

## GLOBALIZATION AND TECHNOLOGICAL CHALLENGES TO EFFECTIVE TRADE UNIONISM AND WORKERS' WELFARE IN NIGERIA

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### Abstract

The phenomena of globalization and technology are changing the structure of employee's contractual relations with their employers in many different ways. They are also changing the role of the state and the tripartite relations between government, employers and unions. Consequently, trade unions face the challenges of finding new ways to influence and shape the new international environment that affect the labour market and workers' bargaining with employers who are less interested in standardized collective agreements. The study argued that since the advent of globalization which ushered in deregulation and liberalization policies in line with the Structural Adjustment Programme Agenda of the International Monetary Fund (IMF) and the World Bank as the prerequisite for Nigeria to access their loan facilities and financial aids, it has succeeded in setting back not only the economies and rate of development of the country, but also the trade unionism's ambition of pluralism and progress on labor rights and workers' welfare. The globalization theory served as its theoretical framework. Data were collected from text books, journals, magazines, newspapers, online materials. Data were analyzed using thematic methods of objective measurement and deductive reasoning from the secondary data sources in drawing conclusion. The study found that deregulation and liberalization policies of Nigeria have impacted negatively on workers' welfare, trade unions' rights and Nigeria's developmental efforts over the years. The paper concluded that trade unions, government and employers of labour should collectively focus on the strengthening of labour markets institutions in the country against the adverse effects of globalization and technological challenges in order to protect and promote workers' socio-economic conditions. The paper recommended that the Nigeria Labour Congress (NLC) should position itself properly to be able to effectively and adequately address workers' welfare problems arising from the challenges of globalization and technological innovations.

Keywords: Globalization, technology, trade unions, Nigeria

### Introduction

A major target of trade unions and labor organizations anywhere in the world generally presently and in the years ahead is to ensure that the basic human rights to join a union and to negotiate or bargain collectively with one's employer is generally recognized and accepted as a cornerstone of policies for positive socioeconomic change. At the workplace trade unions prove that the achievements of workers' welfare and

other aspirations and company success are inseparable. They also demonstrate the value of partnership in meeting the challenges of change at company level.

One of the challenges facing trade unions in the era of globalization of trade is to make enormous, critical and rapid changes in the nature of work and the labour market are achieved without compromising the goals of full employment, social justice and workers' welfare. It is the responsibility of the management or leadership of the Nigeria Labor Congress (NLC) and the Trade Union Congress (TUC), therefore, to convince the government and other employers of labour in Nigeria that it is essential to act urgently to increase and spread more evenly the nation's economic growth. Thus, the wholesale deregulation of labour markets occasioned by globalization increases the problems the country faces in adapting to change (Amadi, 2014). However, these problems will be solved where government and trade unions and employers of labour collectively focus on the strengthening of labour market situations so that support is offered to individuals and communities through training, job-creation and welfare schemes.

Jordan (1996), observed that rapid technological and commercial changes are having a dramatic impact on market place the world over. As a result, old systems for mass production of standard goods (products) are being replaced by methods that allow shorter production runs of more differentiated products (Amadi, 2014). Also specialized sources are being subcontracted to outside suppliers (out sourcing of supplies). This revolution in production techniques and managerial practices affects both manufacturing and services sectors and the public service as well, and whilst further advanced in the industrialized countries is spreading rapidly especially in the fast growing developing countries. By so doing, much burden is placed on the worker with less reward and inadequate remuneration as well as job insecurity (Amadi, 2014).

A major target of NLC leadership presently and in the years ahead, therefore, is to ensure that the basic human right to join a union and to negotiate collectively with one's employer is generally accepted as a cornerstone of policies for positive socio-economic changes in the Nigeria's world of work. It is also expected to secure the role of unions at the workplace in the framework of rules that governments set for the functioning of the global economy which are reflected in its deregulation, liberalization, privatization and commercialization policies in the country vis-à-vis workers' welfare and trade union rights. Moreso, the NLC is expected to find new ways to influence and shape the new international environment that affect the labour market, and new ways of bargaining with employers, both government and private, who are less interested in standardized collective agreements. These changes at the workplace are having a major impact on workers who are looking to their unions to device new methods of bargaining to deal with the new problems and opportunities they create. Some labour unions in various parts of the globe have been able to negotiate new style collective agreements through an effective and proactive trade union leadership.

