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Article

Trade unions and institutional reform: Nigerian experiences with South African and Ugandan comparisons

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Introduction

This paper is about the capacity of trade unions to intervene in a context of political and economic reform in the interests of their own members and in support of wider popular interests in society, including those of the poor. It focuses on the formation of a union-based labour regime as a key area of institutional reform, creating the conditions for such intervention. It begins by recalling the case against trade unions, why they are seen as an obstacle to reform and why they are expected to be marginalised in global developments anyway. In developing its case for seeing unions as important institutions of popular representation the paper offers an alternative reading of global tendencies, suggesting that unions are in fact on the rise. In turning to Africa, where this is assumed to be the least likely to happen, the paper points to great variations in union performance, including exceptional achievements in South Africa and repression and marginalisation in Uganda. These two contrasting experiences are briefly summarised. The main empirical illustrations, however, are from Nigeria, our prime area of study, where the paper looks at the national union centre, the Nigeria Labour Congress, and, in particular, the textile workers' union.

The *deregulation of labour markets* is for some liberalisers a critical institutional reform which they claim will achieve many things for progress, not the least a reduction in poverty. Unions need to be rolled back because they stand in the way of labour mobility, flexibility, entrepreneurship and other desirable things which are good for development. Unemployment, for instance, can be radically reduced if the price of labour is allowed to be determined by individual contracts in a free market rather than through

ective bargaining, which they see as a set of oligopolistic practices that
 port prices. The rights and freedoms of markets and individuals stand
 posed to the collectivistic, state regulated labour regimes that have
 entrenched themselves in both rich and poor countries. Apart from theoretical
 ideological arguments, there seem to be strong pragmatic reasons for
 regulation where regulation has already struck roots and for resisting
 regulation where it has not. Otherwise, increasingly mobile capital and
 entrepreneurship will run away. Existing labour market regulations,
 including laws protecting union rights, make major national firms as well
 potential foreign investors look elsewhere and discourage small local
 entrepreneurs on whom poor people depend for employment and income.
 The logic of development seems therefore to be firmly on the side of the
 liberalisers and the deregulators. Even fainthearted governments, the
 assumed captives of entrenched, recalcitrant union interests, find that in
 practice labour markets liberalise themselves even within the framework of
 existing pro-union regulation, as noted with satisfaction by Ulf Jakobsson
 (2000), a prominent Swedish economist. The latter are bypassed or diluted
 through the 'spontaneous liberalisation of the labour market', which, in his
 view, helps explaining the unexpected capacity of the Swedish economy to
 raise employment levels from the rock bottom levels of the early 1990s.

Liberalisers have more reasons for disliking unions. They want to shift
 resources from the public sector to more productive uses in the private
 sector which presumably is in the interest of everyone but in particular of
 the poor who will benefit from economic efficiency and growth generally.
 The poor are also expected to benefit from a shift in spending within the
 public sector itself, from low priority to high priority areas, targeting those
 where markets are the least capable of offering effective solutions, for
 instance, public health and education for groups with special disadvantages,
 as distinct from generalised subsidies benefiting everybody, even those
 who could afford to pay the market costs. Public sector unions are seen as
 a particular obstacle to such public sector reforms with their assumed
 vested interests in existing employment patterns and pay packages but
 unions generally are expected to be opposed to the reforms, representing
 the wage earners and the assumed beneficiaries of current patterns of state
 welfare spending.

There is an even more basic political reason why liberalisers dislike
 unions. They are seen as part of a political coalition which has encouraged
 excessive public sector expansion and macro-economic imbalances. From

this perspective, the deregulation of labour markets is seen as a way of breaking of statist political coalitions which stand in the way of the wider reform project and thus the welfare of the poor.

Who are the unions, anyway? Do they really represent the poor? Unions are often criticised for not even being the friends of the workers and not only by the liberalisers who want to deregulate labour markets. The latter find ammunition for their critique from within the labour movement itself. In advanced industrial societies, declining membership and low levels of participation reinforce a picture of bureaucratised organisations with weak democratic structures that fail to respond to the needs of new employees who do not fit the social categories on the basis of which unions were formed in the first place. In many instances, not the least in post-colonial societies, unions have been incorporated into statist political structures, undercutting their claims to represent the workers, turning union leaders into just another set of political rent seekers, a privileged and often corrupt 'labour aristocracy'. Moreover, the limited size of the formal wage sector in much of the world tends to make unions unlikely vehicles, in the eyes of many, for improving the material conditions of the mass of the population who are small agricultural producers, crafts people, small traders or engaged in other, often multiple livelihood strategies, outside the formal labour market. Are not the lucky few who find themselves in wage employment a sort of 'labour aristocracy' compared to the rest of the population? Do unions not serve to reinforce the privileged access of a minority to a state backed formal economy and to subsidised public services, benefits which are outside the reach of the majority?

Moreover, looking at global trends, should unions not be regarded as a spent force, the more or less atrophied remnants of a decaying social order? Triumphant liberalisers like to think so but there are also voices of alarm on the union side which seem to confirm that a radical shift is taking place globally, a shift which may make trade unions become a thing of the past. In a study sponsored by Dutch trade union federations, Thomas (1995:3) claims that 'while for more than a century the trade union movement has been an important actor in defending the interests of workers and in struggling for independence and democracy, it now faces in large parts of the world almost total elimination as a significant social institution'. Thomas suggests that Asia, Africa and Latin America have been particularly affected, although it is a world-wide trend. In East Asia 'unprecedented rapid industrialization has been achieved along with the oppression of

labour organization' while African unions face overwhelming problems in the absence of industrialisation.

This paper takes a different view of the likely future role of unions in the world economy and of the relationship between trade unions, institutional reform, and poverty reduction. It disagrees both with the liberal triumphalists and the union pessimists that unions are on their way out and argues, on the contrary, that this is a misreading of the development of the global economy and the balance of forces globally. It points to the structural and political features which are likely to strengthen the role of unions as the global working class grows in numbers, skills, organisational experience, and political competence. Despite their limitations in terms of internal structure, leadership and effective reach, unions constitute one of the few institutions capable of representing the interests of large popular strata. What they do is important not only for what happens to the welfare of their own members but for other segments of society which lack effective organisations of their own. Politically, they are instrumental in disseminating notions of individual and collective rights, and the need for representation and bargaining to other groups in society. In some societies, the working class itself is a large and growing force, but also elsewhere, as in much of Africa, where the size of the immediate constituency is small, unions often play a leading role in wider alliances in civil society in defence of such rights and interests. In this respect, unions draw support from the activation of international regulatory agencies and conventions and a growing network of organisations and alliances, including global civil rights movements and consumer protection groups, which make it increasingly difficult for individual managements and governments to maintain or impose labour regimes which do not recognise workers' rights to collective organisation and bargaining.

Do unions obstruct necessary reforms? Unions are keenly conscious of the need to respond to the changes in the world economy, technological developments, shifts in global production and markets, the transnationalisation of enterprises, the accelerated mobility of financial flows, and changes in state policies and regulatory capacities. In addition, unions have to respond to local crises and conjunctures, peculiar to a particular society, often aggravated by the failure of governments to manage the resources and institutions at their disposal. Some unions may indeed have vested interests in defunct social orders which have been undermined by such changes, sometimes beyond redemption. In responding, the scope for digging in heels is often limited and temporary. Typically, therefore, they develop a combination of strategies, seeking both to protect earlier gains and to accommodate change.

