Maternal Care etc. and thus enhance the standard of living of Nigerians

But its quite unfortunate that from 2011-Date when subsidy have been removed, no significant detailed policy plans have been drawn up and released to show exactly how the money saved was spent therefore one could argue that no significant improvement have been made and recorded since the subsidy was removed in 2012. Because Government said money needs to be saved, firstly consider these numbers, the aggregate subsidy on petrol over a 5year period according to Government

Figures is 31.5 Billion Dollars, thus by the law of average it comes up to 6.3 Billion Dollars per year, corruption according to recent report by Global Finance Integrity has taken out 130 Billion Dollars within a period of 5 years in Nigeria.

Increase in Fuel Prices

Its paramount to encapsulate that the means of selling fuel as cost price at home rather than at the world market price is tantamount to subsidy on fuel which is arbitrary and discriminatory and results to excessive burning of fuel. Nigerian Government took the bold step in its policy of allowing the price of fuel to follow the forces of demand and supply so as to adjust towards the world market price which as equivalent to reduction in fuel subsidy, as it is in countries like Kuwait, Qatar etc so as to bring local tax on fuel (domestic prices) at the pump closer to the world market price. In Nigeria, the

increase in fuel price is channeled through the Petroleum Trust Fund: and it proceeds from reducing and ultimately eliminating fuel subsidy before doing that the refineries needs to be resurnerated.

Finally increase in fuel price will have a negligible impact on the macro-economic of inflation hence the arbitrary reduction of fuel subsidy and increase in fuel price. Hence if Government needs to save money to be used in other sectors like infrastructure, power sector and other basic amenities the reduction of subsidy in form of salaries and entitlements should be extended to a bloated and unproductive political class, instead arbitrary reduction of fuel subsidy and subsequent increase in fuel prices should be considered first. Though the inefficiencies associated with the implementation of subsidy (Arbitrary Reduction) arise mostly from Government incompetence and collusion of criminal activities.

As Karl Marx put it “you have nothing to lose but your chains: but you have the world to gain”. In these context, we have Nigeria to gain and these attitude must be adopted by Nigerians so as to have a better Nigeria of our own.

Chapter Three: Labour Unrest and Under Development

3.1 Labour Unrest and Loss of Revenue

Labour unrest according to Amesen Eric (2007) is a term used by employers or those generally in the business community to describe organizing the strike actions undertaken by labour unions especially where labour disputes becomes violent or where industrial actions which members of a workforce obstruct the normal process of business and generate industrial unrest are essayed.

Thus, there is hardly any gainsaying the fact that industrial conflict or labour unrest are realities of any economic system where workers and managers interact which seems more pronounced in the public sector especially labour unions tends to have sustainable market power and are more usually in a position to play

key roles in the political and economic process and it is this position that makes them conflict prone.

But with regards to the discourse more emphases would be laid on the economic power process because loss of Revenue tends to affect the economy of any given country.

In Nigeria labour union tend to make great and significant impact in the sustainability of Nigeria's economy i.e. all sectors of the economy and that is why each time, the seem to be labour unrest the economy of the country tend to be stagnant for a while i.e. the disruption of socio-economic activities. However, we shall look at some sectors in the economy such that when they seem to be a seemingly labour unrest, it leads to loss of revenue in the country in different sectors of the economy leading to hither the development of the economy. Thereby leading to underdevelopment of the country in all ramifications.

The Nigerian labour union have been part of Nigeria's instrument to economy, political and even social development since 1912 and just as labour unions are significant and important agents of socio-economic transformation, so are they also at the forefront of the struggle against unpopular Government policies such as deregulation of the oil sector, minimum wage etc. that halt the sundry economic activities each time there is labour unrest (Aremu: 1998).

The influence of labour unions which comprises of both the public/private employers and employees in any country is so pervasive that it has a cascading impact on almost all aspect on the socio-economy of the country including gross and sectional production. Adebayo (1999) contends that labour unions that consist of public/private employers still remain the most portent instrument and institution in the management and development of Nigerians economy. Hence when there is

labour unrest, it tends to halt the free flow and development of the economy.

In Nigeria, the oil sector occupies 89% of Nigeria's Income which emphasizes that the oil sector generates more income than any other sector in the Nigerian economy.