This study, therefore, attempts an analysis of the effects of globalization and technological challenges on trade unionism, trade union management and workers' welfare in Nigeria. Specifically, the paper makes a comprehensive and comparative analysis of how the respective roles played by each of the ideological camps and institutions such as the IMF, the World Bank and other agencies of the United Nations (being globalization and technological instruments), through their recommendations, programme agenda and financial policies impact on Nigeria's socioeconomic developmental efforts, workers' welfare, trade union rights and people's general well-being.

### **Theoretical Framework**

This study used the Globalization Theory popularized by Anthony Giddens (2000), George M. Thomas (2007) and W.I. Robinson (2007). This theory states that globalization is the transformation of worldwide social, economic, cultural, political and institutional relations which link distant socialites in such a way that local happenings are shared by events occurring many miles away and vice versa; the process whereby all national boundaries and inequities which would naturally impede the full integration of all economies into one social and economic community are removed ; increasing linkages among countries, or the deeper integration of the world economy by trade, finance, direct investment and technology. The degree and significance of the impact of globalization can be seen almost everywhere one looks, most visibly in the

now common protests that accompany high-level meetings of global organizations such as the World Trade Organization (WTO), the International Monetary Fund (IMF), the World Bank (WB) and others (Thomas, 2007; Ritzer, 2008). As both the magnitude of issues before these organizations and the level of protests against these organizations make clear, people throughout the world feel strongly that they are confronting matters of great moment (de Gracia, 2005; Robinson, 2007; Haralambos et al, 2013).

Ritzer (2008), criticized the IMF for its homogenizing "one-size-fits-all" approach that fails to take into account national differences. Also according to Beck (2000), Stiglitz (2002), and Ritzer (2008), some of the features of globalization presently include its influence over geographic space which is far more extensive than ever before; its influence over time is far more stable, and it is of continuing influence from one time to another; there is far greater density to its various elements including transnational relationships and network; commodity, labour and capital are increasingly placeless; everyday life and interactions across national borders are being profoundly affected. For Ihejirika (2002) and Ugwulebo (2003) globalization remains the hub of contemporary imperialism or what they dubbed 'linkage imperialism' representing the latest phase of imperialism aimed at exploiting the poor democracies and for the benefits of the metropole, the western democracies.

This paper argues that for the under-developed countries, like Nigeria, globalization creates sufferings and marginalization, while it continuously creates large profits for the developed nations. It also emphasizes deregulation, liberalization of trades, privatization and commercialization, deemphasizes organized labour movements or trade unionism and collective bargaining (Amadi, 2014).

## **Literature Review**

### **Globalization and Technological Challenges and Nigeria's Socio-economic Development**

One concept which is gaining alarming currency in international affairs is globalization. Whether this currency is matched with acceptability or not is yet to be tested and investigated and, of course, belongs to another locus. There is much ado all over the globe about this new concept and initiative. As can be seen, seminars, conferences, workshops, symposia, media chats both national and international are organized here and there to echo and re-echo the import of this new world order into peoples and nations. In Nigeria for instance, media houses are preoccupied with issues bothering on globalization. Additionally, business concerns and other elites are all over the places toasting on the anticipated benefits of globalization. Admittedly Nigeria is in a state of hyper-ventilation and is anxiously waiting for the dawn of this over-orchestrated new era (Giddens, 2000; Ihejirika, 2002; Ugwulebo, 2003).

As components of globalization, deregulation and liberalization constitute in Nigeria a clear example of how an institutional change in capitalism can become an important source of social inequity, inequality and conflict, with its own consciousness effects and political consequences. . This, of course, it is said, reflects the general globalization process and experiences (Amadi, 2014). In other words, for the underdeveloped countries, globalization creates sufferings, privations and marginalization, while for the developed nations, it continuously creates large profits (Ogwuma, 1998; Esedafe, 1998; Unegbu, 1998; Ihejirika, 2002; Ugwulebo, 2003).