Unions realise that the 'new order' is not a given but an outcome of policy choices which reflect a changing balance of forces in society and where the intervention of international creditors often play an important role. Unions therefore seek to influence the policy process and for that purpose they forge alliances with other groups in society and internationally with whom they have common interests. Often vulnerable, if isolated, unions frame their strategies as to enhance wider popular support in order to stand a better chance of surviving suppression by governments and employers. Public sector unions, for instance, appeal to the wider popular stake in the provision and quality of public services, manufacturing unions seek to mobilise support for maintaining and expanding national industrial and technological capacity, propagating the need to defend and reconstitute an ailing 'national development project'.

Unionists are not convinced that market forces on their own will resolve the problems of mass unemployment. On the contrary, they normally believe that it is the duty of the state to take an active part in supporting economic development and expand employment. Nor do they necessarily change their mind because of the past failures of their own states in this respect. They draw support from historical and contemporary evidence from elsewhere which demonstrates that efficient state intervention pays off. The challenge, as they see it, is therefore to have the state intervene more efficiently, with less waste and corruption and more accountability. If nothing else, they see no limit in what the state can achieve by developing the social and economic infrastructure of the society in raising its overall productive capacity, especially in the field of education and manpower development. They are outraged by the non-functioning of public transport, the failure of electricity and water supply and they have no doubts about all the scandalous misappropriations which are behind it all. They give voice to an outrage which is widely shared outside union ranks.

In all of this, unions see themselves as standing on the side of the poor, not just their own poverty-stricken members but in wider society. It does not exclude awareness of being privileged, but this may be seen more in terms of an obligation by virtue of their organisational experience, to voice popular concerns and confront the state on behalf of the people. Are they justified in this? In most societies they face developments where economic and political elites benefit glaringly from their control over private property and public institutions. Domestic and international experts may be convinced that the 'bitter pill' they are offering is in the long-run interests of everybody, especially the poor. Experts, however, do not operate in a power vacuum.

Implementation will take place in the context of the balance of forces in society. This is where unions think that they have more legitimacy than either the power elites or their advisers to represent popular interests.

None of this suggests that unions necessarily have the right solutions. It suggests, however, that unions often represents strategically located groups in society which are intensely concerned about what type of development strategies are in the best interest not only of their own members but of people in general, especially ordinary people, the poor. What they have above all is organisation, a commodity in short supply in societies generally but which is particularly needed when societies are expected to undergo major transformations without breaking apart or being engulfed in civil war and state violence. In countries where unions are repressed or controlled, this potential for organisation needs to be tapped to allow for a transition to a more democratic social order. The potential is inherent in the organisation of wage work itself and wage workers, even when few in numbers compared to other groups, are usually pioneers in establishing forms of popular organisations based on constitutionally regulated forms of representation, bargaining, and conflict resolution. They serve as role models for other groups and they bring these ideas with them when joining political parties or in dealing with the state.

Unions may obstruct reforms which those who think that they know better consider to be in the interest of the poor. The solution, however, is to recognise unions not just because they are 'stake holders' but because of their capacity to develop institutions of relevance for the regulation of conflicts of interest that relate not only to individual work places and sectors of the economy but more generally to relations of domination, inequality, representation, and integration in society at large. The most urgent institutional reforms in this context are therefore those which promote and protect workers' rights to organise and bargain collectively, the institutionalisation of a *union-based labour regime*. Governments and employers need to be compelled to recognise the rights of workers to form unions and that working conditions are agreed upon through collective bargaining and that there are agreed procedures for resolving conflicts, including the right to strike. The extent and application of these rights are contested everywhere. Certain basic standards have broad international acceptance and have been codified in ILO conventions. Also international human rights conventions and national constitutions make reference to such labour rights. European trade unions struggle to have a full specification of labour rights included in the treaties of the European Union.

The purpose of this paper is to explore the implications such institutionalisation (or its absence), that is, the establishment, extension, and consolidation of a union-based labour regime, for wider institutional developments in society of relevance to poverty reduction. It is suggested that a high level of institutionalisation in this respect, that is, a widely accepted and well-consolidated union-based labour regime, enhances union bargaining power and encourages union participation in the politics of reform. This in turn improves the chances that an element of popular participation and accountability is asserted in the reform process, including an enhanced concern with popular welfare issues such as unemployment, poverty, and popular access to public services.

These propositions are expanded and explored empirically below, drawing in particular on my own work (much of it jointly authored with Gunilla Andrae) on Nigerian trade unions but also on comparative work on trade unions and economic liberalisation. South Africa and Uganda are used as contrasting examples, the former as a case of major union engagement with the reform process and in institution building, the latter as one where unions have been destroyed and marginalised. The Nigerian experience shows evidence of both achievements and failures. The paper discusses the recent experience of the reconstituted Nigeria Labour Congress and, in particular, reflects on the remarkable 'success story' of the Nigerian textile workers' union.

First, however, the paper outlines an alternative reading of the global scenario where unions, far from being a social institution on the way out, as suggested above are seen as a rising force. The argument draws heavily on a recent report for UNRISD, the United Nations Research Institute for Social Development, Geneva, concerned with the extent to which organised interests, like labour, have been able to provide an alternative source of popular democratic impact on the reform process (Beckman, Akwetey and Lindström 2000).

The resilience of unions

The most immediate reason for the resilience of trade unions as significant players in the world economy is the rapid expansion in recent decades, especially in Asia, of production and services based on wage work. The number of wage workers in the world economy has grown at an unprecedented rate (ILO 1997, World Bank 1995). Much of this growth takes place in manufacturing work places with production processes of a conventional type which historically have encouraged the growth of

collective forms of workers' organisations. While such work places have been on the decline in the advanced industrial economies, this decline is not representative of the wider global economy. Attempts to prevent the emergence of trade unions or to maintain state and company control have been short-lived in the most dynamic economies. The successive upgrading of industrial structure, as in South Korea, have produced a skilled, well-organised and assertive working class. Authoritarian labour regimes continue to survive in other expanding industrial economies like China but the evidence of growing work place unrest and activism suggests that such countries have difficulties in insulating themselves from domestic as well as global pressures. The collapse of the authoritarian order in Indonesia, for instance, has led to flourishing of new labour organisations.

Much of the increase in wage work has taken place within rapidly expanding public sectors, both facilitating and feeding on the rise in commodity production and trade. The progress of unionisation within the public services, although slow compared to manufacturing, keeps expanding globally. More categories of workers are freeing themselves from restrictions imposed by states on unionisation in 'essential services'.

The movement towards disengaging from authoritarian labour regimes often runs alongside with new forms of engagement with state and politics, involving new social pacts as part of the economic reform process. Formal wage workers are important in the politics of economic reform much in excess of their numbers. Part of the reason is their special link to the crisis-ridden national development projects. Rapid industrialisation and the expansion of public services were always high on the national agenda of post-colonial states, making the emerging working class an index of progress and modernity. Crises and globalisation invariably lead to cuts in employment, wages, and the public services. This may undermine the market and work place bargaining power of labour. Simultaneously, however, its political bargaining power has in many instances been enhanced by the combined impact of intensified social conflict caused by cuts in employment, wages, and services, and the weakening of the institutions of state and capital themselves.

