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The Remote Causes of the Oil Workers' 1994 Strike in Nigeria*

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Abstract: Much of what was presented to the Nigerian public and the international community regarding the 1994 oil workers' strike in Nigeria centred on government propaganda – mainly the illegality of the strike and its alleged subversive character. The paper examines the remote causes of the strike – traceable to long-standing deep-seated grievances some of which transcended the internal state of the workplace though central to production. This included the socio-economic deprivations and marginalization suffered by the oil-producing areas in Nigeria. The paper indicates how workplace issues are invariably interwoven with the social, economic and the political spheres and therefore argues that the critical issues that gave the strike its essential character emanated from the social and economic spheres – critical governance issues that cannot be explained simply by 'political motivation'.

Résumé: La plupart des faits relatifs à la grève des travailleurs du pétrole, de 1994, présentés au public nigérian ainsi qu'à la communauté internationale, sont influencés par la propagande gouvernementale (évoquant le caractère illégal de la grève ainsi que sa nature soi-disant subversive). Cette communication examine les causes profondes de cette grève (liées à des conflits de longue date, dont certains dépassaient le milieu de l'entreprise, quoique étroitement liée à la production). Parmi celles-ci, on relève les carences socioéconomiques ainsi que la marginalisation dont souffraient les régions productrices de pétrole au Nigeria. Cette communication montre bien comment les questions professionnelles sont invariablement liées aux domaines social, économique et politique, et soutient donc que les problèmes réels à l'origine de cette grève sont de nature sociale et économique (d'importantes questions de gouvernance qui ne s'expliquent pas uniquement par une prétendue «motivation politique»).

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Introduction

Much of what was presented to the Nigerian public and the international community regarding the strike action by the National Union of Petroleum and Natural Gas Workers (NUPENG) and the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) centred on what the government termed the illegality of the strike, and the government's view that the strike action was politically motivated. This was also used as an effective weapon of propaganda against the strikers – especially as it was dressed in ethnic garb. Even the press releases of the strikers that aimed to put the record right were rarely able to capture the complexity of the events that led to the conflict. Hence, a large section of the Nigerian public (including those that gave the strikers huge support) mainly conceived of the strike in terms of its political motivation. It was a period of political crisis, and the consensus among large sections of Nigeria was that the military should quit power.

We argue in this paper that the political component of the strike was more a culmination of deep-rooted remote causes. It was, therefore, not merely the political inspiration (in terms of democratisation) that gave the strike its impetus and the strikers their resilience, nor was it the political motivation that produced the rare ingenuity of a combined action by the junior and senior segments of the industrial unions. The issue is to understand how the remote causes of the strike manifested themselves in its immediate causes and in the overall character of the industrial action. The reasoning of the oil workers (against the backdrop of the remote causes) was that misrule leads to mismanagement, which adversely affects working class interests, with consequent industrial conflicts. The underlying conflicts that gave the strike its unique character were located in the remote causes of the strike, which we endeavour to articulate in this paper.

Background to the Oil Workers' Strike

The 1994 oil workers' strike remains one of the most co-ordinated efforts by any segment of civil society in the country towards ensuring the exit of the military and the return to civil rule, but its narrow conception merely as a 'political strike' tends to understate its sociological significance and consequently drown its enriching lessons for conflict resolution and peace building in the wider Nigerian society. This is

because such views veil the origin of the conflict and its important interface with other social variables that have significance for social justice, political development and national integration in Nigeria.

From the political standpoint, the annulment of the results of the June 12, 1993 presidential elections by the Babangida-led military junta was a landmark in the political history of Nigeria in general and the movement towards democratisation in particular. The elections were acclaimed by observers both local and international as relatively the best that Nigeria ever had – free and fair.

Several forms of protest followed the annulment. These included the pro-democracy groups, trades unions and some prominent Nigerians who spoke out against the annulment. There were also various press statements by the Central Working Committee (CWC) and the National Executive Council (NEC) of the Nigeria Labour Congress (NLC), condemning the annulment and asking for the official release of the election results and the swearing-in of the winner. Contestation against the annulment included strike action by some state councils of the Nigeria Labour Congress, the court boycott by lawyers in Lagos and Ogun States and the stay-at-home protests organised by a coalition of human rights organisations and pro-democracy groups under the Campaign for Democracy (CD).

The CD-led civil disobedience was significant, because its stay-at-home campaign was carried out by workers in both public and private sectors of the Nigerian economy, especially in the southwest region of Nigeria. By their participation, the workers by implication temporarily withdrew their services. Such protests took place in July 1993 and August 1994. The first round of the oil workers' strike took place at the height of these agitations. The NLC in its condemnation of the annulment also threatened a strike from 28 August 1993, if the junta failed to disengage from power by its stated exit date of 27 August 1993. The civil unrest that resulted from the protests led to the unceremonious exit of General Ibrahim Babangida from power, and to his replacement by the Interim National Government (ING) headed by Chief Ernest Shonekan.

