



Globalisation and the Global Economic Meltdown; Prospects and Impediments for Trade Unionism in Nigeria

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ABSTRACT

Coming at the heels of the demise of the USSR, globalisation portends the unbridled spread of capitalist tendencies across geographic and ideological boundaries. In Nigeria, globalisation has translated into deregulation and privatisation of public corporations with the attendant lay off of workers. Increased unemployment, the contract staff syndrome and fear of loss of job have combined effectively to make collective efforts by trade unions in Nigeria to bring about transformative change appear impossible. This situation is exacerbated by the expectation of a backlash from the economic meltdown ravaging Europe and America presently. Employing the political economy paradigm, this paper reappraises the prospects and impediments of this seemingly intractable global economic situation to the trade union movement in Nigeria.

Key words: Trade Union, Worker, Economic, Unemployment.

INTRODUCTION

The introduction of 'Perestroika' (restructuring) and 'Glasnost' (Openness) by the Mikhail Gorbachev led communist party in 1985 as the watchwords for the renovation of the soviet body politic and society opened up the Soviet Union for capitalist penetration. Perestroika and glasnost legalized cooperatives and other semi-private business ventures, they instituted, demonopolization and liberalization of price control and promoted the democratization of the communist party. These measures were introduced at the stage of transition by the Soviet Union from socialism to communism. It is at this transitory stage that Karl Marx advocated the 'dictatorship of the

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proletariat' to effectively contain remnants of capitalist tendencies within the system. The attendant exposure of burgeoning criminality and past crimes of the state, undermined public confidence in the ability of the Soviet state to lead society to the promised land of prosperity or even arrest its slide into poverty and chaos. This eventually led to the disintegration of the Soviet Union. Thus on December 25, 1991, Mikhail Gorbachev announced his acceptance of the dissolution of the Soviet Union and his resignation as its president (www.soviethistory.org). The demise of the Soviet Union set the stage for the unbridled spread of capitalist tendencies across geographic and ideological boundaries widely known as globalization. Globalization has proceeded on the wings of improvement in technology but especially in information communication technology, telecommunication, electronic engineering, and microchip technology.

Globalization and the global economic meltdown

Globalization is defined by Ritzer (2008:573) as “the spread of worldwide practices, relations, consciousness and organization of social life. Sklair (2000) distinguishes between three conceptions of globalization.

- (a) The international or state – centrist conception of globalization. Under this category, internationalization and globalization are used interchangeably, signaling that the basic units of analysis remain the nation – states.
- (b) The transnational conception of globalization where the basic units of analysis are transnational practices, forces and institutions. Here, states (or more accurately, state agents and agencies) are just one among several factors to be taken into account.
- (c) The third is the globalist conception of globalization. The generally held view here is that the state is in the process of disappearing. This paper subscribes to the transnational conception of globalization in recognition of the fact that the state and/or some state actors and agencies have a part to play in the process of globalization. This presumes the existence of a global system characterized by transnational practices. These transnational practices are observable in the cultural, political and economic spheres of society. It is in this vein that the cultural theory of globalization dwells on cultural differentiation (Huntington 1996) cultural convergence (Ritzer, 2004, 2006) and cultural hybridization. The economic theory of globalization discusses transnational capitalism (Sklair (2002), imperialism in the form of deterritorialized empire (Hordt and Negri (2000), while political globalization theories have borrowed from the liberal classical tradition of allowing free market operations devoid of impediments but especially those imposed by the nation-state, state actors or agencies.

Proponents of globalization proclaim its potentials to positively transform human societies. This view draws directly from the wealth of opportunities presented by the inexhaustible opportunities created by globalization in the socio-cultural, political and economic spheres of human societies. They contend that globalization presents seamless or limitless vistas of opportunities to various categories of people. Trade liberalization for instance removes trade barriers, promotes production of goods and services which in turn increases income, raises the standard of living by creating employment. Globalization also facilitates the spread of global best practices in all aspects of human endeavour, thus enhancing knowledge and empowering people (Camdessus 1996, Neppen 2008). However, it should be noted that these advantages of globalization do not present themselves equally to each individual or country. As Copper (2001:190) put it

The world has long been – and still is- a space where economic and political relations are very uneven; it is filled with lumps, places where power coalesces surrounded by those where it does not, where social relations become dense amidst others that are diffuse. Structure and networks penetrate certain places and do certain things with great intensity, but their effects tail off elsewhere.