The new concern of policy makers and international finance institutions with dialogue and social pacts is indicative of an awareness that organised labour needs to be accommodated in the reform process. The movement towards social pacting often occurs in a political conjuncture of crisis and instability. A feature of this context seems to be that the balance of forces that has sustained existing relations of power is upset, threatening the existing

political order. Social pacts may be an attempt to bolster or reconstruct a faltering political order by broadening its social base and infusing it with fresh legitimacy drawn from popular connections. For trade unions this may provide an opening for influencing the substance of the reforms while simultaneously seeking acceptance for labour rights. The politics of pacting reinforces an element of recognition, an entitlement to be heard. From the perspective of organised labour, such recognition has not come lightly where it exists at all, and continues to be contested. By opting for strategies based on dialogue and social pacts, governments and employers impose constraints on their own freedom to pursue alternative strategies based on repressing, marginalising and ignoring unions as stake-holders.

Schmitter and Grote (1997) have documented the revival of what they call 'macro-corporatist concertation' in the historic heartland of union power in Western Europe. The revival is partly prompted, they suggest, by the specific 'imperative' of meeting the convergence criteria for European monetary unification but also by the same global tendencies that we argue have opened up the space for policy bargaining by unions in the third world. The revival seems to contradict prevailing expectations that the accelerated liberalisation of the world economy will speed up the dismantling of corporatist labour regimes based on political participation and concertation at the national level. The authors report on a series of economic and social pacts in Ireland, Finland, Spain, Portugal, Belgium, Italy, the Netherlands, Austria and Switzerland in the late 1980s and 1990s involving governments, employers and workers, some based in formal corporatist institutions, others being negotiated on an ad hoc basis. The European evidence points to the need to see dialogue and social pacts as global phenomena that are linked to problems of creating legitimacy and acceptance of policies of reform in a context where major restructuring is required both in production and in the organisation of public services.

Despite the evidence of union decline in parts of the world, the overall picture suggests a more open and contested arena, with scope for fresh unionisation, more union autonomy, and influence in the making of macro-economic and social policy. The reassertion of labour rights has in recent years received fresh support at the international level. It represents a confluence of forces, nationally and globally, involving a range of civil society actors, their international allies as well as international regulatory agencies and resourceful foreign governments. The international labour movement has been reactivated after the end of the cold war. The International Confederation of Free Trade Unions (ICFTU) and the International Trade Secretariats (ITS) have greatly

increased their membership and intensified their activities globally. In the past, cold war trade union rivalry created a stalemate where many substantial third world unions decided to abstain from participation while others were reduced to clients. Although clientelism and dependence on foreign funding continue, emerging major third world trade unions, like the South Korean, South African, and Brazilian ones, insist on being important players in their own right and offer alternative sources of leadership within these organisations. National, union-sponsored trade union support agencies, like the German Friedrich Ebert Stiftung, have expanded their programmes with government support. The regional offices of the International Labour Organization (ILO) have been strengthened and they intervene actively in support for local union rights. Governments are challenged and shamed internationally for not respecting key ILO conventions, long treated as paper declarations of no substance.

Consumers' organisations and human rights NGOs in the advanced industrial countries engage in support of labour rights and against abusive labour conditions, including child labour, excessive working hours, wage discrimination, etc but also in support for wrongfully dismissed, detained and victimised labour activists and union leaders. The 'Decent Work Paradigm' promoted by the new Director-General of the ILO can be seen as a response to such new public concern. Major transnationals, like Nike, are threatened with consumer boycotts and damaging publicity when abuses are exposed in subcontracting factories. Companies are under pressure to accept 'Codes of Conduct' that include the recognition of trade union rights. The inclusion of 'Social Clauses' with a labour rights component in international trade agreements has become a major issue in the World Trade Organisation, as demonstrated by the debacle at Seattle in late 1999, where the heavy involvement of trade unions, including the leadership of the ICFTU, made it difficult to dismiss the protesters as irresponsible youngsters (O'Brien et al 2000).

The position of unions varies between countries and regions (Beckman, Akwete, and Lindström 2000). In industrialising East and Southeast Asia wage labour has been on the rise, numerically as well as politically. In South Korea, a reformist government is on a collision course with increasingly autonomous and assertive unions, having failed to agree on a 'social contract'. Long-repressed Indonesian unions agitate and multiply, although undercut by economic collapse and threatened by militarist backlash. In Malaysia, where the state has retained control over a weak and ethnically manipulated labour movement, a new, increasingly skilled and ethnically 'mixed' industrial working class is emerging. Vietnamese unions, while still an integral part of

socialist one-party structures, respond hesitatingly to new, antagonistic work-place relations in the wake of privatisation and foreign investment. Unions in some parts of Asia, like in Pakistan, have suffered from the decay in the formal wage sector, being fragmented and repressed by a militarist, elitist, and unproductive political order.

The African experience

This is also true for much of Africa where the working class was small in the first place and where it has been further decimated by at least two decades of public sector decline and industrial closures. In many instances trade unions barely survive within a stagnant post-colonial order and may look as unlikely candidates for the role as agents for institutional reform aiming at poverty reduction in society at large. They are often unable to defend even a bare minimum of purchasing power for their own members, who depend on other official and unofficial sources of income for sheer survival. Pockets of public sector workers continue to put up an occasional fight, trying to reclaim unpaid wages and arrears, highlighting not only their own misery but also the miserable state of the services which they are supposed to render.

Also in Africa the standing of unions in society varies dramatically (Beckman and Sachikonye 2000). In South Africa unions have acquired a unique position not only by virtue of the size of the wage economy but due to their leading role in the struggle against apartheid. Open confrontation with a decaying one-party state has also greatly enhanced the status and influence of the Zimbabwean unions. In Uganda, in contrast, unions barely survive, having been subdued and deactivated by an assertive and adjusting one-party state. Unions in Ghana and Nigeria have been able to sustain a tenuous defence of labour rights and union autonomy despite repeated military interventions and impositions. The challenges are similar as unions face globalisation, economic crises, and policy liberalisation and as their members are hit by falling wages, retrenchment, closures, casualisation, and other forms of restructuring of the labour process. Conflicts intensify and existing modes of regulating labour are challenged, both from above and from below.

The variation in response depends on a range of factors, including the differential impact of globalisation, crises and adjustment as it affects the development of production and wage work, the formation of the working class, its size and composition. The scope for union intervention varies

with the nature of the state and state-society relations as influenced by political experiences, colonialism, wars, social divisions, civil strife, militarism, dictatorship, foreign intervention etc. All of this affects the way labour relations are regulated, including labour rights and collective bargaining, the organisational experience of the workers, the internal politics of the labour movement and its wider alliances and how unions identify options and constraints. The discussion below on the scope and limitations of union intervention draws primarily on the Nigerian case. It begins, however, with two polar opposites, South Africa and Uganda, which may illustrate the wider range of union experiences in Africa within which the Nigerian one can be assessed.

South Africa is an outstanding case of trade unions playing a central role in a popular emancipatory project which challenges poverty and the institutional mechanisms by which it is imposed and reproduced. It is also a case where unions have engaged themselves in a wide range of institutional reforms for the revision of labour legislation, the restructuring of individual industrial sectors and consultations over national policy in tri(multi)partite fora, as well as in alliance politics with the ANC at the national and community level.