The installation of the ING did not stop the protests. On 28 August 1993, after barely two days of the ING, the Nigeria Labour Congress (NLC) called out its members on strike, to press for a return

to democratic rule among other things. The strike was officially called off on the second day. The oil workers, however, refused to call off their strike and accused the NLC of betrayal – for calling off the strike without gaining any reasonable concession. The continued oil workers' strike caused problems in other sectors of the economy – especially as workers were dislocated because of a fuel shortage and a consequent transport crisis. At this point, it became clear that the oil workers could, after all, go it alone.

The next important event was unexpected: a 700 per cent increase in the oil pump rate, from 70k per litre to N5 per litre, was announced on 8 November. A meeting of the CWC of the NLC took place on 11 November 1993, as a result of which it was decided that workers should commence strike action by 15 November. The protests that this generated paved the way for the take-over of government by General Sani Abacha on 18 November 1993. He then reached a 'compromise' with the NLC leadership on a lower pump price of petroleum – at N3.25 per litre, with a promise to effect a corresponding increase in workers' pay. Further increases by the Abacha administration hiked the petroleum pump price to N11.00 per litre, without any increases in workers' pay throughout his tenure.

On assuming power, General Abacha made no pretence regarding his intention to adopt repressive measures to deal with social disorder. This stance was at once employed in dealing with civil society institutions – a clampdown on opposition, arbitrary arrests, and detention without trial or outright assassination of members of the opposition, social critics and human right activists. Meanwhile, the acclaimed winner of the 1993 presidential election, Chief MKO Abiola, declared himself president. He was arrested and detained by the military junta for treasonable felony. Abiola later died in detention on 7 July 1998 in suspicious circumstances.

The oil workers' strike was to become a major challenge to the 'conquering spree' of the Abacha junta. The anniversary of the annulment of the June 12, 1993 presidential election, which began in June 1994, provided the social environment enabling the oil workers to articulate their grievances into a dispute with the Abacha administration.

At the plenary session of the National Executive Council (NEC) of NUPENG held on Saturday 18 June 1994, at the Petroleum Training

Institute (PTI), Effurun, Delta State, Nigeria, the National Executive Council deliberated on the issues of the deteriorating political situation in the country vis-à-vis the worsening economic crisis in the oil industry, as well as the poor conditions of service of the petroleum tanker drivers. The meeting observed that the prevailing political and economic situation had led to company closures, job losses and huge debts owed to the oil industry companies, because of the non-payment of contract bills by the government (NUPENG 18 June 1994). This provides a clue to understanding the strike of the oil sector unions. Apparently, the government was at this time concerned with its hegemonic project and diversion of economic (financial) resources in the direction of what has come to be widely known as ‘the politics of settlement’; that is, the use of financial inducements in the pursuit of its hegemonic agenda.

Some of the ten-point demands of the oil workers, which led to the strike, included the immediate payment of about eight hundred million dollars (\$800m) debt owed to the oil companies by the Nigerian National Petroleum Corporation (NNPC), which represents the Federal Government in the industry, the immediate implementation by the National Association of Road Transport Owners (NARTO) of the interim award for tanker drivers – as agreed upon between it and NUPENG – and the commencement of negotiations for improvements in the conditions of service of the drivers, the immediate implementation by the Petroleum Training Institute (PTI), Effurun, of the National Industrial Court award on the remuneration of the workers of the Institute (to be in parity with other oil sector employees), the withdrawal of the Ministerial Circular of 17 January 1989, entitled ‘Release of Oil Industry Workers from Employment’, on the basis of which job losses were effected, the creation of an autonomous Petroleum Inspectorate Commission (PIC), to check widespread sharp practices, including the smuggling and illegal bunkering of petroleum products, and an immediate end to all forms of harassment and intimidation of members of PENGASSAN by some foreign-owned oil service companies.

A similar meeting of a section of the Private Sector Industrial Unions, and involving NUPENG, was held on 30 June 1994. The meeting resolved that the military should disengage forthwith, having failed to address the political and economic problems of the country. It also

demanded the immediate and unconditional release of Chief MKO Abiola and the re-opening of all closed media houses. It called on the NLC to convene an emergency meeting of the Central Working Committee to urgently address the pressing issues. In addition, it warned that should the Nigeria Labour Congress fail to convene the emergency Central Working Committee meeting, the Private Sector Industrial Unions should not be blamed for any action they might deem fit to take to address the aforementioned issues.

At the level of the NLC, a series of meetings was held involving affiliates of the union, including NUPENG. The NLC leadership under Pascal Bafyau was, however, regarded as unreliable, following the unprincipled position it allegedly often took on matters affecting the welfare of the workers and the nation.

Following the expiration of the deadline of 30 June 1994 that was given to the government to meet their demands, the oil workers began their strike on 4 July with a sit-at-home strike, which lasted for about two months. The effect was crippling on the Nigerian economy, as the lack of petroleum products affected all other sectors of the economy, forcing the strike on other workers. The strike was joined by PENGASSAN on the 12 July 1994.

