LABOUR EXPLOITATION IN NIGERIA: A CASE STUDY OF UNION DICON SALT PLC LAGOS

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Abstract

The study examined labour exploitation in Nigeria with particular reference to Union Dicon Salt Plc., Lagos. The review of literature points to the fact that exploitation of the factory workers in the long run leads to strained relationships between management and staff. The situation becomes conflictual to the extent that both interest groups become antagonistic to one another. In carrying out the study qualitative method was used. Thus, in depth interview and observation technique were used in gathering data for the study, while both management and staff constituted the respondents. The study examined the nature and types of exploitation workers in the company undergo. The study also x-rayed some of the coping strategies adopted by some of these workers in order to survive in their work environment. In the final analysis, the consequences of the work life of the employee to his family life were ascertained. The study made some recommendations aimed at mitigating exploitation and industrial conflict.

Key Words: Exploitation, Capitalism, Factory workers, Dog-Eat-Dog, conflict.

Introduction

Africa is the least industrialized continent in the world. Perhaps apart from Egypt and to a lesser degree Nigeria and Algeria, Africa has no semi-s industrialized countries to compare with the numerous existing examples in Asia and Latin American (Huybrechts, 1979). Industrialization is nevertheless, proceeding slowly in most African countries, and in a few cases, Nigeria.

In 1971, there were fewer than 2 million workers employed in industries in the whole of Africa, and industrial production, expressed as a percentage of GDP, varied between 5 and 20 percent (Huybrechts, 1979). African industry is dominated by light industries, which account for over 70 percent of industrial employment.

The industrial sector of any country is the bedrock on which her economy exists. Based on this, nations are to a large extent measured by their level of industrialization, the desire to be counted among industrialized states is achieved through proper planning or as a result of cumulative effects of appropriate policies over time as was the case of Europe in the 18th century.

Since the Industrial revolution in Europe, the industrial sector has been experiencing conflict in both the public and private sectors, which is why Karl Marx calls for those that have their labour for sale to jointly overthrow the existing capitalist order. The industrial revolution in Europe (1860) and especially the French revolution (1789) demystified the powers associated with the ownership of means of production. This led to a secularized society.

Thus workers became aware of their rights. As a result, they started agitating and challenging their hitherto alienation from society and from their products and their dehumanization. This study examines the extent of workers exploitation in Union Dicon Salt Plc. with a view to alleviating the problems of industrial conflict that undermine productivity and growth.
Statement of Problem

As a result of division of labour, specialization of skills and a steady increase in the development
and sophistication of the means and forces of production that invariably lead to a corresponding increase
in human control over nature, there subsequently has been an increase in the level of workers alienation.
In Karl Marx's view, productive labour is the primary, most vital human activity in the production of
objects, people “objectify” themselves, express and externalize their being, and then lose themselves in
the object. The act of production then results in human alienation. This occurs when people regard the
products of their labour as commodities, or articles for sale in the market place.

Due to the demand for profit which determines the level of employment and wages, the nature
and quality of goods produced and their method of manufacturing, the workers see themselves as
prisoners of market forces over which they have no control. They are subject to the impersonal
mechanisms of the law of supply and demand. Marx referred to alienation as a separation, a detachment
of the worker from his work, the products of his labour, his colleagues and from himself. Alienation
describes both the separation of the worker from the value of his product and the process inherent in
capitalism, with its emphasis on the market and profit whereby the labour power of the employee
becomes a commodity for sale (Looms, 1957).

The Nigerian industrial sector is plagued with constant workers' agitation and industrial
conflict. Many workers in our country today have come to see conflict in the work organization as a
necessity for securing whatever demand they make of management. Dahrendorf sees conflict as being
concerned with authority. For instance, managers in industries have the right to take certain decisions
regardless of the wishes of the workforce. A manager has the authority to instruct workers to resume
work and close at any time it pleases the capitalist. Dahrendorf sees this situation as the basis for conflict
in a capitalist society (Haralambos, 1995).

Thus, in perceiving the employer as insensitive to their welfare, the workers go all out to
sabotage the organization. The result is reduction in productivity and invariably, in the profit made by
the employer, who now reacts in a bid to save the organization from total collapse. In most cases the
reaction of the work owner does not go down well with workers and thus industrial conflict results.
In fact, the resultant industrial action has often led to instances of job and production
destabilization with unconducive and de-humanizing working conditions especially in the private
sector. On the good side of such conflict, however, management may be forced to favorably improve the
working conditions in order to improve the workers welfare. But this is not always the case.