The place of unions in post-apartheid South Africa reflects their central political role in the process of national liberation. The apartheid economy was based on a uniquely repressive racial labour regime which facilitated extreme income differentials and extreme forms of labour exploitation, especially in agriculture and mining. Import-substituting industrialisation created a new, increasingly skilled and experienced black working class and a basis for independent organisations which challenged authoritarian work place relations. Employers felt obliged to make concessions in order to ensure labour peace. Wages and working conditions were improved and labour laws were partly adjusted to accommodate the new realities on the ground. The new labour movement became an important base for the anti-apartheid struggle (Maree 1987, Baskin 1991). The transition to democracy brought a formal alliance between the leading national trade union centre, COSATU, and the ANC with a joint programme for Reconstruction and Development (RDP) (Adler and Webster 1995).

The early post-apartheid years saw attempts to build new institutions for union participation and national dialogue on the basis of an implicit social pact (Patel 1993, Barchiesi 1997), including the National Economic Development and Labour Council (NEDLAC) where the representatives of state, business,

labour, and community groups met to deliberate. Divisions over policy were apparent at an early stage but unions were assumed to be well-placed to make their voices heard and have used NEDLAC for major policy initiatives (Baskin 1994, 1996, Labour Caucus 1996). A central feature of apartheid was the systematic discrimination of access to public services, health, education etc. RDP was committed to rectify this through the rapid expansion of welfare for the majority. Implementation has been seriously constrained by world market adjustment. The alliance between COSATU and the ANC has come under growing pressure as government policies shifted in a liberal direction in response to the crisis of the apartheid economy, capital flight, fiscal imbalances, and the pressure of international creditors (Webster and Adler 2000, Satgar and Jardin 1999).

The shift in policy was evident in the Growth, Employment and Redistribution (GEAR) strategy launched by the government in 1996 (Barchiesi 1997). Unions were caught between conflicting pressures and aspirations in the effort to combine support for the post-apartheid political order while fending off what they saw as excessive concessions by the government to neo-liberal adjustment thinking. The system of policy dialogue came under criticism for being ineffectual as a means of influence. By mid-1999, the growing tensions between the ANC government and the unions were highlighted by a national strike on the part of the public sector unions, protesting government wage impositions (Barchiesi 1999). A one day general strike in May 2000 served similarly to demonstrate union concern with what was seen as government failure to address the continued and worsening problem of mass unemployment.

The position of trade unions and labour rights in South African society is far from consolidated and remains contested. From the perspective of this paper, however, what needs to be emphasised is the continued vitality of the South African trade union movement and its relevance for the way in which problems of institutional reform and poverty reduction are addressed. The achievements may be summarised as follows:

- The rights to organise and bargain collectively have been established through a process of broad-based workers' struggles and have been codified in an elaborate body of labour legislation. It has been achieved in a consultative process in which unions themselves have played a dominant role. The collective experience of those struggles are likely to contribute an important element of 'path dependence', similar to that of historically successful labour movements elsewhere. A union-based labour regime is entrenched not just constitutionally and legally but through an extensive, cumulative political effort.

- Unions have developed in response to a highly repressive labour regime which has contributed to a sensitivity within the labour movement to questions of internal representation and accountability and the importance that procedures in this respect are properly institutionalised. South African unions stand therefore a good chance to continue to be responsive to members. Their internal structures for challenging and changing leadership may be deficient in the eyes of some of the internal and external critics but still quite advanced when compared to the situation in unions elsewhere.
- Participation in broad social alliances during the struggles against apartheid have made unions sensitive to the issues and demands raised by other popular groups and conscious of alliance building as a means of influencing the state.
- The leading role of unions in the struggle for national liberation has created a sense of 'ownership' to the post-apartheid political order and a sense of responsibility for ensuring that unions do not take a narrow view of workers' interests but engage themselves with national policy and development issues. Unions have taken a lead in the development of tri- and multipartite institutions and are likely to insist that they are taken seriously.

South African unions face enormous problems at all levels, some relating to the common problems of society such as mass unemployment, others relating to the crises of specific industries or the internal organisational problems of the unions themselves. Yet, in terms of the achievements so far, this, if any, is a success story. The point of recalling success stories is that others may learn. Is not the South African experience too exceptional to be useful in that respect? There is a cult of South African exceptionalism both within and outside the country, fuelled by the uniqueness of apartheid and a history of isolation. The basic ingredients of the union story, however, are familiar from union stories everywhere, the struggle for rights and recognition, the protection of members and leaders, the pursuit of alliances and political influence, the response to changes in markets and policies. There is thus much to learn.

The pride in past achievements has contributed to a confidence, assertiveness, and articulation which may be unique but is likely to be conducive to the diffusion of experiences. A proud COSATU has hosted a number of important international labour meetings, including the World Congress of the ICFTU in Durban, April 2000, and the conference of Sigtur, the Southern Initiative of Trade Union Rights in October 1999 (*South African Labour Bulletin* 23(6), 1999). One of the early measures of

the new leadership of the Nigerian labour movement, emerging after the collapse of the Abacha dictatorship was to invite COSATU for a joint workshop which was held in Abuja in January 2000. Links have also been established at the industrial union level as in the case of the textile workers' unions.

In contrast, trade unions in Uganda occupy a marginal and repressed position in the social order. Freedom of association and the rights of workers to form and join unions and engage in collective bargaining, although formally entrenched in the Constitution, are not respected in practice, as demonstrated in a recent study of unionisation in the textile industry (Andrae 2000). The government, including its Ministry of Labour, does little to protect the workers' constitutional rights, despite elaborate labour legislation. Also public sector unions are largely ignored by the government. An internationally sponsored structural adjustment programme has been implemented since the late 1980s, including major restructuring in the public sector, mass retrenchments, and privatisation, as well as the return of industries and other business to former Asian owners without consulting the unions. When the Chairman General of the National Organisation of Trade Unions (NOTU) appealed to the government in his May Day Address 1997 that employers should be made to respect the law of the land the response from President Museveni was: 'Do not disturb my investors!' (Andrae 2000). There is little or no sustained contestation of government positions by unions which rather appear as supplicants, pleading for government protection and funding. Financially, they are highly dependent on international agencies, including on legal aid for occasional attempts to challenge the dismissal of union activists in court.

Mamdani (1994:522) links the ineffectiveness of legal protection to the lack of union autonomy, the way they depend on official 'registration' which can be withdrawn by the government. Unions and other popular organisations are subordinated to administrative regulation, supervision and control. He traces the origin of this regime to the colonial government of the 1940s and its attempt to control the rising nationalist movement, including its labour component. Also post-colonial legislation has been based on this premise, even if the extent of control and repression has varied. Barya (1991) suggests that unions have been constrained not only by the legal framework and direct repression but also by their own political isolation and failure to take on a wider political role.