Labour unrest seems to have done more harm than good to the economy because for instance in 2002, the Banking sector alone lost about 48% of its capital due to the labour unrest that erupted because of the increment in petroleum prices that resulted to strike and pretest by labour union.

In 2008, the stock exchange according to the Finance Minister (Okonjo Iweala), the stock market lost about 2/3 of its revenue due to the industrial action that prevented employers (private/public) from going work. Most activities of the organized labour in the form of unrest to attack Government policies and programmes often result in underdevelopment and grounding of the economy

culminating in the loss of revenue and sundry economic activities.

We shall examine the various labour unrest from 2000 – Date and see the loss of revenue inherent in Nigeria, due to the unrest at that period. In 2000, when the laobur union called general strike because of government policies of privatization and deregulation, the country lost up to ₦1.5 Billion Ministry of Finance Report (2000).

2002 saw a different ball game the January 2002 strike called by labour organization was reported that Nigeria cost up to ₦1.8 Billion for just two days into the strike called by labour union due to the increase in fuel prices. Shilan shah an Economist in University of Lagos observed that due to the unrest in 2002, Nigeria GDP went down with 1.5% (percent): In 2008 N159 Billion was lost due to protest and strikes by labour union in regards to the agitation of increase minimum wage (World Bank).

In 2012, the protest and strikes that greeted the polity because of the removal of fuel subsidy that saw protesters vandalizing government properties like the office of secretary to the state government in Kano and some other part of the Country (The Nation, 2012), the oil sector alone cost about ~~N~~300 Billion due to the unrest (labour) of fuel subsidy and N445 Billion in total including the banking sector was cost. The Central Bank Governor Lamido Sanusi Lamido observed that the loss incurred during the period of the strike was ~~N~~617 million daily, translating into about ~~N~~900 Billion. The president of Nigerian Economic Summit group also added that the crisis (unrest) that erupted has depleted the Nation's GDP (Punch, 2012) because there is no way they could be creation of wealth when people don't go to work hence depleting the economy.

Using the oil sector, this is the major sector that generates 89% of Nigeria revenue. Is important to encapsulate here

how revenue is lost in the oil sector each time labour unrest surfaces.

Nigeria is one of the largest oil producing state in the world.

In 2000, oil and gas exports accounted for more than 98% of export earnings and about 83% of Federal Government revenue. The crude oil production in Nigeria as at 2001 was around 2.2 million barrels (350,000m³) per day. According to the ministry of petroleum, Nigeria has a total of 159 oil fields and 1481 wells in operation. In 2011, it was estimated that oil production is over 3 million barrels per day.

Thus it is important to note that the production of oil per barrels are undermined each time they seem to be labour unrest which result to loss of revenue for instance in 2002, Hossain (2003), reports that because of unrest the production of oil due to labour unrest (General strike) dropped from 2.2million per day to 1.6 million barrel per day which was sold at \$75 dollar per barrel. Obadan and

Odusola (2000:186) contends that as country with high productivity is often characterized by a very high capacity utilization (optimal use of resources) high standard of living, low rate of unemployment and social progress is endemic in a stable society where labour unrest is not always in a stable society where labour unrest is not always the front burner each time a new civilian administration is elected because for Obadan and Odusola, high production, brings about Revenue to the country both on domestic front and international perspective. In a similar vein, Obadan and Uga (2000:45) assert:

The significance of productivity hinges upon its role in socio-economic progress and welfare. A primary point of note is that the social and economic wellbeing of any Nation is a function of its production level and quality of output which

generates revenue for the development of the economy of such state.

Thus labour unrest tends to hinder the day to day activities in generating revenue for the Economy on daily basis. Adenikinju (2010) reports or takes a flash back to how the oil sector production of barrels per day drops each time they tend to be labour unrest.

In 2002, the production of oil dropped from 1.8million bpd to 1.5, in that regards lots of revenue have been dropped both domestically and on international front. In 2008, it dropped from 2.6 to 2.2 million Barrel per day (mbpd), but according to vanguard (2012) due to the removal of fuel subsidy that saw large protest by civil society and labour union, four thousand barrel was dropped each day workers do not to work.