### **Nigeria's Deregulation and Liberalization Policies vis-a-vis Workers' and Public welfare**

There has been a great deal of debate about the desirability of liberalization and deregulation in a country like Nigeria with vast natural resources. Unfortunately, the government is facilitating the employers and the market forces instead of shouldering adequate social responsibilities for the working masses. However, much too often, policy makers such as those who are advocating for the deregulation, liberalization, privatization and commercialization of the economy, fail to distinguish between development as a measure of improved socioeconomic indices and development as a measure of qualitative increases in gross national products. The most contentious issue in Nigeria today is the policy of deregulation and liberalization of the downstream oil sector to which the Federal Government reaffirmed its commitment in 2001 saying that the policy would be in line with the country's democratic dispensation which allows free participation in oil business without restrictions (Udeala, 2001), which it finally fully implemented in 2023 by petroleum

subsidy removal. However, the extent to which this is true and operational in Nigeria leaves much to be desired as the government's removal of petroleum subsidy and its associated policies in 2023, precisely on May 29, has not achieved this goal, rather it has introduced a lot of restrictions and barriers in oil business leading to untold socioeconomic sufferings and hardships on the citizens.

Deregulation and liberalization policies, both in the oil market and other aspects of trade, are part of the present government's reforms backed up by the IMF and the World Bank. The IMF demonstrated this when it granted a financial aid to Nigeria to the tune of US Dollars 800 million in 2023 to enable it implement the petroleum subsidy removal thereby encouraging and recommending its outright implementation. Nigeria began the implementation of these policies as contained in the structural adjustment programme agenda as recommended by the IMF and the World Bank, particularly, the oil market at the dawn of 2002, and finally on 29 May, 2023. These reforms ushered in by globalization have not only heightened the suffering of the Nigerian workers and masses, but has dealt a fatal blow on trade unionism and trade unions' rights in the country. This further confirms the fact, that globalization that emphasizes deregulation and liberalization of trade de-emphasizes organized labour movement or trade unionism and collective bargaining in Nigeria, which represent the voice of labour in any economy. Unfortunately, rather than bargain and negotiate with governments in the interest of the Nigerian workers and general masses, the NLC and TUC leaderships have been found to be engaged in concessionary bargaining and labour corporatism.

Jordan (1996) observed that rapid technological and commercial changes are having a dramatic impact on market place the World over. As a result much burden is placed on the worker with less reward and inadequate remuneration as well as job insecurity. For workers in Nigeria, the phenomenon of globalization is changing the whole structure of their contractual relations with their employers in many different ways. The Nigerian labour movement should adopt a new labour management strategy and bargaining method for effective performance (Amadi, 2014).

### **Impact of Socio-Economic Policies and Programmes of the IMF and the World Bank on Workers' and public Welfare in Nigeria**

The actions of all the big players on the world economic scene controlled by the main industrialized countries, the IMF, the World Bank, the OECD indicate a deep ideological commitment to market liberalization, deregulation, privatization and monetary stability without considering its impact on the conditions of life of the people in the implementing countries. Most developing and transition countries, because they depend on IMF and World Bank Programmes based on these rigid theories, are compelled to toe the ideological line. Scholars such as Olukoshi (1991) and Akpuru-Aja (1998), argued that the structural adjustment programmes of the IMF and the World Bank as the prerequisite conditionality for countries to access their loans have succeeded in setting back not only the economies and rate of development of the transition and developing countries, for instance Nigeria, but also the trade unionism's ambition of pluralism as well as progress on labour rights and workers welfare.

Akpuru-Aja (1998), identified the general and specific IMF loan conditionalities as :general (a) capacity to repay in hard currency; (b) preparedness to involve IMF in proposing, designing and executing of projects; (c) evidence of governmental stability and; (d) a guarantee that the recipient country is not reactionary or communist inclined; while the specific ones common to developing countries include; (i) Devaluation of currency; (ii) Wage freeze/retrenchment of workers; (iii) Reduction in government social and welfare expenditure-removal of subsidies; (iv) Trade liberalization and deregulation to allow free flow of capital, labour and technology; (v) Privatization and commercialization of economic realms or public enterprises; (vi) Periodic review of interest rates. The issues that should constitute major concerns of the NLC and which pose a great challenge to it in the 21st century trade union management and workers' welfare in Nigeria are: the draculian, anti-labour, anti-workers' welfare and anti-people policies that constitute globalization and technological challenges in Nigeria's world of work; the devaluation of the Nigerian naira; deregulation of the downstream oil sector and removal of petroleum subsidy; casualization of labour which is more prevalent in the MNCs and TNCs operating in Nigeria; nonformation of trade unions in the MNCs and