There are of course obvious structural and historical reasons for the weakness of Ugandan unions, linked to the small size of the wage sector and

the violent destabilisation of the society by civil war and dictatorship. Colonialism obstructed the growth of a local business class, manufacturing, and wage employment despite the fact that Uganda had developed an advantageous base in a small-holder, cash crop economy with cotton and coffee as the main exports (Brett 1973). With independence, export earnings were channelled into industrialisation and the expansion of public services. The new working class was unionised, at first under the influence of Cold War trade union competition, later under increasingly authoritarian 'national' control (Barya 1991). 'Essential services' regulation constrained unionisation in the public sector. An economic crisis which originated in the overtaxation of world-market dependent cash crop producers and the inefficiency of an overextended public sector was further aggravated by dictatorship and civil war. The textile industry, Uganda's most substantial manufacturing asset with its links to domestic cotton production, was damaged by the expulsion of the Indian business community. Although factories were handed back to the original owners in the 1990s, employment had fallen from some 20,000 workers in the early 1970s to less than 5000 in the late 1990s. Apart from past dislocations the industry suffers from competition with cheap imports, especially second hand clothing, under the liberalised trade regime of structural adjustment (Andrae 2000).

Military and political stabilisation, economic reforms, and foreign funding have prepared the way for economic recovery in the 1990s. This is of great benefit to much of the population even if some benefit more than others (Brett 1998). Unions have had no or little say in this process. Some of the measures, including mass retrenchments in the public sector, have directly hit at their constituency and so has trade liberalisation. Politically, unions have been severely restricted and isolated.

Has this failure to institutionalise a union-based labour regime had implications for poverty alleviation? Or does the Ugandan example suggest that unions are of little relevance in this respect in societies where the vast majority of people are outside the modern wage sector? A case could be made, of course, for the dismissed workers and for those who have seen their income cut as a result of casualisation and other forms of deregulation of the labour regime. Not just workers but entire communities that depend on workers' income, like Jinja town, once a major East African industrial centre, suffer from increased poverty. But what about the wider institutional implications emphasised in this paper?

In concluding his analysis of reforms and poverty in Uganda, Brett (1998:337)

notes that 'levels of participation, accountability and state capacity are still unacceptably low' and that the next generation of political leaders 'could easily return to the corrupt and predatory practices of the past, reversing recent gains'. He suggests that sustainable development will depend on people's ability to create 'the organisational systems that operate in civil society to improve people's capacity to mobilise and influence politics'. Citizens, he says, 'need to be much better informed about their political rights and responsibilities' and elected politicians 'must be supported and monitored by politically aware and well-funded groups in business, the churches, the intellectual community, NGOs, and donor agencies' (Brett 1998:331).

This is where the institutionalisation of a union-based labour regime seems relevant. The suppression of union rights and the failure to recognise their organisational potential is indicative of the persisting authoritarianism in Uganda's new political order which is obstructive of autonomous organisations capable of giving a voice to popular interests and aspirations. The case for 'pluralism and the right of association' in the Ugandan context has been effectively argued by Mamdani (1994). Unions are particularly important in that they often have ethnically mixed constituencies and therefore have a particular stake in national integration.

There are some obvious similarities between Nigeria and Uganda. Both have a background in a relatively prosperous, export-oriented and small-holder based cash crop economy. Both have experienced highly disruptive civil wars and periods of dictatorship and economic decline. Both inherited similar types of labour market institutions and regulations from the late colonial period where unions are legally recognised, albeit within a framework of state registration and control. Nigerian unions, as Nigerian society as a whole, have been greatly damaged by two decades of incompetent military dictatorship. However, unlike in Uganda, unions continue to be significant players in national politics, with a history of independent organisation, shop-floor militancy, and political intervention. Attempts by governments to co-opt and suppress the labour movement have only had limited success. By African standards Nigeria, with a population of some 100 million, has a large working class, much of it based in a public service sector which was first financed from exports of cash crops and later greatly boosted by petroleum earnings (Forrest 1993). Commodity income, commerce, and public spending have created a modest base for a manufacturing industry, despite periods of mismanagement and decay. The official membership of the Nigeria Labour Congress, based on compulsorily deducted union fees, was well over two million.

Elsewhere post-colonial labour pacts emerged as part of the transition to national independence where labour movements tended to be incorporated by and subordinated to increasingly repressive national political structures as in Uganda in the late 1960s. The Nigerian case is different. Although involved in an early phase of the struggle for independence, unions retained their political autonomy vis-à-vis competitive but essentially regionally based party politics (Cohen 1974). A renewed impetus towards incorporation into an agenda of 'national development' came with the rise of the military as a dominant political force, as a result of the collapse of the first republic, the subsequent civil war (the 'Biafra War'), and the shift from fragmented, regionalised agricultural exports to a centrally controlled petroleum economy.

A corporatist 'pact' was imposed by the military government of General Obasanjo in the late 1970s, the period of the oil boom. The purpose was no doubt to ensure a higher level of state control 'in the interest of national development', especially in view of the strong inflationary pressures caused by the expansion of the petroleum economy. A Nigeria Labour Congress (NLC) was established by military decree as the sole national labour centre and a multitude of company unions and federations were amalgamated into national industrial unions funded by the compulsory payment of fees by employers on behalf of union members. Although the intervention was at first seen as an hostile act, union leaders sought accommodation, realising that the new unitary structure could be put to good use. The state had banned some old labour leaders from holding office but it could not prevent the election of a new set of radical office holders. They confronted the state over minimum wage policy and fought a running battle for much of the 1980s over the government's structural adjustment policies (Hashim 1994).

Oil revenue fell sharply in the early 1980s and heavy foreign borrowing brought pressures from creditors and the IMF for far-reaching economic reforms. Confrontation was particularly acute over the domestic price of petroleum products which the international finance institutions insisted should reflect world market prices. The NLC spearheaded popular resistance, causing fresh intervention by the Babangida military government in 1988, suppressing the leadership. Popular support and effective grass root organising obliged the government to renegotiate a pact with the labour leaders (Beckman 1995).

The continued decline of the economy, retrenchments, and the sharp erosion of real wages, however, had undercut the position of the industrial unions, especially those in the public services which had provided the backbone (and funding) of the NLC. While sections of the leadership fought with some

success to raise the government minimum wage, attention at the centre shifted towards bargaining with the state over political access and state subsidies for the NLC itself. Labour as a political bloc joined the SDP, one of the two parties ('a little bit to the left') which the Babangida regime had designed for its highly manipulative and fraudulent 'transition to civilian rule'. The labour movement half-heartedly resisted when the military suppressed the results of the 1993 presidential elections. The new military government of General Abacha dissolved the NLC and imposed a 'Sole Administrator' in 1994. The leadership had become too compromised to lead and, unlike in 1988, cadres were unable to put up much effective resistance. Their loyalties had been divided on regional grounds as part of their entanglement with Babangida's transition politics. A period of political pacting and involvement with the state had thus ended in a collapse.

With the NLC decapitated, the focus of state-union relations shifted to the level of individual industrial unions. An increasingly repressive military government sought to enforce its own agenda by bribing and coopting pliant labour leaders, issuing new decrees which undercut the autonomy of the unions. The labour movement became divided between those who submitted and those who sought to resist. Even the latter felt obliged to make concessions in order to fend off state repression. The government used stick wielding thugs to break up meetings and labour leaders were detained without trial. The fate of the Ogoni activists who were arraigned before a sham tribunal and hanged in 1995 underscored the length to which the regime was prepared to go in repressing dissent (Andrae and Beckman 1998).