This attribute of differential impact on various parts of the world is not limited to globalisation. The prevalent global economic meltdown is also having different impacts on various parts of the world; It depends on where you are in the depriving world. Central and Eastern Europe isn't as poor, but is very hit because it's been integrated into the Western European economies through trade and investment and remittance. Africa, you've got less cushion. East Asia, you've got much more tied into the trading system. (Zoellick 2009:54).

Traceable to the 2007 crash of the United States of America (USA) mortgage and credit markets, the global economic meltdown has shown little or no sign of abating. This is in spite of the allocation of over \$900 billion to special loans and rescues related to the United States mortgage and credit markets in 2008 by the United States government. Many countries of the developed world including Greece and Spain are facing economic recession on account of the global economic meltdown which is deemed comparable only to the great depression of 1929. Though not yet visible, the negative impacts of the global economic meltdown are manifesting in Nigeria. Nigeria depends on the export of crude oil for 90% of her revenue. However the prevalent credit crunch and low level liquidity in Europe and America have occasioned the cascade of international oil prices from an all – time high of about \$150 per barrel to about \$70 per barrel. The implications of falling oil prices in a dependent peripheral capitalist economic like Nigeria portends grave consequences for the working class and trade unionism in general.

The working class in Nigeria and class consciousness

After 52 years of independence, Nigeria remains an underdeveloped dependent economy. As a manifestation of this, the productive forces remain rudimentary. As a result, the private sector controls only a small portion of the economy. The government is therefore, the largest employer of labour and source of investment capital. Perhaps as a result of this, the Nigerian government is invariably drawn into trade unionism. This interference got to the level where past military regimes appointed sole administrators of the trade unions in Nigeria. This singular action coupled with the fact that the government usually usurped the management of the affairs of Nigeria trade unions under the guise of bringing 'sanity' to the forum speaks volumes of the level of class consciousness among the working class in Nigeria. Lenin defines classes as

Groups of people differing from each other by the place they occupy in a historically determined system of social production by their relation (in most cases fixed and formulated in law) to the means of production, by their role in the social organization of labour and consequently by the dimensions of the share of social wealth of which they dispose and the mode of acquiring it. (Popov 1977:113). The class structure and dynamics of Nigeria cannot be fully appreciated without recourse to its colonial origin. That post-colonial Nigerian economy is peripheral is as a result of the nature of colonialism. Under colonialism, the colonizer dominated the economy through his ownership of the means of production and distribution. As a result, the colonizer exploited the labour of the Nigerian and appropriated surplus for export to the home country. No effort was made to develop the productive forces in the colony. Thus the centre – periphery relationship was established and perpetuated. At independence those who inherited administrative positions held on to them. In the absence of well-developed productive forces those who controlled organs of state power used same to accumulated wealth. According to Ake (1985:3).

The unique feature of the socio-economic formations in post-colonial Africa and indeed in contemporary periphery formations generally is that the state has very limited autonomy. That is the state is institutionally constituted in such a way that it enjoys limited independence from the social classes, particularly the hegemonic social class and so is immersed in the class struggle.

It is perhaps as a result of this incessant interference on the part of government that class consciousness among the working class in Nigeria is low. This brings the role of the working class in transformative change into focus. The historical role of the working class with regard to the ability of this group to initiate progressive action aimed at changing the status quo for a better tomorrow has remained controversial. The Marxist view arising from Karl Marx's classic framework which portrays the proletariat as the revolutionary class in capitalist societies received a boost in Lenin's

conception of this class as the pre-eminent element in a revolutionary alliance with the poorest strata of the peasantry. In the same vein, Mao holds the working class as the leadership cadre whose input is crucial in mobilizing the oppressed peasants into revolutionary action. (Sandbrook and Cohen 1975:1). Fanon however doubts the revolutionary potentials of the proletariat in Africa. The potential to initiate and execute revolutionary change he vested in the peasant who in comparison to the proletariat suffer more exploitation on the hands of colonial and neo-colonial forces. In his assessment, the proletariat who enjoy paid employment will find it difficult to engage in violent struggle aimed at changing the status quo. On the contrary, the peasant who Fanon refers to as the “wretched of the earth” are so impoverished that their only hope for a better tomorrow devoid of all the indignities of exploitation is through revolutionary action. (Fanon 1963: 86). The above views as to which class initiate revolutionary action in a given society bothers on the level of consciousness of the class. Class consciousness is that state of being aware of and concerned about the socio-economic and political position of the individual or group in any given society. This position is determined by the group’s relation to the means of production. It is this awareness and concern that make hitherto politically docile groups organize and take political action to change the status quo.