Objective of Study

Based on the problems stated above, this study seeks to:
1. Examine the nature and consequences of exploitation of the factory workers in Union Dicon Salt.
2. Examine some coping strategies for working at the pace of conveyor belts, with clocking
   in-out machines and other forms of checks on workers' relationships at work place.
3. Examine the extent to which the workers' salaries, medical facilities, insurance policies
   and other welfare provisions encourage or discourage the workers to the extent that they
   amount to exploitation.
4. Lastly, offer suggestions and recommendations on how best to mitigate the incidence of
   exploitation and guarantee increased productivity.

Theoretical Framework

Wage employment is primarily a relation of exchange; crudely put so much sweat for so much
money. An employment relation is primarily about someone looking for source of livelihood and offers
himself/herself to an employer in return for wages. It is in this fundamental sense that work relations are
primarily a relation of exchange. For the worker the exchange-value of his/ her labour-power (wage-
salary) is central to her physical-biological survival. It is therefore naïve to decry the instrumental
behaviour that is at the heart of work relations. It is not just about workers' response to non-intrinsically
gratifying work contexts. It is the reason why people get into employment relations in the first instance.

The nature of relations of exchange between the worker's labour-power and the exchange value
of his/her labour power, or commodity relations is by its very nature antagonistic. The criteria of the
valuerization of capital (ie the perpetual need for a unit of capital to increase in size and generate profit) impose a limit on even a friendly manager's room for maneuvers. The imperative of profit optimization requires that every attempt must be made to subsume the workers subjectivity to the criterion of commodity production (Aborisade, 1992). Discipline in the workplace flows from the perspective of capital not the human perspective.

More important, the basis of the valuerization process itself is the expropriation of surplus values created by the workers/employees who must sell their labour power to survive, the criterion of valuerization demands that profit must rise faster than wages. The result is that conflict becomes an integral party of the community relations. Unionization process is only one form of workers attempt to express solidarity among themselves, clubbing together of workers should not be seen as a pathological search for solidarity and integration.

Employment relation has objective aspects that lie hidden behind the symbolic aspect of every day activities, whereby instructions are handed down as a result of the unequal access to the symbolic consumption of company resources, status remuneration, et cetera. Unionism may simply objectify the eminent aspect of employment relations, the class and power relations involved are real rather than imagined or sentimental response to someone else's symbolic activities.

In summing up these assertions, Marxism as a theoretical perspective is appropriate for explaining unequal relationship that exists in union Dicon Salt Plc. as in some other organizations in Nigeria. It examines in details the antagonistic relationships that exist between the work-owner and the worker, which have their basis in exploitation.

Work process prior to the factory system was not characterized by an extensive division of labour nor by directly imposed coercive authority. In domestic and handicraft production, small producers were typically involved in independent commodity, production, often based on the family structure. They owned their own means of production, worked according to their own patterns and sold the goods at market prices.

Industrialization and emergent capitalist production relations developed from a variety of organizational structures, such as artisan production, centralized manufacture etc (Berg,1985). A relationship of wage labour was established and merchants supplied the raw materials. The rural workers were the ideal labour forces as they were worth for less than their urban counterparts and were too isolated to organize against the merchants pricing. Subsequently this led to the transition from cottage to workshop and then to factory.

**Exploitation and Conflict**

The issue of industrial harmony and its perceived benefit to the entire industrial society and invariably individual therein has been highlighted by scholars at various times in history. However, the realization of this desired benefit has remained elusive in virtually every country of the world. This is especially so with the Marxist persuasion on the entire workers of all nations to over throw the existing capitalist system that grossly emphasized exploitation and alienation of the worker beginning with the dissolution of the primitive tribal societies that held land in common ownership to feudalism and down to the present capitalism.

Capitalist societies, it has been observed, are crisis-ridden societies due to 'dog-eat-dog' approach or relations that exist therein. This is occasioned by the quest for accumulation of wealth and more wealth. This does not happen in a vacuum, hence the capitalist always strive to exploit the worker to the point of alienation. Marx himself observed that alienation is the separation of an individual from his product, his labor and his societies (Schacht, 1970:93).