In a nutshell, labour unrest brings about underdevelopment in the country because of its disruption in socio

economic activities of the state which puts the economy at halt and loss of revenue.

Fig: 1.1

	Scores	Change	%	TD
n 30	0.43	+0.17	0.17	
Asi	802.33	67.03	0.37	
ls		-2161	1.18	
ume	060,023	-106.6m	9.89	
ue	,870,805.87	#841.5m	1.68	
t cap	55,178,566,061.66	-#24.26	0.27	

Source: Newswatch (2012)

Fig: 1.2

Security	Price	Change
ndo	21	-0.71
A	10.07	-0.53
risson	8.6	-0.45
aranty	13.85	-0.36
photel	6.78	-0.35

Source: Newswatch (2012)

The above illustration clearly tells us how much Nigeria cost during the labour unrest in terms of revenue, that even the Banking Sector, this oil sector, NSE Nigeria stock exchange in a nutshell were all at the losing side due to the unrest that greeted the removal of fuel subsidy on January 1, 2012.

3.2 Labour Unrest and Loss Investment

The Growth of any economy derives from investment, which is essential as a propellant economic growth because by investment economic agents in turn thrives especially in a conflict free Environment so as to encourage and put in place incentives for perspective investors both for local and foreign investors.

In the late 1970s after the discovery of oil Nigeria witnessed economic growth, successive increase was recorded in agricultural sector, manufacturing sector, and above all the oil sector.

Investment is a major component of international capital flow which involves not only transfer of funds but also a whole package of physical capital techniques of production and basis practice for the maximization of global profits (Okolie, 2007).

Nigeria as the giant of Africa and because of this believes; investors could be tempted to come and invest in the country, but unfortunately the often labour unrest scarce investors away.

Starting from 2002, when under the umbrella of Nigeria labour congress (NLC) and Trade Union Congress (TUC) carried out protests and strikes due to increase in the prices of fund. Investors that should come into the country have been on their heels and as such turn towards neighboring countries like Ghana, Benin Republic, Chad etc. This is because no investor will want to invest in a country that is characterized with conflict

(labour unrest) and unstable policies as it concerns labour that tend to led to labour unrest in the country

Thus it is important to note that high investment rate generates high rate of capital formation which helps to fuel growth. Capital formation only cannot fuel economic growth, rather in countries where there is Favorable Economic Environment, Improved technology, adequate and efficient infrastructural facilities. A stable and predictable political environmental etc are factors that impinge directly or indirectly on the level of investment, fiscal and monetary policy incentives helps to elicit high investment rates in an economy.

Labour unrest in Nigeria has led or driven away most investor (Local and Foreign) in coming into the country to invest because of steady unrest inherent in the country.

(Asante, 1994) contends “that” inconsistency of government policies since Nigeria’s independent and most 3rd world states have had a significant negative effect on private

investment especially”. Thus in Nigeria particularly since independent, Nigeria have experienced unstable political climate conditions culminating in outright civil hostilities that lasted for years, because industrial action (Labour unrest) tend to resurface each time a new civilian Government is Elected for instance the issue of New National minimum wage and the increment of petrol prices tend to generate labour unrest each time Government takes policies (Labour) on them especially without due consultations on labour statesmen.

Labour unrest in 2012 was sparked up due to the removal of fuel subsidy by the Government and this was followed by industrial disharmony that gripped the country and consequently prevented major investment by investor’s (foreign or local) confidence which Nigeria badly needs (Rewane, 2012).

John Ogar, Chief Executive GTB securities limited emphasized that labour unrest such as the January,

2012 witnessed was capable of scaring potential investors from Nigeria because no local/foreign investor will rush to invest where there is no peace and consistent industrial action due to government policies (labour) especially when it is obvious the government does not plan to avert future occurrence.

Developing society like Nigeria; labour unrest tends to lead to loss of investment because this industrial unrest specially would send the wrong signals to the international community. According to Agbaye (2007) most recently investment flows tend to be negatively affected by increased labour unrest. For instance the unrest that greeted the removal of fuel subsidy in 2012 pronounced by Labour Union leader under the umbrella of Nigeria Labour Congress (NLC) and Trade Union Congress (TUC) are temporary response to a painful but necessary policy which rationally are more potent deterrent to investment.