The Abacha Administration branded the industrial action 'political', and argued that labour unions must be apolitical and only concerned with their traditional role, the economic welfare of their members. This orthodox view was, however, rejected by the strikers, who insisted on the political component of the demand – the immediate exit of the military and the official declaration and installation of the winner of the 1993 presidential election.

In their reaction, the strikers argued that their protest had come to transcend the specific interests of the oil workers, and extended to the interests of the entire Nigerian people. Insisting that the political aspects of its demand could not be separated from its other components (NUPENG 8 July 1994), the NUPENG National President, Agamene insisted that, 'it is very difficult under the present economic and political climate to isolate trade unions or economic struggles from political struggles'. Similar views were expressed by the Nigeria Labour Congress, which observed that as long as political uncertainty prevails,

the economic crisis would deepen and adversely affect the Nigerian worker (NLC 28 June 1993).

The strikers' awareness of the hegemonic project of the Babangida junta made them conceive of the crisis as a type of indigenous colonisation that should be fought using the weapons and strategies that brought independence to Nigeria. It is noteworthy that General Babangida acquired a great deal of knowledge of the country's politics, through his involvement in previous coups. He also employed gimmicks similar to those of the colonialists in ensuring that he remained in power, by manipulating ethnic and class located divide and rule tactics.

On 20 August 1994, the Secretary-General of NUPENG, Frank Kokori, was arrested and detained. This was followed by the arrest and detention of the President of NUPENG, Wariebi Agamene on 11 September 1994, the dissolution of the executive of the two oil workers' unions, as well as of the Nigeria Labour Congress, and the imposition of sole administrators on the unions on 17 August 1994.

The major objective of this paper is to identify the remote as distinct from the proximate causes of the oil workers' strike 1994 in a critical analysis of the events that led to the sustenance of the strike for so long. This is not to suggest that the immediate causes of the strike are less important, but that the less understood remote causes are just as important for an understanding of the character of the oil workers' strike. The strikers' demands had several components: economic, political and ethnic. We shall break these down into three related contexts, in the light of the remote causes of the strike. These are the socio-ethnic context, the economic-working class context, and the political context.

The Remote Causes

The Socio-Ethnic Context

The factors in this category concern the social deprivation, economic marginalisation, and political domination suffered by the oil-rich, but poverty-stricken minority ethnic groups in the Niger Delta area of Nigeria. The increasing awareness of the communities regarding their social conditions since the Saro Wiwa days and the repressive handling of their discontent by the government has tended to dispose them to

aggression and violence, a situation that leads to the harassment of the oil workers by the communities. Let us examine in some detail the ordeals of the oil-producing Niger Delta people. In doing so, we draw from two popular cases – the work of the late Ken Saro Wiwa, leader of the Movement for the Survival of Ogoni People (MOSOP), whom the Abacha junta hanged on 10 November 1995, and the case of the Ijaws – the ethnic group of the former President of NUPENG, who led the strike. While he was branded unpatriotic by the government, his people awarded him a traditional title of the Warlord of Ijaw land.

i) The Ogoni Struggles

The Ogoni struggle is part of the overall struggle of the oil-producing minority areas of the Niger Delta for equity within the Federal Republic of Nigeria. The grievance of these people derives from the fact that though they produced much of the oil revenue that sustained the nation, they remained impoverished – lacking even basic amenities that were easily available in non-oil producing communities. This discontent, however, dates back to the colonial period, and to the pre-war post independence Nigeria. As early as August 1965, for instance, the Ogoni youths were driven to riot against the Shell Company (Saro-Wiwa 1993).

As a minority ethnic group, the Ogoni were irked by the assimilation policies of the government of the Eastern region, dominated by the Igbos, who were the majority ethnic group in the area. The protests by the ethnic minorities against marginalisation and their agitation for separate states led to the creation of Rivers State in May 1967, when the Gowon administration created twelve states out of the three regions. Ken Saro-Wiwa's description of the creation of the then Rivers State as constituting the end of an epoch of domination, oppression and terrorisation' is a reflection of the expectations that came with this event.

That was just at the onset of the Nigerian civil war. After the war, the ruling classes transformed themselves into a peculiar bourgeois class. By the mid-1970s, oil had become the major source of revenue for the country, and hence, a major instrument of political domination and class formation. This period roughly coincided with the domination of the military in Nigerian politics and its ascendancy as a major ruling class (Adekanye 1993), particularly with regard to the military faction of the bourgeois class, mentored by the institutionalised

oligarchy of the Emirate in northern Nigeria (Diamond 1988). The above scenario, in combination with the effects of authoritarianism (in particular the denigration of Nigerian federalism by the military) meant that the freedom and liberties expected from state creation did not materialise for the oil-producing minority peoples. Part of the problem was that the ascendancy of the military as a major ruling class and its authoritarian principles brought fundamental (and often incessant) changes to the revenue allocation formula, especially as it affected the derivation principle (Gboyega 1996).