According to Onimode (1985), it is on the class inequality that the capitalist is able to appropriate the workers' surplus Labor. This arises because the laborus' working days consist of two parts “necessary labor time” during which he creates value equal to the value of commodities he gets from the capitalist as wages and “surplus labour time” in which the worker creates surplus value. The appropriation of this surplus value by the capitalist constitutes exploitation. It can be said therefore that there can be no profit without exploitation. As has been observed by Looms (1957), Tonnies, like Marx, believes that societies are ever changing from simple to complex forms, this is based on his idea of “Gesselchaft” which he sees as basically exploitative.

The capitalist had always strived to reduce the “nakedness” of their exploitation by
introducing the idea of equality and freedom which, in actual sense, does not exist. Thus, as Moore et al (1995) pointed out:

The “ruling class ideology”, as a problem in the issue of exploitation, is as regards employers of labour creating a deceitful good working atmosphere for their workers thereby creating this “illusion” or “dream” attitude, feeling or freedom, equality in the minds of workers, where some see themselves as the “super staff” and others the “ordinary workers”.

This illusion is what Marx calls “false consciousness” and it has persisted in industrial societies. Hence, as Dahrendorf (1957:68) wrote, 'economic rationalism', the value of purposeful economic activity oriented towards the maximization of profit at the expense of workers' time, labour an integration in the society has been the fundamental source of industrial conflict. The industrial worker, it has been observed, for the most part, works harder than likes at tasks that are frequently arduous, usually monotonous and sometimes dangerous. His income is hardly sufficient to cover what he thinks his needs demand. This natural state of the industrial worker therefore is one of discontent (Harbison, 1954:278) of which industrial conflict is the natural outcome.

Workers form trade unions to fight against their exploitation and alienation. Otobo (2000:66) highlights the definition of Trade Union as stated in the Nigeria Trade Union Act 1973 which define it as:

Any combination of worker or employers, whether temporary or permanent, the purpose of which is to regulate the terms and condition of employment of workers.

This definition does not suggest that trade unionism started in Nigeria in 1973; for even during the colonial rule, Trade union had existed in Nigeria, with various associations existing. Ejiogu (1992) highlighted the factors that influence trade union structure as;

(a) the type of national economy
(b) geographical size
(c) natural endowments
(d) legal provisions
(e) attitude of private employers
(f) international relations
(g) union leadership
(h) Ethnic, racial and religious factors etc.

It has been analyzed in recent years by industrial psychologists that absenteeism, bad time keeping, turnover, low productivity, and even industrial accident can represent conscious or unconscious responses to discontents which derive from identifiable features in the work situation. Collective action in the form of strikes constitutes a withdrawal from work.

Having established that exploitation results in industrial conflict which does not augur well with capitalist system, it then means that the owners of means of production and distribution, and in some cases government, would not want these relations which impinge on their profit to continue. Thus, collective bargaining as means of resolving conflict was introduced, but how much it has actually reduced or taken care of the exploitation of workers and or the frequent disharm ony in industries is questionable.

It is stated that collective bargaining is the great social invention that has institutionalized industrial conflict, as it were. The basic thesis is that while the causes of conflict remain inherent in the structure of social economic relations, its expression is contained in a network of institutions and procedure. In particular, the more destructive manifestations of conflict are suppressed and industrial relation, though still conflictual, becomes increasingly 'constructive'. Thus, it is argued that unions increasingly seek to achieve their objectives along lines not fundamentally at odds with the aims and interest of managements the relationship between the two parties becomes what has been termed antagonistic cooperation. Thus, collective bargaining is the method of determining the working conditions and terms of employment through negotiation between an employer and a group of employers or one or more employers' associations on the one hand, and one or more representative workers'
association on the other with a view to reaching an agreement. Webbs has seen collective bargaining (it
should be noted that the term collective bargaining was first used by the Webbs) as an economic
institution, with trade unionism serving as labour cartel by controlling entry into the trade. Further more
we can argue that collective bargaining is a political rather than an economic process and that the value
of union to its members lies less in its economic achievement than in its capacity to project their dignity.

In Nigeria, the exploitation of workers has undergone several adjustments especially with the
dwindling economic environment. An environment that calls for workers' out burst of protest which has
led to restructuring of Trade Union Act over time. Yet exploitation of the worker has continued. The
Trade Union Act of 1973 was restructured in 1978 and 1986. Further amendment was made in 1976 and
1999). How far have these Acts helped in bringing about industrial peace during those many years of
military regime?