When Abacha died in 1998, military rule had been profoundly discredited and a swift transition to civilian rule was effected. Obasanjo, a general and former head of state with liberal credentials and good international connections, was elected president in 1999. The ban on the NLC was lifted and a new labour leadership, was elected. The new NLC president, Adams Oshiomhole, was drawn from the textile workers union which had played an important role in organising the resistance to efforts by the Abacha government to take control over the labour movement (Andrae and Beckman 1998). Unions had kept a distance from the forces both at home and abroad which sought to overthrow the Abacha dictatorship and they had little direct influence on the politics of the transition. Their defence of unions' rights, however, contributed to sustain some level of organisational autonomy and integrity at the level of civil society.

The prolonged crisis has exacerbated sectional grievances and undermined popular commitment to the national project. The reconstruction of the labour movement itself was high on the agenda of the new leadership. Simultaneously, it saw new avenues to influence the direction of public policy. In the past, the weak and erratic response of the state to the problems of economic crises and reform had paralysed economy and society. The state is deeply discredited and needs to cultivate the few lines of popular political legitimation that may be open to it.

The capacity of the new NLC to intervene in policy and muster broad popular support was demonstrated in the June 2000 general strike protesting a 50 per cent increase in local petrol prices. The government signed an agreement on resumed lending with the World Bank in late May. A few days later the price increase was announced. An adjustment to world market prices had been a longstanding demand by the Washington consensus institutions. The decision, however, was not preceded by any consultations either at the parliamentary or civil society level. The NLC threatened a general strike and refused to accept a compromise offer where the increase was cut by half to 25 per cent. It insisted that it had not been consulted and that therefore no serious discussions about possible future increases could be entertained until the government had first restored the original price. The strike action met with wide national support and was joined by market women and other popular groups, causing a virtual paralysis of economic life in major cities and the transport system generally. Students boycotted schools and engaged in demonstrations and agitation. Other civil society groups joined the protests and even parliamentarians representing the ruling party disassociated themselves from the government position. Also some State Governors expressed understanding for labour's intransigence. After a five-day strike a compromise was reached allowing for a 12.5 per cent increase. The Head of State apologised to the nation, admitting that the first drastic increase had been a mistake. An official statement signed by both parties said that a joint committee comprising various interests groups and the federal government would be formed 'to review all aspects of products supply and distribution sector of the Nigerian economy and make recommendations' (Nigerian daily press reports, mostly Vanguard, <http://www.vanguardngr.com>).

The success of the June 2000 general strike may tell us as much about the weakness of the state as of the strength of the unions. It served, however, to reactivate a public image of the labour movement as a force in enhancing people's capacity to mobilise and influence the state. It added weight to union

and popular participation in the reform process generally. The new government has initiated an extensive reform programme in consultation with the the Washington consensus institutions and lively debates take place within the labour movement. On electricity, for instance, the NLC president has come out in support of privatisation while the General Secretary of the National Union of Electricity Employees is against, although participating in the Power Sector Reform Implementation Committee alongside the local World Bank representative (NLC-CRD Seminar, Lagos, February 2000; Interview with P Kiri-Kalio, GS, NUEE).

Other protracted struggles concern the implementation of a national minimum wage. Government 'wage awards' have played a leading role in wage setting since the late colonial period, reinforced by the dominance of the public service employees and their unions in the wage economy. The awards have served as a benchmark for much of the formal private sector. A general strike in the early 1980s by the newly formed NLC forced a doubling of the minimum wage. By the end of the decade persistent pressures from the NLC obliged the government to accept another major revision after a decade of rapid erosion. High rates of inflation and repeated devaluations continued to cut workers' real income. In some successful, commodity producing sectors, like in textiles, unions were able to obtain compensation from employers but the dominant public sector unions were paralysed by the erratic, irresponsible and corrupt management of public finances. As the Abacha regime collapsed in 1998, the new leaders agreed to major wage increases which, on second thought, they decided to revise downwards, causing a conflict with the new NLC leadership. By mid-2000 the new wage levels remain to be implemented fully. Local agitation and strike action have been boosted by support from the NLC.

In the context of massive misappropriations of national resources by political and military elites, fighting the grotesque impoverishment inflicted on workers in the public services is an obvious priority of the Nigerian unions. In arguing their case they also emphasise the need to revamp the debased public services themselves and raise the quality of the services offered. A sustainable living wage for public sector workers can only be achieved as a part of such wider strategy of reform and the capacity of Nigerian unions to play a constructive role in that context remains to be tested. Apart from some areas where privatisation is contemplated, little has as yet been achieved on this front.

The Nigerian Textile Workers Union

The basis of union capacity to intervene in the reform process and defend popular interests needs to be traced to the balance of forces in the organisation of work itself. This will be illustrated here by drawing on the conclusions from my study of the development of the Nigerian textile industry during two decades, from the late 1970s to the late 1990s, undertaken with G Andrae (Andrae and Beckman 1998). Nigeria's textile workers are organised in the National Union of Textile, Garment and Tailoring Workers of Nigeria (NUTGTWN) which was established in 1977 as a result of the reorganisation initiated by the state, amalgamating previous rival industrial and house unions. It allowed for the compulsory deductions of union dues ('check-offs') by management once a majority of workers had joined the union, providing a strong financial basis for hiring staff, renting offices, paying for transport, and organising meetings. In most companies, union branches had a tradition of competitive branch politics with regular elections, mostly with high participation. The 1976-78 reforms facilitated industry-wide collective agreements, generalising conditions of service from the better organised firms to the unionised part of the industry as a whole. The industry faced a major crisis in the early 1980s due to over-expansion, stagnating markets, and smuggled imports. It was aggravated by the foreign exchange crisis which followed on the decline in petroleum sales. The union negotiated higher redundancy payments to discourage lay-offs and induce companies to hold on to excess workers while waiting for better times. Both closures and retrenchments were subjected to collective bargaining at the plant level. The scope for making companies show restraint was enhanced by the latent threat of a violent breakdown if the aggrieved workers felt badly treated.

Real wages declined fast as consumer prices rose while government imposed a wage freeze. The union circumvented it by negotiating allowances, bonuses, incentives and other 'non-wage' payments. The employers were in most cases obliged to accept whatever the local balance of forces seemed to suggest as reasonable. A modest consolidation of the textile industry, at a reduced level of output, provided openings for a union wage offensive as the wage freeze was lifted but achievements at the bargaining table continued to be undermined by inflation. The scope for making sustainable gains was limited in a context of extreme macro-economic instability and decaying public institutions. The system of orderly, periodic collective bargaining was disrupted and new proposals

for fresh negotiations had to be drafted as soon as an agreement had been signed. Yet, the textile union was notably successful in the new type of bargaining game. The recovery in employment was sustained despite the decline in local markets thanks to exports, largely unofficial, to the West Africa region. By the late 1990s the textile union had some 75,000 members despite decades of restructuring and national decline. An average textile worker had recovered roughly half of his 1981 wage in real terms while most public sector employees had been able to keep less than one-quarter of theirs. The balance within the labour movement had shifted in favour of commercial and commodity producing unions.