Given the consequent frustrations of more than three decades, the Ogoni resorted to a somewhat separatist posture in 1994, despite their opposition to Igbo separatism in 1967 and their active support for the Federal Military Government during the Nigerian civil war. Many of the demands of the Ogoni people were contained in the Ogoni Bill of Rights, presented to the Babangida administration. Let us examine how the Federal Government handled the protests.

In May 1992, the Federal Government proscribed pressure groups exclusive to the oil-producing areas. Second, following the signing of the Ogoni Bill of Rights in October 1990 (which among other things demanded for the right to the political and economic control of Ogoniland by the Ogoni), the Federal Military Government reinforced the surveillance of the area with an intense military presence, a move various analysts condemned. According to Gboyega, 'the army's massive use of force and human right abuses in Ogoni land, government's insensitivity to allegations of genocide indicate that repression rather than negotiation and accommodation is governments preferred solution' (1996:177). The authoritarian handling of the struggles of the Ogoni and other Niger Delta communities can be understood in the light of the role played by oil as the most significant conditioning factor in the accumulation process, the control of the central government and class formation within the Nigerian state.

The sheer magnitude of the oil surplus appropriated internally through the state contributed to an acceleration of the process of class differentiation through the legitimate, illegitimate and illegal appropriation of the oil surplus by various fractions of the dominant class. The temporary incumbency of the military and the bureaucracy provided an opportunity for acquiring a private fortune and thus a more secure bourgeois base (Ohiorhenruan 1989:73).

Adekanye (1993) similarly observed that the Nigerian military transformed itself over time from the Cinderella of occupational groups that it was at independence to the most privileged occupational group in the country. The combination of the monopoly of the coercive apparatus with the function of government for so long enabled the military to transform itself into a distinctive social class using the state bureaucracy to accumulate capital (Adekanye 1993). These may explain why the Abacha military junta descended so ruthlessly on the strikers, just as it did on the agitation of the oil-rich Niger Delta community.

ii) The Ijaw Struggles

The Ijaws similarly alleged, among other things the absence of social amenities and infrastructure in their land, despite their huge contribution to national resources, the absence of channels for the supply of petroleum products in their land, with the result that fuel cost about ten times in Ijawland compared to other parts of the country, the consistent denial of their right to exclusive states like those occupied by the three major ethnic groups (Igbo, Hausa, and Yoruba) and the consequent loss of identity following the balkanisation of the Ijaws into five states, despite the fact that the Ijaw were the fourth largest ethnic group in the country, and the de-emphasis of the derivation principle as a criterion for revenue allocation since the prominence of oil as the mainstay of the Nigerian economy. On the last point in particular, a memorandum submitted by the group to the National Constitutional Conference Commission in February 1994 alleged a selective application of the derivation principle, especially in the non-oil producing areas of the country with royalties ranging from 15 per cent to 100 per cent being paid to groups and individuals. These grievances were part of the reason for incessant community aggression against the oil workers.

While working on this study, the researcher visited the Ijaw communities of Okoloma, where the almost complete absence of basic social amenities reflects a form of ethnic marginalisation. The journey from Iyanagoa, the nearest community on land to the Ijaw communities of Okoloma, was about two and a half hours by sea – using a speedboat. Since there is not one oil-filling station anywhere in this area, petroleum products are transported on speedboats by private enterprise. This makes the commodity more costly by more than 500 per cent,

compared to the cost in Port Harcourt. This is in spite of the fact that the communities are major producers of oil. The community lands are either muddy or virtually waterlogged, with neither access roads nor bridges. Such amenities as health and educational facilities are grossly inadequate – the few poorly equipped centres are sparsely located, so that distance made them inaccessible. Such amenities as light and pipe-borne water are non-existent. The riverside serves as an indiscriminate venue for all manners of activities – washing, bathing, toilets and drinking water. Housing facilities are grossly inadequate, with only a few modern (block/zinc) buildings. Chief Agamene, a member of the community and also the National President of NUPENG, laments:

The deprivations suffered by our people have made the educated indigenous aliens to this community. They prefer to migrate to various parts of the country where they can enjoy modern facilities, with only very few coming home occasionally during festivals. So, they contribute little or nothing to the development of the community. The result is that our people are culturally alienated with a vicious circle of backwardness.

Such bitterness arising from neglect fuels more revolt in the Niger Delta communities against the Federal Government of Nigeria and the oil companies, which made the oil workers the major victims. The National Vice-President of NUPENG (Lagos Zone), Mr Falaye, observed that: 'The inability of the companies to meet oil community demands (projects) has led to various community disturbances, which has led to loss of lives and properties in the companies' area of operations, and serious disruptions in oil production' (NUPENG 6 May 1994).