Nigeria is the giant of Africa and because of this singular believes, investors could be tempted to come and invest considering the population and size of Nigeria, but unfortunately the often labour unrest scares them away from coming to invest.

According to the minister of petroleum, Alison Madueke “some investors from china had indicated interest to build refineries that would create jobs to boost the Economy (Newswatch, 2011) in the wake of fuel subsidy removal in 2012, but sadly it was greeted with industrial actions and these action may have prevented these Chinese investors from coming to invest: This are some of the investment opportunity Nigeria tend to loose because of the instability of Government labour policies that often result to unrest through strike and protest.

The Banking sector is not lift out of the picture that tend to bring investment opportunities this is because all sectors that make up the economy are involve when the

issue of labour unrest arises. Because private and public civil servants are engaged in industrial actions.

The participation and closure of the Banking sector during labour unrest when ever it arises is also a minus to investment opportunities in Nigeria. Investors tend to loose focus and interest from investing in the Banking sector, simply because no Bank would want to operate in a society that labour unrest is at the fore front each time Government takes decisions on labour policies.

In 2008, Nigeria lost ₦1.2trillion in foreign investment due to the unrest of labour's minimum wage (World Bank: 2009) reported that the foreign Direct Investment Flow to Nigeria Fell to \$6.1Billion, it further increased to \$1.33 Trillion, the increase here was due to steady industrial action that greeted the country from 2004 – 2008 which also resulted to loss of infrastructure, unstable energy, loss of personnel etc.

Most foreign investors who usually feature at the annual Lagos Trade Fair to show case their product tend to stay away after considering several factors inherent in Nigeria (industrial actions).

Dr. Sam Nzekwe former president Association of National Accountant of Nigeria (ANAN) encapsulated that the constant activities that leads to labour unrest arising from minimum wage, increase in fuel prices, privatization etc prevents the inflow of foreign investment and as such there is a huge negative impact. In the country's (Nigeria) trade fair that could create jobs for Nigerians and boost the economy.

Even though, he noted that the Eurozone crises and debt issue in America had placed Nigeria on a higher pedestal to receive foreign investment but noted sadly that it never happened because apart from portfolio investors, others with long term plans couldn't bring their funds due to the industrial action about the new minimum wage even at

that period rather these funds (capital) were taking to neighboring African countries like Ghana, south Africa Benin Republic, Chad etc and invested.

Hence the loss of investment due to labour unrest could easily be measured by the receiving daily huge losses, because no investors over the years in Nigeria will willing to put down his/her investment in a state bedeviled by bitter industrial disputes and strikes over wages, condition of service either because of government public policies; or employers refusal to work (seat at home) due to labour unrest. The implication here is the withdrawal of foreign investment or local investment which infact even make some Big Business tycoon resort to countries like Ghana, South African etc if they must invest in 3rd world countries.

3.3 The Disruption of Socio-Political Development

Each labour unrest in Nigeria has its own unique character. However, some generalization can be made. The study of labour unrest since 2000 shows that the most important risk factors were increase in fuel prices, privatization deregulation, minimum wage, retrenchment of workers and welfare packages etc just to mention but a few and as resulted to labour unrest. (The Economist, 22 June 2009: 10).

This largely explains the disruption of socio – political development in the country by and large the development of Nigeria’s socio – political development is usually threatened by these often labour unrest, these unrest have not only hindered the socio – political development of Nigeria but also the Sunday activities and development of the economy.

Labour unrest on one hand is one of the most serious problems facing the socio – political development of our Nation. Hardly a year passes where daily newspaper do

not report a strike or two to the major industrial belts or house. Hence disrupting the socio-political development of Nigeria.

The red flags, placards etc strikes held aloft is one of the most popular sights during labour unrest in Nigeria. The fact is that labour unrest tends to be inevitable in the world, thus it is not confined to Nigeria alone. It tends to be a forum workers or employers use to express their discontent which tends to disrupt the free flow of socio-economic activities and political development. Though most often labour agitation are usually genuine; such as the minimum wage increase in fuel prices etc cannot be unjustified as to not to resort to strike and protest as the last resort after labour union must have issued ultimatum, plead etc to reverse decision taken by the government which are unfavourable. Strike disrupt not only the business of the employers but also workers lose lots of wages and even disorganize the economy of the

stated and social order in some cases to them and some times Nigerians.