This awareness makes the difference between ‘class in itself and ‘class for itself.’ A ‘class in itself’ refers to a social group whose members occupy the same position in their relation to the means of production. Its members may however not be aware of their common position in the production process. Consequently, they are unaware of their exploitation and cannot locate the source of their miseration. When they are alienated, as they are bound to be misplaced as in the case of the early 19th century Luddites who as a protest against back breaking toil in European factories destroyed their machines. The workers as a result of false consciousness thought that the source of their misery lay in mechanized production. A social group fully becomes a ‘class for itself’ when its members have class consciousness is replaced by an awareness of the true situation of their relationship to the man of production. They realize the source and nature of their exploitation. This realization their shared interest, write and develop a common identity. The peak of class consciousness is when the group realize the potential they have in collective action to overthrow the dominant class and go ahead to take political action towards achieving the goal.

The low level of political consciousness among the working class in Nigeria makes it difficult for them to organize themselves well under the umbrella of trade unions. Where such unions exist, they are characterized by in-fighting and disunity leading to the proliferation of unions for personal aggrandizement. Their demands remain at the bread and butter levels – increase in wages, ward robe allowance, car allowance and other demands that ape the lifestyle of the bourgeoisie.

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False political consciousness has also made the working class in Nigeria not to realize the relationship that exists between them and the comprador bourgeois class. The absence of this realization makes the working class ape the members of the bourgeois class. The bourgeois class on the other hand, work very hard to keep to consciousness of the working class low, by appeal to such primordial factors as religion and ethnicity to obfuscate the working class. Thus in political elections and/or appointments to political office, prospective candidates are projected as representing a particular ethnic group or religious affiliation. The pertinent questions about competence, performance and productivity are relegated to the background.

Etzioni's (1968:226) view that

Consciousness is often kept at a low level by external elites who seek to limit the political action of an under privileged collectivity. This may be accomplished for example, by limiting the level of education, constricting contextualizing information and interpretations and promoting of world view that stresses the importance of bits over contexts.

With emphasis on the impact of religion on the consciousness, Marx opines that Religion is the sigh of the oppressed creature, the hearth of the heartless world, just as it is the spiritless situation. It is the opium of the people (Broom and Selznick 1977:398).

Prospects and impediments of globalization and the global economic meltdown on trade unionism in Nigeria

In this part of the paper, the impediments which globalization and the global economic meltdown pose to trade unionism are discussed. They are followed by the prospects presented to the trade union movement by the duo; globalization and global economic meltdown. In Nigeria, globalization has translated into deregulation and privatisation of public corporations. While the deregulation of the Nigerian economy has meant the removal of subsidy purported to allow market forces determine to prices of goods and services. It is obvious to discerning observers that the group which suffers the negative impact of this policy thrust most, remains the working class. Take the removal of subsidy on petroleum products as an example here. It has led to an increase in transportation costs to and from work for the working class. On the part of the bourgeois class, this increased cost is transferred to either the government or the private organizations which they represent in the form of official vehicles that commute them to and from work. The initial protests by labour unions in Nigeria against the removal of subsidy on petroleum products did not go beyond the bread and butter level as negotiations with government agents shifted from non-removal of subsidy to appropriate pricing of petroleum products. Other welfare packages which ordinarily cushioned the effect of exploitative capitalists work conditions such as rent and meal subsidies were also removed. On the other hand, the privatization of public corporations gave undue advantage to the comprador bourgeois

class in Nigeria. The compraderial nature of the bourgeois class in Nigeria means that they superintend over foreign capital on behalf of the international bourgeoisie. This ensures that funds are readily for this class to purchase such public corporations. On the contrary, the poor remuneration of the working class make it impossible form them to purchase even the least number of shares in these corporations. It is in this vein that Ake (1985:21) opines that the indigensation policy of the Nigerian government canvassed in the second development plan (1970 – 1974) and enshrined in the enterprises promotion decree is an example of the Nigerian state getting involved in class struggle albeit on the part of the bourgeois class. This is because the decree reserved some enterprises for Nigerians and the proportions of equity participation enables the Nigerian bourgeoisie to concentrate wealth in its hands. Globalization has also enhanced the participation of foreign investors in the Nigerian economy. Ordinarily, this should leve a positive impact on the economy for it increases the foreign Direct investment (FDI). However, the modes operandi of most of multinational corporations are anti-trade unions. For instance the entry of Walmart, one of United States of America’s biggest retail outlet into south African should have been a thing of joy for the employment opportunities it will provide. However, the South African trade unions were against Walmart for her ‘no unions’ position.