Let us examine how these are related to the activities of the Oil Mineral Producing Areas Development Commission (OMPADEC) – a commission charged with the development of the oil-producing areas, which featured in the demands of the strikers.

iii) *The Issue of the Oil Mineral Producing Areas Development Commission (OMPADEC)*

The Oil Mineral producing Area Development Commission (OMPADEC) was established by Decree No. 23 of 1992, by the Babangida administration, to manage the 3 per cent derivation fund allocated to the oil mineral producing areas, as a result of the struggles of the Niger Delta oil-producing areas. Most communities that were to benefit from

the commission's mandate were dissatisfied with its activities and complained that projects were imposed on them that rarely reflected the desires of their people. Moreover, most of the projects begun were left uncompleted. The researchers confirmed these allegations during their fieldwork. All projects associated with OMPADEC were abandoned half way. These included the jetties at the shores.

Following the complaints, the General Abacha junta, on 22 February 1995, dissolved the Board of the Albert Horsefail-led commission and appointed Professor Eric Opia as the Commission's sole administrator. After the latter interim report, the presidency appointed a four-man panel to inspect, assess and report on the projects and finances of the commission. The findings of the panel revealed that the commission was irresponsible with funds, with the inflation of contracts, misappropriation of funds, lack of accountability, honouring of questionable claims by contractors, execution of projects, without feasibility studies or effective supervision, and the abandonment of uncompleted projects. The report also noted that within three years of its operation, the commission had committed itself to projects worth more than N53.55 billion, regardless of the fact that its average annual revenue was N2.5 billion. This represents an over-commitment of more than N41.69 billion of its total revenue from the Federation account for the period. Even if no new contracts were awarded, it would take over 20 years to pay the contractual financial commitments. Also important is the observation that the commission embarked on some projects 'not economically conceived and not suitably cited' (*Newswatch* 27 January 1997).

It is noteworthy that in the absence of a democratic framework under the military, the responses were like personal favours from the Head of State and so they had only temporary palliative effects (Gboyega 1996:176). Hence, one of the issues disputed by the oil-producing areas was that irrespective of the under-emphasis on the derivation principle by subsequent governments of the Federation, the 3 per cent allocation by derivation (down from the 50 per cent that it used to be in the 1970s) was not to be managed by any democratic framework involving the people, but at the discretion of the president. One of the reasons for this was to enable the effective manipulation of the ethnic groups by the ruling classes, using their colleagues from the restive

ethnic groups. Members of OMPADEC for instance, were representatives of the ruling classes – loyalists of the military junta. They were not the representatives of the aggrieved people. Hence, though presented as a body for the development of the people, OMPADEC was in reality the Head of State's gift to members of the civilian fraction of the ruling class within the oil-producing minorities. In the words of Saro-Wiwa:

Our conclusion after watching the Commission in operation for one year is that our interest is not represented by the Commission. The Commission's methods allow room for jobbery and corruption. All its contract jobs are awarded by selective tendering and we know what that means in Nigeria. The contracts so far awarded have gone to cronies and associates of Commission members exclusively. Also irrelevancies are being trust on the Ogoni people (Saro-Wiwa 1993:27).

The irregularities observed with regard to OMPADEC were largely reflected in the United Nations fact-finding mission to Nigeria. Having found no significant impact of the commission in the area, the mission proffered a more or less liberal democratic solution as follows:

The mission recommends the constitution of a committee comprised of the representatives of the Ogoni community and other minority groups in the region to be chaired by a retired judge of the High Court for the purpose of introducing in the socio-economic conditions of these communities, enhancing employment opportunities, health, education and welfare services and to act as ombudsman in any complaints/allegations of harassment at the hands of the authorities. This committee may take recommendations for the government to carry out. Decree 23 of 1992 which created the commission [OMPADEC], left much room for inefficiency, financial wastefulness and mismanagement. The structure of OMPADEC on which its management was based was not healthy because the board members were on full-time basis thus playing the dual roles of policy makers and implementers. The arrangement did not augur well for the commission as it did not provide for any checks and balances (*Newswatch* 27 January 1997).

One of the most significant factors responsible for social conflicts and their resurgence in Nigerian society is, therefore, the lack of equity and social justice and also the lack of any confidence that the ruling classes will be guided by it. The Ijaw and Ogoni people of the Niger Delta

(among others) have sought for equity and justice since the 1950s. Having found it elusive, the communities resorted to the option of violence, with the oil workers as the immediate victims. Speaking on the prevailing situation in the Niger Delta in the late 1999 at the 17th International Conference of the Nigerian Association of Petroleum Explorationists (NAPE), President Obasanjo described it as 'a state of war' and regretted, that 'oil business has been hampered by community blockage, hostage taking and sabotage of products pipelines by militant youths of the area'. On its part, the British Government in its condemnation of the incessant attacks on the Anglo-Dutch oil firm, Shell Petroleum Development Company (SPDC), by the oil-producing communities absolved the firm from the problems of the Niger Delta people, rather blaming it on the government's insensitivity towards the development of the areas (*Daily Champion* 17 November 1999).