TNCs operating in Nigeria owned by developed nations; workforce down-sizing and right-sizing as recommended by the IMF and the World Bank as their loans conditionalities to Nigeria, among many others.

Also, Semenitari (2004), revealed that following the World Bank and the IMF structural adjustment programme recommendations, the Federal Government of Nigeria had proposed to and actually down-sized/right-sized its workforce by retrenching about 200,000 civil and public servants by 2007 which number represented a 50% cut in the nation's staff strength, out of a total workforce of 400,000 including the parastatals.

The tasks facing the Nigerian labour movements led by the NLC at this juncture are (i) to ensure that the Nigeria labour laws and policies conform with international labour standards of the ILO in line with the UN principles and central objectives as defined in UN Charter; (ii) to ensure that Nigeria identifies with the 'social clause' in its labour policies, and that the NLC leadership relates with the ILO, the ICFTU and the WTO to strengthen its position and to avail itself with the approved standard of practice in labour management; (iii) to ensure that the NLC positions itself to address the workers' welfare related problems in Nigeria.

### **Methods**

Both classical and contemporary theoretical and empirical literature on globalization and technological instruments and agents constituted its secondary sources of data collection. Other secondary sources of data included books, journals, magazines, online materials, newspaper articles, research reports, institutional publications documents containing relevant and contemporary theoretical and empirical literature on globalization and technological challenges to trade unionism, workers' and public socio- economic welfare in Nigeria being the subject matter of the study.

Content analysis with reliance on the textual contents of the secondary data sources were employed in analyzing the secondary data. Conclusions were drawn based on the qualitative interpretations of the secondary data and inductive reasoning.

### **Findings**

The study made the following findings:

1. Both the IMF and the World Bank have through their programme agenda and financial policies and recommendations over the years, impacted negatively on workers' and public welfare in Nigeria.
2. The NLC has failed to properly position itself to effectively address workers' and public welfare problems and other industrial and labour relations issues associated with the IMF and the World Bank age-long recommendations and financial policies to Nigeria.
3. Globalization and technology have undermined the framework of collective bargaining, thereby encouraging concessionary bargaining and labour corporatism in Nigeria.
4. Nigeria's deregulation and liberalization policies and their underlying privatization and commercialization policies are not only the IMF and the World Bank recommendations and loan conditionalities, but also anti-workers' and public welfare anti-trade unionism.
5. The IMF and the World Bank are both globalization and technological instruments and agents of neo-colonization and neo-imperialism.

### **Discussion of Findings**

As was found in this study, both the IMF and the World Bank have through their recommendations, programme agenda and financial policies over the years impacted negatively on the socioeconomic wellbeing of the Nigerian people and welfare of the workers. Also both the NLC and other labour unions in Nigeria have not positioned itself properly to effectively address the workers' welfare problems. They have also not addressed other labour relations issues associated with the IMF and the World Bank recommendations and financial policies to Nigeria. According to Akpuru-Aja (1998), some of the anti-trade, anti-people and anti-workers policies and recommendations of the IMF and the World Bank include devaluation of the Nigerian naira, wage freeze/retrenchment of workers especially the public service. Others

are reduction in government social and welfare expenditure, removal of subsidies, trade deregulation and liberalization. This is to allow free flow of capital, labour and technology, privatization and commercialization of economic realms or public enterprises, etc.