We see a remarkable capacity of both industry and union to restructure and adapt to new market constraints in a volatile and disruptive policy environment. In particular, we note the ability of the workers to sustain a continued and deepening process of unionisation – a union-centred labour regime – founded in the militant self-organisation of the workers, and providing an autonomous political basis for union bargaining power. It related in particular to the upper echelons of the industry, the large, integrated textile mills which dominated in terms of output and formal employment and which controlled the textile employers' association. The achievements at that level, however, tended to be diffused further down the scale, to smaller, single-process firms which were more hostile to the union. The diffusion was promoted by industry-wide collective bargaining in combination with active union enforcement. We see a paradoxical expansion and vitality at all levels of the organisation at a time marked by overall economic decline as well as by labour's diminishing share in the cost structure of the industry. Production was reorganised, with more machines managed by fewer workers and labour controls were stepped up. The process provided for the emergence of a better organised and more qualified work force. The upgrading of competence and work discipline went hand in hand with the generalisation of collective bargaining. The union assisted managements in disciplining labour, but achieved at the same time an extension of workers' rights in the work place. The union's ability to supervise and challenge managerial practices of labour control was enhanced. The generalisation of collective bargaining at national and company levels accelerated the modernisation of the industry. Confronted with a powerful union, weak companies were obliged to either restructure in line with 'industry standards' or fold up.

Our evidence suggests that the union had a genuine base in the self-

organisation of the workers. It was reflected in its mode of responding to workers' grievances and what it achieved in these respects. It also manifested itself in the political process at the branch level, and the scope it offered for influence and control from below. We saw evidence of accountability rooted in the militancy of the cadres at the shop-floor and their preparedness to challenge and defy union officials when feeling short-changed. It constrained co-optation by state and management while simultaneously providing the union with a basis for confronting the latter and exacting genuine concessions on behalf of the workers. The union had to be accommodated; it could not simply be repressed. The prevailing conditions of crisis and shifting policies reinforced the imperatives of accommodation as the firms faced dislocations and shortages and the need to restructure production. Rather than to risk provoking 'spontaneous', unpredictable, and potentially violent forms of labour resistance, the employers sought to enlist the co-operation of the union.

Our study pays particular attention to the wider societal determinants of this paradoxical development of a union-based labour regime in a context where union bargaining power would be expected to decline. Much of it, we think, can be ascribed to the constructive role of unions in the organisation of industrial production. Workers were weakly socialised into the role expectations associated with factory work, less accustomed to the indignities of authoritarian factory regimes, more prone to defy what they perceived as unacceptable working conditions and offensive managerial practices. In particular, they were prone to withdraw their labour if offended, either temporarily in some form of industrial action, or by leaving the factory. Union leaders spoke of the mentality of 'damning the consequences'. The insertion of industry in a surrounding culture of independent production made the moulding of workers to fit the requirements of factory work more difficult.

The militant self-organisation of the workers was conditioned by the way industry was situated simultaneously as islands of wage work in a sea of independent producers, and, within the wage economy, as the junior partner to the dominant public service sector. The strength of the union lay in its ability to give organisational cohesion to the forces on the ground. The acceptance of its leadership by the workers, at least for most of the time, was assisted by their understanding that unions were natural participants in the organisation of the work place, also in striking contrast to other early industrialising regions of the world. It was based on

expectations derived from already established patterns in the public services as further generalised by the 'corporatist pact' of 1978.

Far from being a hindrance to industrial restructuring, the union played an active part in the upgrading of the industry. The unconsolidated nature of the industrial working class reinforced the centrality of union mediation in the labour regime, making the union itself a crucial agency of consolidation. The process had two sides. On the one hand, it involved the formation and skill formation of labour in terms of the requirements of the production process. New workers were educated about proper behaviour by union cadres. Managers appealed to the union for help when they themselves failed to control unruly workers. On the other hand, the union was an instrument of the development of a collective identity, expectations of rights, and the promotion of collective interests. The two sides went together: rights and duties. In both respects, it involved asserting leadership, enforcing discipline, and providing cohesion in a workforce, which was readily provoked into outbursts of independent, militant industrial action.

The centrality of the union was reinforced by the extreme strains on industrial relations imposed by the successive crises of the early 1980s and the subsequent changes in economic policy. The combined vulnerability of both labour and capital in this situation enhanced the dependence of both parties on the union as a mediator. To the workers it offered a defence in a situation where their bargaining position was extremely weak. To the managers, the union provided an unofficial ally in the difficult process of adjusting the industry and its work force to the drastic changes in markets and production conditions.

The experience of the Nigerian textile union points to the paradoxical development of a union-based labour regime in the midst of profound national, economic and political crisis. The persistence of union power can be explained in terms of the interaction between national state regulation (a 'corporatist pact'), the dynamics of working class formation ('workers' self-organisation'), and union mediation. The experience suggests that trade unions may play an important role in overcoming some of the institutional deficiencies that go with the unconsolidated nature of capitalist relations of production. They promote the formation of an industrial working class capable of entering into long-term contractual relations with both state and capital. In doing so, they contribute to the formation of capital itself as an agent capable of enrolling labour in productive work.

The textile union also became engaged in struggle over state policy, its

direction and implementation. It sought to restrain the state from intervening in support for the despotism of some employers and to enlist its support in the effort to extend constitutional work place relations and defend work place legality. It obliged the state to develop its own capacity to regulate labour relations, an important precondition for capitalist production at this conjuncture. This could be seen, for instance, in the involvement of the union with the police, the courts and the local representatives of the Ministry of Labour. These were used at an early point by employers to victimise labour activists and union organisers but came under increasing pressure from unions, their lawyers and political allies, to respect the law of the land. In disciplining the state from below, the unions contributed to the process of state formation. Unions added to the forces in civil society that made democratic demands on the state, claiming civic rights for themselves and their members, including rights to organise and bargain collectively.

State institutions and laws depend on acceptance and enforcement from below by the social groups which are affected. The textile union pressurised the agents of the state into upholding the constitutional legality of the emerging union-based labour regime. But the process also worked the other way. By giving legal recognition to the social forces on the ground, the state contributed to the strengthening of the unions as social institutions. The democratic content of the latter was enhanced through the struggles for the rights of organisation. The state was under pressure to be more responsive, especially to those institutions which had grounded claims to represent their members and a capacity to lead them in defiance of authoritarianism.

Comparisons, implications, and conclusions

A major difference between Nigerian and South African unions relates to legal underpinnings of institutional autonomy. In South Africa unions have played a leading role in initiating and negotiating the basic labour laws that regulate union rights. This is not the case in Nigeria where unions operate within a legal framework which is the result of state intervention and imposition. Although partly successful in defending their autonomy within a state stipulated order, it makes Nigerian unions vulnerable to further, hostile state intervention, as demonstrated in 1988 and 1994 when the government dissolved elected executives and imposed state administrators. Still, there is a difference with Uganda where unions are too weak to

compel state and employers to uphold the recognition of unions prescribed by the Constitution. In this respect Nigerian unions have been strong enough to defend the formal rights conceded by the state under the imposed 'corporatist pact', even if unable to prevent the state from also using the pact as a platform for intervention. Their capacity to defend themselves against such interventions depends on the ability of workers to come out in support of their organisations and leaders, even when risking their employment. Their willingness to take such risks, however, also depends on the union's past record of protecting their members against victimisation. It is a mutually reinforcing process that can work both ways and generate either a positive or negative path dependence.

The experience of the Nigerian textile workers' union seems to suggest that the groundwork has to be laid at the level of the individual workplace. Its success in this respect created a basis for its ability to play a leading role in the defence of union rights against state suppression during the Abacha dictatorship. This again gave it a central role in the reconstruction of the NLC after the demise of Abacha, and a basis for intervening credibly on a popular democratic platform in the process of economic and political reform as in the battle over petrol prices.