The reasoning of the government on the marginalisation of the oil-producing areas, which informed its repressive strategy in dealing with the case, is reflected in the pronouncements of government officials. A Minister of Information and Culture of the Federal Republic of Nigeria, Walter Ofonagoro, in an address to the Committee of Ambassadors of the European Union, at the Embassy of France in 1995 argued that other minority ethnic groups in Rivers State, such as the Andonis, the Ogba and the Egbema peoples, who equally produce oil, have neither embarked on a violent campaign nor social disruption as a means of seeking redress 'for their even stronger case of environmental degradation and developmental neglect' (Ofonagoro 1995:21). That was, however, before the Warri riots in 1997, which we treat hereafter.

In another reaction to the agitation of the oil-producing areas, Chief Philip Asiodu, a former Permanent Secretary in the Ministry of Mines and Power, with apparent ethnic arrogance, observed in a public lecture in 1980:

there is a long way to go to meet the claims of the oil-producing areas... Given, however, the small size and population of the oil-producing areas, it is not cynical to observe that even if the resentment of oil-producing states continues, they cannot threaten the stability of the country nor affect its continued economic development (cited in Saro-Wiwa 1993).

By 1999, however, the oil workers were proved right, as the Niger Delta conflicts transformed themselves into a national crisis.

Certain facts can be drawn from the above statements. First there was no attempt to evolve solutions (even coercive ones) based on equity and justice. Second, the deprived people were expected to remain acquiescent in the face of marginalisation and exploitation. Third, there was no genuine effort made to address the issues in dispute. The bedrock of the government's management of the conflict was repression by violence.

It was in consideration of the assault on the oil workers by the aggrieved and frustrated oil-producing communities that the strikers demanded that, the wretchedness of the people whose soil produces the wealth of this nation is redressed. As we work and live in the oil producing communities, we know and appreciate their ordeal. Unfortunately, the communities see us as agents of government who explore and exploit oil without regard to what happens to their lives. For this reason, we demanded that OMPADEC be restructured to effectively address the problems of oil producing communities (PENGASSAN 5 September 1994).

The Economic Context

i) NNPC Versus Joint Ventures Operators

A significant aspect of the remote causes of the strike derives from the financial problems associated with joint venture operation in the Nigerian oil sector. The NNPC, which is the sole administrative agency for petroleum matters in the country and the representative of the Federal Government in joint venture operations, failed to fulfil its financial obligations. By April 1994, the NNPC owed the oil companies some \$800m. The government's failure to fund its 60 per cent share of the operating cost of the companies sent jitters across the oil industry. Meanwhile, the producers unsuccessfully tried to persuade the government to get the NNPC to offset the debts through crude oil supplies. Disputes associated with the NNPC debt crisis and the inspectorate activities, both of which featured in the strikers' demands, had their roots in the 1993 conflicts.

Members of NUPENG and PENGASSAN embarked on a national strike on 7 June 1993, to protest among other things against the inability of NNPC to pay its debts, which according to the

unions dated back to 1992. The strikers also identified the irony of what they termed the outrageous affluence of the management staff of NNPC and the over-invoicing of contracts running into tens of millions of Naira. Workers of the Department of Petroleum Resources in the Ministry of Petroleum and Natural Resources, which undertakes petroleum inspectorate activities, also embarked on a strike action on 8 March 1993, to protest against among other things the refusal of the Ministry of Petroleum Resources to implement the directive of the Head of State on an autonomous status for the Department. The directive was meant to ensure effective monitoring of the oil industry. These issues re-occurred in the 1994 strike, because they were left unresolved by the NNPC, even after the unions called off their strikes on the basis of official promises to resolve the issues (Civil Liberties Organisation 1993).

Owing to the debts, some of the companies were no longer able to meet their obligations to their workers. The companies, as a last resort, embarked on a mass lay-off of their employees. The National Executive Council of NUPENG, on 18 June 1994, demanded that the NNPC should immediately settle the debts owed to the oil companies, which had led to company closures, mass redundancies/job losses and a downturn in the oil industry.

The situation was similar at the level of the senior staff in the oil sector. The Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) observed that as early as October 1992, an oil sector company – Geco Prakla – was alleged to have terminated the appointment of thirty senior staff members. Another, Dresser Mageobar, was reported to have followed suit in 1993, sacking an unspecified number of senior staffers. In April 1994, about thirty-eight members of another oil sector organisation – United Geophysical had their appointments terminated at gunpoint at the Warri Naval Base, and thereafter declined every invitation by the Ministry of Labour to settle the matter. In the 5 September 1994 communiqué, issued by the National Executive Council in Lagos, PENGASSAN alleged that in the preceding year, over 50 per cent of its members had lost their jobs, with no sign of any improvement in the situation.