Another important finding of this study is that the NLC has failed to properly position itself to effectively address workers' and public welfare problems associated with the IMF and World Bank financial policies in Nigeria. According to Akpuru-Aja (1998), these international financial institutions were established by the western capitalist countries to assist them recover from the shocks of the economic depression and recession of the 1930s made worse by the adverse effects of the World War 11 but not for the interests of the third world or developing countries. It was also found that globalization and technology have undermined the framework of collective bargaining thereby encouraging concessionary bargaining and labour corporatism in Nigeria. According to Jordan (1996), the International Confederation of Free Trade Unions (ICFTU) has not only remained consistent and focused in the defense and promotion of trade unionism and workers' welfare like the ILO, but has also made it a number one priority along the guidelines and principles of the International Labour Codes and standards of the ILO as stipulated in its (ILO) conventions.

It was found that Nigeria's deregulation and liberalization policies and their underlying privatization and commercialization policies are the consequences of the IMF and World Bank recommendations and loan conditionalities to the country, and are anti-trade unions, anti-workers and anti-people. The recent government's removal of the petroleum subsidy without any concrete cushioning measures in place based on the IMF and the World Bank recommendations is a glaring example. Akpuru-Aja (1998), debunked the erroneous belief by the uninformed that the IMF and the World Bank are owned and controlled by sovereign states in the World economic system, by contending that the IMF does not exist to serve the interests of all, rather it is an instrument of the leading Western Capitalist countries to strengthen not only their domestic economies but facilitate the hegemonism of international capitalism on a global scale.

### **Conclusion**

The issue of trade union rights and workers' welfare, especially in developing and underdeveloped economies like Nigeria has dominated most discussions and debates on trade unionism and trade union management in the twenty first century at both national and international levels as we can see from the conventions and recommendations of the ILO amplified and popularized by the ICFTU. Additionally, it was obvious in this study that both the IMF and the World Bank as the agents of the UN instruments of globalization and technology have through their programmes and financial policies also impacted negatively on workers' and public welfare and trade union rights in Nigeria over the years.

One of the major new challenges facing the NLC and its sister TUC and their leaderships today in the face of globalization and technological challenges should be to secure the role of unions at the workplace in the framework of rules that governments set for the functioning of the global economy which are reflected in its deregulation, liberalization, privatization and commercialization policies in the country in line with World Bank and IMF policy recommendations and which encourages casualization of labour vis-à-vis workers' welfare and trade union rights. Additionally, the NLC and TUC leaderships presently and in the future should ensure that the basic human rights to join a union and to negotiate collectively with one's employer both in the public and private sector organizations is generally accepted as a cornerstone of policies for positive socioeconomic change in Nigeria's world of work. Another challenge is to ensure that the need to make enormous and rapid changes in the nature of work and the labour market are achieved without compromising the goals of full employment, social justice and workers' welfare in Nigeria.

### **Recommendations**

The study made the following recommendations:

Modifying the programme agenda, recommendations and financial policies that underlie the IMF and World Bank loans conditionalities to Nigeria to promote workers' and public welfare and trade unionism in the country and other developing economies. This will promote industrial peace and harmony leading to increased gross domestic products (GDP) and gross national products (GNP). Strengthening the labour

market institutions in Nigeria. In order to effectively and adequately address workers' welfare problems and other labour and industrial relations issues associated with the IMF and the World Bank age-long recommendations and financial policies to Nigeria, the NLC and the entire labour movement in Nigeria need to reposition themselves and strengthen their organizational strategies to contain anti-labour and anti-people policies and programmes of the IMF and the World Bank.

Incorporating workers' and public welfare and trade unions' rights into the deregulation and liberalization policies of the country. The deregulation and liberalization policies which are encapsulated in the privatization and commercialization policies need to be structured to protect and promote workers' and public welfare and interests. Protecting the goals of full employment in Nigeria. This can be achieved by ensuring that the enormous and rapid changes in the nature of work and the labour market being the concomitants of globalization and technological changes experienced in Nigeria are accomplished without compromising the goals of full employment, social justice, workers' and public welfare and trade unions' rights. Developing new collective bargaining methods and strategies. There is need for effective collective bargaining, grievance procedures and resolution of industrial conflicts with governments and other employers of labour that fit into standardized system of production occasioned by globalization and technological changes. This is pertinent in order to effectively and adequately promote workers' and public welfare in Nigeria by the NLC irrespective of the IMF and World Bank interests, recommendations and policy guidelines.

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