As foreclosures brought down the American mortgage and credit market the closure of industries in Nigeria as a result of privatization and high cost of production occasioned by inefficient power supply has led to lay off of workers. This has swelled the already bloated pool of unemployed. With this high level of unemployment, multinational corporations and financial institutions who look for the slightest opportunities to maximize profit have resorted to contract employment. Workers are employed on contract basis. Apart from being robbed of most privileges and appurtenances of office available to other workers, contract staff are deprived of their right to join existing unions or form their own union.

There is also a part of the working class which Popov. (1977) refers to as the marginal strata. As a result of the concentration of transnational capital in the Nigerian urban areas, large masses of people, mostly youths flack to these urban areas in search of jobs or educational opportunities. The limited job opportunities in these urban areas confined this mass of people to doing menial jobs as porters, motor care washers and vendors or order to survive. This group is a loss to the urban working class as well as the rural based agricultural workforce which they abandoned initially. Globalization has also alienated the Nigerian working class by inundating them with immeasurable riches and manufactured products. However, by the nature of their proletarianization, these workers are made incapable of appropriating for themselves neither the riches nor the manufactures. They are therefore alienated. The overall impact of an increased marginal strata and alienation of the working class weighs down heavily on membership and effective administration of trade unions in Nigeria.

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The global economic meltdown has also had negative effects on the working class in Nigeria and by extension, trade unionism through dwindling remittances. Many working class families in Nigeria augment their meager earnings and train their children in school through remittances from their children or relations in Europe and America. As a result of the sovereign debt crisis in Europe and attendant low manufacturing output in France, Germany, Italy and Spain and the growing United States debt to the Gross Domestic products ratio, most Nigerians abroad are finding it difficult to make ends meet. Remittances from Nigerians in diaspora have reduced from \$12 billion to about \$15 billion annually (<http://tribune.com.ng>).

Despite these impediments, globalization and the global economic meltdown present a wide range of opportunities to trade unions in Nigeria. First globalization has opened up the opportunities for trade unions in Nigeria to access and appraise the activities of other trade unions in the world. Through this means, international best practices that will enhance growth will be made available. Perhaps most related to this advantage of globalization is access to opportunities for human capital development. Through improve information and communication technology available resources for manpower development are accessed. Those include fellowships, scholarship on the job training, seminars and symposia aimed at improving human capital. Such trainings strengthen the workforce by making skilled labour available to the workforce. It also enhances the structure and organization of trade unions when majority of their membership are educated.

It might sound ironic to suggest that the global economic meltdown will present opportunities to trade unions in Nigeria. However, the reduction in the volume of remittances which hitherto added the working class in Nigeria might make these workers look inwards at opportunities presented by organizing themselves into cooperative societies. Also the working class in Nigeria has lost both skilled and unskilled members to Europe and America through migration. The decision to migrate had largely been boyed by the expectation of opportunities for substantial remittances to off set the social-cultural and economic cost of migration. The decline in remittance it is hoped, will discourage migration and tem the loss of human capital to Europe and America. There is also the possibility of return migration on the part of Nigerian's in disapora who find it impossible to cope as a result of the global economic meltdown. Such returnees will arm themselves with the wealth of experience acquired during their sojourn abroad and a determination to survive. This group of returnees it is hoped will infect new ideas into the Nigerian working class and the society at large.

CONCLUSION

An effort has been made here to reappraise the prospects and impediments of globalization and the prevalent global economic meltdown on trade unionism in Nigeria. The low level of class consciousness among the working class in Nigeria is indicted for in fighting and proliferation of trade unions for personal aggrandizement. The low level of class consciousness has left the agitations and demands of trade unions in Nigeria at the bread and butter level. While globalization and the prevalent global economic meltdown pose grave impediments to the working class in Nigeria and by extension the trade union movement, they also present prospects for workers to look inwards and depend less on remittances from abroad. There is also the hope of returnee migrants introducing new ways of doing things to the working class in Nigeria.

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