Both NUPENG and PENGASSAN believed that the oil industry was viable enough to sustain its workforce, and hence that

the job losses were uncalled for. The recalcitrant posture of the oil companies may be explained by the huge amount owed to them by the NNPC, by the apparently corrupt activities in the corporation during the period (Gboyega 1996), and by the mismanagement of resources in the Corporation – issues observed by the strikers as well, and incorporated into their demands. In the 5 September 1994 statement, the PENGASSAN demanded,

that government take decisive measures to check sharp practices such as illegal bunkering of crude oil and smuggling of refined petroleum products... the creation of an autonomous Petroleum Inspectorate Commission (PIC) charged with the responsibility of checking and monitoring the activities of all oil companies to ensure that the nation is not ripped-off.

The events that followed the request reflected the moral climate of the area. The then Head of State, General Babangida, in his 1991 budget speech, announced the creation of the Petroleum Inspectorate Commission (PIC). However, the Commission did not take-off smoothly, and was, according to PENGASSAN, frustrated by interests representing the power blocks that Babangida depended upon to hang on to power. The ‘sacred cows’ were alleged to be involved in illegal bunkering of crude oil and smuggling of refined products.

Thus to the strikers, the problems in the oil sector in general and the NNPC in particular were largely caused by the unwholesome interference of the government in the running of the NNPC, hence a reasonable level of autonomy for the Corporation to enable it take profitable investment decisions. As one of the most politicised government corporations in the country, the NNPC has been riddled with corruption and mismanagement, as a result of incessant government interference. Between 1977 and 1994, eight chief executives were imposed on the corporation with a turnover rate of two years per chief executive.

ii) Replacement of Indigenous Senior Staff with Expatriates

Another important issue related to the above was the replacement of indigenous senior staff in the oil companies with expatriates. According to a press release by PENGASSAN entitled ‘Why We Went On Strike’, the union alleged that most of the service companies in the sector were replacing their members with expatriates, contrary to the indigenisation

law. The union cited several cases, including D.M. Oil Service, which as a result had twenty-two expatriates against six indigenous senior staff. The Association went on to accuse the Federal Government of complicity in the matter, on account of a circular, which dated back to 1989. According to the release;

The incident had significant bearing on the demand of the strikers that the government should abide by its own expatriate quota regulations and withdraw the obnoxious ministerial circular of January 1989, which empowered employers in the oil industry to terminate Nigerian workers and replace them with expatriates – even for such jobs as carpentry and painting.

iii) Tanker Drivers Versus NARTO Dispute

A dispute ensued regarding the renewal of the collective agreement involving between tanker drivers and owners (the National Association of Road Transport Owners – NARTO). On the expiration of the agreement on 31 August 1993 (more than eight and half months before the strike), NUPENG forwarded a memorandum of demand on behalf of the drivers to their employers (NARTO). Rather than negotiate with NUPENG on behalf of the drivers, NARTO asked the union to negotiate with the National Utility Commission. The drivers went on a two-day protest, during which time there were fuel shortages nationwide. An invitation from NARTO to NUPENG led to a meeting between the two parties on 28 February 1994. The meeting was adjourned to 17 March 1994. On that day, however, NARTO insisted that there was no basis for negotiation, since the government had not responded to their demand for increased freight rates. Thereafter, the union complained to the Federal Government and appealed to the Ministry of Labour to take an interest in the resolution of the conflict. But no positive response was received by the union. In a release of 9 May, entitled 'Memorandum to the Authorities: When Man Eat Flies', NUPENG cautioned that the silence of the authorities on the matter was insensitive and irresponsible.

The Wider Political and Economic Context

The oil workers' 1994 strike must also be accounted for by global economic, social and political factors, which have affected the notions of national sovereignty, human rights and liberties and the right to self determination of the indigenous peoples, as demonstrated by the Ogoni

and Ijaw peoples' struggles. The role of economic reform and pressures for democratisation need also to be highlighted. The deplorable social conditions of the Nigerian worker, for instance, are related to the imposition of Structural Adjustment Programmes (SAPs) by the Bretton Woods Institutions. The economic conditionalities of the SAP, formally introduced in 1986, centre primarily on the 'rolling back of the state' (a retreat from its hitherto social service orientation). A combination of the stifling effects of the SAP and the implicit deprivation of the people's concrete socio-economic rights, the lack of capacity by the state to meet its social responsibilities to the people and local and international pressures for democratisation, all played a role in the inspiration and militancy exhibited by the oil sector unions. This is the more so, as the discontent arising from social deprivation was compounded by the legitimacy crisis of military rule, and the disempowerment implied in the much anticipated but unrealised emancipation promised by economic liberalisation.

The devastating effects of the Structural Adjustment Programme on the socio-economic life of the people, the resistance of civil society to its authoritarian implementation, the denigration of federalism through the military command system and the use of repressive means to manage the resultant conflicts as part of their class construction produced a restive civil society from 1988 (Ake 1993, 1994, 1996a, 1996b, 2000; Bangura 1994; Beckman 1990; Olukoshi 1998). It resulted in a complex civil society and a politically sophisticated military, who in their resolve to remain in power increasingly manipulate ethnic cleavages and heightened the feeling of alienation, exclusion, marginalisation, distrust and suspicion (Olukoshi 1998). Bienen (1983) and Diamond (1988) have shown how the conduct of the ruling classes led to the Nigerian crisis through a combination of corruption, mismanagement and dictatorship. The resolution of the contradictions arising from these, however, was often sought at the expense of labour. Labour therefore, seem to have no better option than to get more involved in the political process.