Furthermore, the most obvious effect of labour unrest is the disruption of socio - political development and economic activities which leads to misery and hardship. Thus it is ironical that strikes are resorted to on account of petrol increase privatization etc but it also gives a setback to production because when there is industrial action, the entire Nation is held hostage which hinders development in the polity

Labour unrest in a strong trend for a democratic state like Nigeria, because of long period of neglect of minority unions. In the country, the 2000 general strike witnessed lots of vandalization of infrastructure by hoodlums, unpatriotic elements inherent in the country because of the increase in fuel prices, privatization etc the 2012 labour unrest by the removal of fuel subsidy is no exception. The disruption of socio-political development

can be seen here where protesters turned into robbers, collecting money and handsets from stranded passengers. Even when curfew was declared in Oyo state the protesters ignored the directives of the state government and still trooped out in mass to protest. Thus attempts by armed forces, NURTW To dislodge protester and free the road were rebuffed by protesters during the 2012 unrest (removal of fuel subsidy) Newswatch, 2012.

However the funds that could be used to develop and provide social amenities are diverted to restructure the vandalized properties of government during the protest hence underdevelopment and a divert of attention of Government focus. This is because every government that comes to power (Civilian or military) have agenda's they intend to achieve and when issues like labour unrest arises, due to polices formulated by government, the tend to disrupt the socio-political development of the government of the day, because the more the industrial

action comes by the target of the government to achieve a said agenda tends to be extended. The implication is the disruption of socio-political development because in the same vein opposition party may want to use the forum to plot crisis so that the governed would see the government of the day as not capable to handle the affairs of the state.

At transition in 1999, it was universally acknowledged that Nigeria had a credible and potential human resource for economic prosperity, social progress and sustainable socio-political development, thus this optimism was anchored on a number of factors which include a labour union endowment, national resource, free flow, economic environment and possession of one of Africa's most educated elite class (Bellow-Imam 1991:1) but it is disappointing that the high expectation and justifiable optimism in the wake of transition from military to

civilian administration have largely given way to widespread crisis (labour unrest).

This has in the long run halt and disrupt the socio-political development of almost all sector of Nigeria Economy (Oshionebo, 2002:74) particularly in the last decade of successive civilian administration, Nigeria have had to endure the debilitating effects of loss of revenue and investment and led to continuous state of underdevelopment as exemplified by low rates of investment.

Chapter Four: Strategies for Curbing Labour Unrest in Nigeria

4.1 The Decentralization of Labour Union

First decentralization simply means the diffusion of authority i.e. the dispersal of authority of decision making to the lower level. It could also mean taking power or control from a central location and thus spreading it out.

The decentralization of labour union we mean here is that which require multiple labour unions that exist across the federation such as the National Union of Petroleum and Natural Gas Workers (NUPENG), Nigeria Union of Teachers (NUT) Academic Staff Union of Universities (ASUU) Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), Nigeria Union of Journalist (NUJ) etc just to mention but a few will have to carryout their activities individual or seize to exist

whereby the government places law in her constitution that bans any union in the country ie any union that exist by any group will be prosecuted and charged to court.

This strategy would prevent a situation when government must have taken major decision on labour, the next morning on the pages of newspaper is “labour issues ultimatum to government to reverse policy” and when these ultimatum issued by these unions exceeds, strike and protest will be the order of the day which in the long run tend to halt in Sundry economic activities in the country.

Since time immemorial, the decentralization seems to have been very difficult by the federal Government of Nigeria to implement especially since successive civilian administration from 1999 – Date.

Hence the formation of Nigeria labour congress (NLC) in 1978 and Trade Union Congress in 1989 that gave the

labour union a legal backing in the amendment Decree 22 of 1978, the labour union seems to have grown from strength to strength, and as such, the disbandment and decentralization of labour seems to be one way out and strategy in curbing labour unrest in Nigeria.