The differences in the (lack of) consolidation of a union-based labour regime are reflected in differences in the capacity of the unions to engage in defence of wages and working conditions. South African unions may not feel that they have been able to achieve what they have set out to achieve in this respect. Yet, the level of recognition has ensured genuine collective bargaining for most categories of workers. The intervention by the South African government in 1999 to restrict public sector wage increases was widely rejected by the labour movement as undue interference in collective bargaining. In contrast, the suppression of unions in Uganda has allowed private employers to fix wages and working conditions at will, shifting to forms of casual labour with a minimum of obligations relating to social security, maternity leave, etc. The Ugandan government has stalled in implementing promised increases in minimum wages for years without unions feeling able to do anything about it.

In Nigeria the picture is more mixed. While based on a common legal framework, the labour regime has developed very differently in different sectors of the economy. In textiles we find that a union-based labour regime is well advanced and has been effectively used in protecting the interests of the workers. Elsewhere, as in much of the public sector, the experience

of collective bargaining is weak. Wage levels were the outcome of national negotiations over the minimum wage. Unions which were once well established have found themselves helpless in the face of decaying management, especially after the state's take over of the NLC in 1994. The restoration of the NLC in 1999 has reactivated central negotiations on the minimum wage but also bargaining based on individual unions as in the case of the teachers.

Are wage increases in the interest of the poor? This may vary from case to case. It is in the interest of the development of African societies generally, including their most impoverished sections, that African industry becomes more productive and competitive. It depends on many things, including the efficient provision of economic infrastructure and public services. In much of Africa it is clear that the massive destruction of workers' real income in the past has not been part of a productive 'race to the bottom' making low-cost African labour more competitive and attractive in the global investment plans. The decline in the ability of African workers to feed themselves and their families is not primarily part of some global adjustment of labour costs but of the destruction of the productive base itself. Raising the productivity of labour in the context of modern industry and public service provision requires the upgrading of labour and its skills in participating and performing effectively in an industrial and administrative environment. To achieve this, the work force needs to be stable, secure, well-trained and responsible. A living wage is part of it. The experience of the Nigerian textile industry suggests that trade unions can play a vital role in the process of industrial restructuring, facilitating the upgrading of the competence and organisation of the labour force, raising both wages and productivity.

Our general argument suggests that the consolidation of union-based labour regimes allows unions to play an active role in the reform process and in defending popular policy options and access to public services. This has clearly been the case in post-apartheid South Africa where unions have been active at all levels, both in developing the general reform programme and in reforms at the local and community level. The Municipal Workers Union (SAMWU), for instance, has been involved in local bodies seeking to reform municipal structures which are based on the administrative and financial segregation that was inherited from the apartheid order. Unions in health and education are engaged in sectoral reforms. There is a widespread resentment within the unions that the scope for such popular

participation has diminished as the post-apartheid order has consolidated itself, generating its own political and administrative cadres. While such a shift may be inevitable, unions continue to appear as active stakeholders in the reform process. In Uganda such participation seems out of reach for the time being. The decentralisation of control over public services, however, may generate some modest scope for activating local unions in monitoring the use of public funds at the local level, contributing to the expansion of the public space (Sjögren 1999/2000). This again may be a precondition for the development of autonomous popular organisations capable of intervening in the reform process.

In the Nigerian context some unions which are directly affected by public sector reforms, as in the case of privatisation of electric power supply, have been included on public committees. It reflects a government effort to secure acceptance for reforms which in the past could be expected to meet with strong union resistance. It remains to be seen if unions will have an effective input in the process or merely serve as hostages. The effective suppression or neutralisation of the national leadership during much of the 1990s have led to a discontinuation of earlier attempts by the NLC to make itself relevant in the context of reform. During much of the 1980s, the NLC produced its own policy platforms, like the 'Workers' Charter of Demands' of 1980, in speeches at National Conferences, May Days and seminars, and commentaries to federal budgets and policy statements (Beckman 1995). Occasionally, the NLC had backed the demand and strike actions of unions and associations in public institutions such as hospitals and universities with specific reference to the need to rescue these institutions from decay in the general interest of the workers and their children. Unlike in South Africa, there have been few attempts by unions to engage more directly with the state over public services and welfare policies or participate in developing institutions for such dialogue. Occasionally, unionists have been admitted into government policy bodies on an individual basis, like the controversial 'Vision 2010 Committee' set up by Abacha. In attempting to influence government policy, unions have had the option of resisting or engaging in dialogue. In the experience of the past it has been more of the former than the latter. The successful general strike over petrol prices in June 2000 was, of course, a show of resistance but it is likely to oblige the government to involve unions and other organisations in more serious dialogue over its reform programme. It creates a new scope for political bargaining where unions are likely to press their own demands in alliance with other civil society groups.

How 'popular' are such demands likely to be? Will unions speak for the most impoverished sections of the population? Not necessarily, but both the South African and the Nigerian experience suggests that unions are likely to voice broad popular demands, partly out of concern with their own political base and the need to engage in alliances to avoid isolation and enhance impact, partly out of a perception of their own role as the guardians of popular concerns in a context which they suspect to be dominated by self-seeking elites.

There is an awareness among economic reformers of all shades about the need to develop institutional capacity to sustain reforms. It is not enough to 'get your policies right', you must ensure that they are institutionally grounded, sustained and reproduced. There is also a realisation that the political problem lies as much with the institutions of civil society as with those of the state and that the two are, in fact, intimately connected. The problem with the liberal vision is that it has difficulties in identifying the social carriers of their programme, except in terms of right-thinking technocrats who are supported by international finance institutions and insulated from local political pressure that threatens to derail the reforms. Most existing organised interests, and trade unions in particular, tend to be dismissed as vested interests of an old, discredited social order.

This paper has argued that a union-based labour regime is a central civil society institution capable of contributing to capacity building in support of sustainable reforms.

Are poor people likely to identify trade unions as capable of representing their interests vis-à-vis the state? Not necessarily. It is not improbable that most poor people will feel obliged to seek protection and patronage from whatever forces that seem most likely to be in control of the state. They may consider themselves to have few options but to tolerate autocratic and technocratic governments and hope that these will perform reasonably well in terms of peace, order and economic development. But how credible is such an option? What will prevent fractious, incompetent, and repressive autocracies to continue to obstruct serious change, as in Nigeria? Nigeria is not unique in having central state institutions that lack the competence and legitimacy to carry out meaningful economic and political reforms.

Where do good institutions come from? How will the reform impetus be sustained politically? This paper argues that the search for institutional capacity for reform may find a point of departure in the experience of conflict regulation in society and the organisation of interests to which

such conflicts give rise. Viable institutions are those which recognise and respect these conflicting interests and assist in developing agreements among the parties concerned around procedures for managing the conflicts. The experience of the Nigerian textile workers union obtains its wider significance in the context of such wider processes of institution building at the level of society, of capacity building from below. We saw how the institutions for regulating conflicting interests in the industry interacted with and reinforced a process of capacity building at the level of the state. The constitutionalisation of labour relations at the level of industry placed pressures on the institutions of the state, the police, the courts, and the labour ministry officials, to abide by the rules and respect the contractual relations between workers and employers. There was a clear link between politics at the work place and a process of institutionalisation at the level of the state, reinforcing the reluctant support of the state for organisational rights and interest group autonomy.

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