During the early period of the economic crisis in the early 1980s, protests by labour unions were mainly aimed at averting the loss of jobs and rationalisation (Bangura 1986). From 1988 onwards, however, labour conflict may be explained by the deplorable socio-economic

conditions of the worker, which meant that concern for secondary or higher needs was diverted to a struggle for basic needs, the lack of which threatened survival and existence (Green 1989; Onimode 1989; Adesina 1991). It represented a qualitative shift from the 'electronics' poverty of the 1970s to the food poverty from the mid-1980s. This confirms the view that the adjustment programme was biased against the poor, and much of the adjustment burden was borne by the more vulnerable groups (Elson 1989; Muntember 1989; UNDP 1994; Zanini 1994). The social experience of the Nigerian worker since the economic crisis and adjustment, therefore, suggests anything but equity.

By the end of Buhari/Idiagbon administration in 1984, the exchange rate of the Naira to the US dollar stood at about N1.00 to \$1.00. It deteriorated to N20.00 to \$1.00 in 1992, and about N100.00 to \$1.00 in September/October 1994 – both rates on the parallel market. In 2000, the official exchange rate remains high at N80.00 per dollar. The price of fuel per litre was also increased several times during the adjustment period, with a more than 230 per cent increase in October 1994 alone. None of these increases were accompanied by a commensurate adjustment in workers' pay, quite apart from their multiplier inflationary impact on the Nigerian economy. Despite several increases in the price of petroleum products (including the 230 per cent increase in October 1994), and regardless of the gross devaluation of the Naira by about a hundredfold between 1985 and 1994, and the increases in the cost of social services because of the deregulation policy of the Federal Government, the increase in the minimum wage of the Nigerian worker was only about twofold during this period.

Moreover, like most authoritarian regimes in Africa, the administrations responsible for the implementation of the adjustment programme were not accountable. This created a moral crisis of its own and reinforced resistance, not only against SAP, but also against military rule in Nigeria. The apparent failure of SAP in almost all its core policy elements coincided with the collapse of socialism in much of Eastern Europe, so that by 1989, the World Bank and its mentors, who were reviewing their strategies for the implementation of SAPs, found an explanation for the failure of the programme in the authoritarian nature of the governments. Hence, political conditionality – democratisation – became the precondition for receiving any form of assistance from

the major creditors and the capitalist blocs. The underlying reasoning was that democratic governance makes accountability inevitable and adjustment acceptable. As a strategy to minimise hostility in Nigeria to the adjustment programme, in the way it was conceived and implemented, the nomenclature of 'SAP' has been de-emphasised or made silent, while the active implementation of the programme continues – as is evident in the recent budgets in Nigeria.

It is within the framework of the forgoing scenario that the political demand of the strikers can be best understood. The proximate determinants of the oil workers' strike had to do fundamentally with the breakdown in social order that followed the annulment of the June 12, 1993, Presidential elections by the Babangida-led military junta; the lack of security for lives and properties that followed it; the resultant socio-economic hardship that characterized the period; and the hopeless scenario presented by the dismantling of all political structures by the succeeding Abacha dictatorship, which refused to correct the anomaly (Onyeonoru and Aborisade 1998). It was, however, the underlying remote factors, which are most significant in understanding the character of the oil workers' strike. They gave impetus to the proximate determinants of the conflicts.

Conclusion

We have attempted in this paper to show that the 1994 oil workers' strike had its roots in remote factors that were fundamental to the survival of the sector. While the political demands were in line with the mood of the period – the exit of the military from politics – it was not the fundamental cause of the conflict. The projection of the strike by the government as politically motivated was ideological – to give legitimacy to its proscription of the executives of the oil workers' unions. The strikers' insistence on their political demand (which was an item in the ten-point demands) should, however, be understood in the light of the significance of the Nigerian governance crisis for the solutions sought by them.

The paper indicates that the essential character of the oil workers' struggle was largely determined by long standing, deep rooted, work-located discontents, at both the junior and senior levels of the workforce, which threatened the existence of the Nigerian oil industry. The

fundamental grievances, which the Abacha administration refused to address, have continued to haunt the Nigerian oil sector, despite the coercive 'defeat' of the oil workers' strike. The claims of the oil workers have been justified by the uncovering of widespread corruption in the sector by the Obasanjo regime, aside from its grappling with more violent attacks on oil companies and their workers by aggrieved oil-producing communities. These underscore the fact that conflict coercively managed or cosmetically resolved will suffer more severe and more complex resurgences – with more dangerous consequences.

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