During the Abacha Regime from 1993 – 1998, the activities of labour union were minimal and infact seems not to exist, because of the tyrannic nature of his leadership. However the military seems to be the only type of political system that decentralizes labour union, because of their use of force. However the decentralization of labour union will avert that forum where labour unions will have labour leaders that would serve as their mouth piece to dialogue with the Government each time a decision is reached on labour, because just like in the military Era in Nigeria, such labour leaders are arrested and would even be given a legal backing because the law must have stipulated the

decentralization of any existing labour union in the country.

Thus in a nutshell, the decentralization of labour is one strategy that could curb the labour unrest endemic in Nigeria each time a new Government takes over power (military) or are elected (Civilian Administration), because it would prevent the stable and consistency of economic and political activities in the country that tend to lead to loss of revenue and investment in the state.

Finally it is paramount to emphasize that apart from the early formation of labour union like the Nigeria civil service, Nigeria Union of Teachers as well as the Railway Workers Union in 1912 and 1931, labour union were never active as today because even the ones that existed were highly decentralized by the government of the day.

4.2 The Coercive Strategy

Coercion is a type of approach or power that is raw and crude, very harsh and corrosive like acid. It is usually used by state as the last resort after for reacting means of controlling the people such as policy directive, etc have failed. Government is therefore propelled to use coercive strategy to stop the people from demonstrating for instance during labour unrest. Thus coercive strategy we mean here to curb labour unrest is unlimitless, unquenchable, and very destructive.

As regard to Nigeria, the use of coercive strategy to curb labour unrest seems to be reasonable because in the past during the military regime, labour union that existed, Trade Union Congress, (TUC) Nigeria Labour Congress (NLC) but were not functional because of the tyrannic and autocratic nature of the Government in power eg (Abacha Regime) from (1993 – 1998). This is because if Government tend to use coercive approach to curb labour unrest, the labour leaders whom mobilizes these workers

(unions) could be arrested and imprisoned, some could even be killed, as it was in the military where, whatsoever union the Head of State especially under the Abacha Regime Feels could be a barrier to his stay in office, be it as a union or just an individual, the said person tend to be killed or imprisoned, a case in point was the imprisonment of former president Olusegun Obasanjo, chief M.K.O. Abiola etc.

This is simply because Nigerians are afraid to die and being a multiethnic state, with different religion, culture etc. the tendency of protesting when the Government tends to use coercive approach to stop people from protesting seems to be understanding.

Coercive strategy we mean here in curbing labour unrest is a situation where the armed forces is issued directives to shoot at sight any protester against Government policy or disturbing the peace and tranquility of the state or the disruption of the socio-political and economic activities of

the state which often result to loss of revenue and scares investors from bringing in their funds and investing in Nigeria.

Finally the use of coercive strategy will minimize labour unrest in Nigeria.

4.3 The Dialogue Option

The importance of social dialogue and due consultation among stakeholders in the effective management of unrest each time it surfaces cannot be over emphasized. Dialogue is said to be the conversation between two or more people. Thus it is a kind of discourse that enables people with different perspective and views to reach a compromise.

On the other hand labour is one of the factors of production in economic parlance, but assumes a primary place. Since it is the synthesis of all other factors of production. According to Atoffer (2009) labour is the

exertion of the human, mental and physical nature geared towards earning economic advantages, profit, wages and in a nutshell, economic development.

Labour union dialogue refer to those who are structurally and conditionally positioned to dialogue, bargain or exchange process with the owners and shareholders (Government) for the interest of their members (Edyhve Ezenongaya, 2006). In the same vein, Bryan A Garner et al (2004) contend labour union dialogue as a means in which labour union leaders engage into negotiation with the employees when decision unfavorable to the employers are taken by their employees.

Hence in a democratic state like Nigeria, the labour union under the umbrella of NLC (Nigeria Labour Congress) and TUC (Trade Union Congress), there is a wide range of interest these unions tend to achieve each time they engage in dialogue with the Government during labour unrest. In most countries of the world, the relationship

between Government and labour unions tends to be characterized by controversy even in advanced society. However in as much as they are unrelenting and committed in contributing their own quota to National Development, they (Labour Unions) remain sensitive and uncompromising in matters pertaining to their welfare. Historically, anywhere in the world, organized labour at one point or the other disagree with those in power on number of issues. What is different is the way a particular labour group (union) or Government has responded to issues of disagreement.

Organized labours are not associated with any political party in Nigeria. Thus there is no doubt that the attitude of labour toward Government is as a result of what is obtainable in the country's politico-economic system, because for as long as opposition party remain armchair critics, labour unions will continue to play the role of opposition especially on policies unfavorable for them.

What may now see as strike that leads to labour unrest dialogue option as a means of curbing labour unrest could be traced to 1986 May Day speech of a former president of the Nigeria Labour Congress Comrade Ali Ciroma:

In the past five years of the Obasanjo's Administration, petroleum products prices have been increased five times, from ₦22 in 1999 to ₦54.50k in 2004 and consistently.

The labour union is the only organized union that has stood to fight against the harsh policies of the government through their activities (strike and protest, thereby culminating to dialogue by the Government of the day because for him the PDP (people's democratic party: ruling party) has been emasculated, not the ACN, APGA (opposition party) that have been disorganized by sponsored crisis.

The NLC since the re-emergence of democracy on the Nigeria political scene, the labour union have found it expedient to fight democratically what they feel is their entitlement.

From 2000 – Date dialogue seems to have being the best option in curbing the pervading labour unrest, because even though the Government have used different methods and strategy to curb the unrest, they seem to always be dialogue at the end that would finally end the unrest for instance in 2002 and 2004 respectively that was greeted with deregulation, privatization, minimum wage etc even after there were indication that the way the general strike was going due to increase in petrol prices, the relationship between the NLC (labour congress) and TUC Trade Union Congress will not improve because of Government insist and maintenance of fuel price increase.

Dialogue option is one strategy that seems endemic in Nigeria during labour unrest, for instance in 2012 the removal of fuel subsidy that was greeted with labour unrest. Strike action across different states in the federation. The federal Government legislative (senate) had a plenary session in the height of the pervading circumstance (labour unrest), the senate President David Mark initiated dialogue between labour union leaders and Government Representatives. The first meeting of dialogue was held at the APO residence of the senate president. The federal Government representatives were the minister of labour Emeka Nogu, Anyim Pius Anyim, secretary to the federal Government while on the other hand NLC and TUC presidents represented labour. The two parties met on a number of occasions to dialogue and shift grounds while the unrest was on, but precisely on the 9th of January 2012, it was announced and even on the pages of newspaper that the unrest have been called

off by labour union representatives and the Government after the Government agreed to reverse their initial decision of petrol price from ₦141 to ₦97 per litre. (Newswatch, 2012).

This was achieved through dialogue which further illustrates that dialogue option is inevitable in order to curb labour unrest in a democratic state like Nigeria. Because for every unrest in Nigeria beginning from 2002, 2004, 2006, 2012 etc, it has always ended the agitations by labour unions and indeed Nigerians.

In a nutshell, the role of dialogue and collective bargaining of labour unrest in the quest for industrial peace in Nigeria, labour union (workers) in Nigeria desire recognition, better salaries and wages and great improvement in the terms and condition of work.

Thus dialogue and collective bargaining seems to be a better measure and strategy to curbing labour unrest in Nigeria and as such employers in Nigeria must accept

and respect the fact that collective bargaining is the only viable and practical means of ensuring peace in Nigeria in the wake of labour unrest in Nigeria. Otherwise we will continue to exercise fears over the continuous state of a prostrate industrial sector as workers will continue to use strikes as weapon of last resort in collective bargaining.

Chapter Five: Summary, Conclusion and Recommendation

5.1 Summary

This study on labour unrest and underdevelopment in Nigeria; An appraisal from 2000 – Date gave an insight on the situation of things in Nigeria each time Nigeria government embark on labour policies that are not favorable to labour unions and Nigerians. In most cases like the increment in fuel price, kerosene etc that often resort to labour unrest and underdeveloped the country. Labour unrest is one of the most threatening problems which has eaten deep into the core of Nigeria state, and has gradually and regrettably become a tragic and now regular phenomenon of the National sensibility and consciousness of labour unions and Nigerians as a whole.

This has been largely as a result of the disruption of socio - political and economic activities, loss of revenue and loss of investment, infrastructure etc which hinders development and tend to delay in the attainment of National goals embarked by Government, but inspite of these lost by the Nigeria, the issue of labour unrest still surfaces each time major policies on labour are taken, yet the Government have yet to diverse mean to prevent future occurrence, even though sometimes labour unrest seems to be the only avenue the government listens to the voice of the people.

The first chapter of this study presented the thrust of the research, which is to ascertain if public policies are responsible for labour unrest in Nigeria. It traces the problem to government labour policies in Nigeria taken without due consultation by the government of the day with major labour stakeholders so as to prevent unrest if a decision is reached by the government.

And defined labour unrest as a term used by employer or those generally in the business community to describe organizing and strike action undertaken especially when government tend to implement public/labour policies not favorable to their members.

It was discovered to overcome the paradox of labour unrest inherent in every civilian administration since 1799, Government need to always embark on consultations with stakeholders of labour leaders capable of mobilizing people for protest thereby leading to unrest.

In summary, one would no doubt say that the impact of labour union on some Government public labour policies which often lead to labour unrest that the positive implication seems to outweigh its adverse effects because in most cases as examined in the 2002, 2000, 2008 and most recently 2012 this policies are reversed to some extent even though it may not be reversed 100%.

5.2 Conclusion

I tried to answer the question posed by hypothesizing that public policies are responsible for labour unrest in Nigeria, and that labour unrest is a product of Government obvious policies unfavorable to workers (labour union) and that decentralization of labour union or the use of coercion is not the best approach to adopt a curb labour unrest in a democratic and multi-ethnic state like Nigeria, but rather dialogue option is the best approach to adopt during labour unrest.

On the basis of the finding of this study, I conclude by drawing attention to the grievous harm caused by labour unrest in Nigeria such as the enormous loss of revenue in the banking and oil sector specially in Nigeria's economy, the loss of investments where investors take their funds to neighboring countries like Ghana, Chad, Cameroon, Niger Republic etc, vandalization of

Government properties, loss of lives, theft etc just to mention but a few.

Over the last decade, labour unrest have contributed to Nigeria's underdevelopment because like we examined, the labour unions plays significant pole in the prosperity and development of any society because of its great impact in socio-economic, political and even cultural activities.

However it is observed that several policies initiated to curb labour unrest in Nigerian society tends not to have been effective since Nigeria's transition from military regime to civilian administration.

Even in 2002, when president Olusegun Obasanjo took labour union to court to stop the union from embarking on strike action it wanted to undertake, which was though granted by the court, but it only resulted to the suspension of the strike for just two (2) days. This is because labour constitutes the masses to a large extent.

And those who are empowered to implement substantive labour policies tend to implement labour policies that would be in their own selfish interest.

More so, the issue of underdevelopment according to Rodney (1972) is as a result from an equal interaction between two (2) societies, the more this unequal relationship lasts, the more the backwardness.

Therefore interaction and due consultation between labour and Government should be encouraged each time Government wants to embark on any major public labour policy.

5.3 Recommendation

This research work has carried out an extensive analysis and evaluation of the causes of labour unrest in Nigeria and the surest way to avert future occurrence. I therefore recommend based on the findings of the research work taking into consideration the contemporary issue

concerning labour unrest the following so as to have a free flow and conducive environment where investors will feel safe and comfortable to invest their money without being worried if Government labour/public policy could undermine their daily activities.

- (i) Labour union stakeholders be incorporated into the Government to specialize on issues pertaining the formulation and implementation of public policies that could prompt labour unrest in the country. Hence underdevelopment.
- (ii) Government needs to abolish the use of force (coercion) during labour unrest when it arises and diverse some other approach to quench the prevailing unrest because it seems to be the only avenue the citizens tend to express their views on policies taking by government that is unfavourable to them.

- (iii) Government must always try to fulfill agreement reached, because for instance the new minimum wage of 18,000 for workers have still not being fully implemented by some state government across the land because agreement made must be kept as Hugo Grotius puts it.
- (iv) Collective bargaining should be encouraged in the quest for industrial peace, because by dialogue and collective bargaining, the workers could use the forum and potrate their grievance and pain to the Government about the said policy that tends to bring labour unrest in the country.

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