However, Allan Fox argued that every industrial situation can, if sufficiently handled by skilled
and patient hands, be made to yield some promise or solution which all the interest involved will find
acceptable and workable. Consensus, says Fox, includes principle that the participants groups must
regard themselves as mutually committed to observing the term of their negotiation agreements.

Similarly, Kerr (1954:12) stressed the importance of pluralistic consensus in the stability and
effectiveness of the industrial relations system. Collective agreements are the output or result of the
collective bargaining. Such agreement only suppress the effect of exploitation and or alienation, as it
were.

Karl Marx has called on workers of all nations to rise and overthrow the exploiter class and
thereafter established a classless society. This Marxian call seems to widen the horizon of the proletariat
and or arouse their consciousness while demystifying the “falseness” that was hitherto attached (Otobo,
1978:2-3), hence, conflict in industries. This is so because exploitation of workers by employers and the conceptualization and realization of the imbalance by the employees are basis of the formation of trade unions, mainly as front for the presentation of grievance with a view to securing for members better conditions of service as it were. Thus strikes have been persistent in Nigerian industrial system. For as Obasi (1999:4-5) highlighted, between 1960 and 61, there were 65 strikes, in1970/71, 124 strikes occurred et certera. These strikes no
doubt had their basis in exploitation of workers by work-owners.

**Historical Background of Union Dicon Salt Plc**

The company was incorporated in Nigeria, on Friday 26th October 1984. The approval granted to
Defense Industrial Corporations of Nigeria (DICON), by its Board to invest in profitablle business
venture led to the incorporation of Dicon Salt, Limited, late in 1984. The company was then a 60% joint
venture between Defense Industrial Corporation of Nigeria and its technical parties respectively. The
company is involved in the production of table and industrial salt; it had its name changed from Dicon
Salt Limited to Union Dicon Salt Plc. Through a merger with Union Salt Limited in 1992; the name of
the company changed to Union Dicon Salt (UDS).

The company shares, as quoted on the Nigeria Stock Exchange on the 23rd September 1993, are
as follows:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>AIM Limited</td>
<td>40%</td>
</tr>
<tr>
<td>Individual Nigeria Shareholders</td>
<td>34%</td>
</tr>
<tr>
<td>Defence Industries Corporation of Nigeria</td>
<td>20%</td>
</tr>
<tr>
<td>Union Dicon Salt Trust Fund</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
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The company, Union Dicon Salt Plc, is no doubt a blue chip company which has consistently
maintained its position among the top 10 companies quoted on the Nigerian Stock Exchange measured
by the value of its shares. Measured by its turnover, the company is the No 12 company in Nigeria.
Union Dicon Salt Plc. has a paid up share capital of seventy million naira corresponding to its 140
million ordinary share of 50 kobo each.

The company has 40% shares in the largest salt producing company in Brazil. It has it head office in
Union Dicon, House, Plot 8 Block A Ilasamaja Industrial Estate Itire, P.O. Box 3208, Lagos. It has a branch at Port Harcourt at No. 1 Odual Road Port Harcourt. There has been steady improvement in its annual profit. For instance, in 1996 its profit after tax was N1.3 billion and in 1997 it came up to N 2.1 billion. In 1998 there was further improvement, as the company's profit stood at 2.8 billion.

**Method of Data Collection**

This study was in Union Dicon Salt in Lagos State. The study population included staff and management. Staff that comprise of senior staff and casual workers were part of the study. This study adopted a qualitative research method, the purposive and probability sampling technique was applied in identifying and selecting respondents for this study. The criteria for selecting our respondents were based on their ability to give useful information on the nature of the work and all related activities in the work place of Union Dicon Salt. There were 24 respondents selected, out of 8 sections that were purposively selected from the 19 departments of the factory. The eight selected sections included the following: Documentation, Checkers, Factory workers, Warf-operations, Ship-side, Administrative, Accounts and the Sales. There were 3 respondents purposively selected from the 8 departments, each making a total of 24 interviewees constituted the respondents for the studies. The study made some observations that exposed some certain sensitive information that were not revealed in the interviews.

The non-participant observation technique was also adopted in recording patterns of workers exploitation and other work related activities, with a view to establishing how they facilitate exploitation/ conflict. Also part of the field work entailed taking notes and snapshots of graffiti written on walls and other objects by the workers as this helped to throw more light on the mode of work. Preference was given to the non-participant observation technique because it offered the researcher an on the spot opportunity to observe and analyze patterns of work relations.

**Data Analysis and Findings**

The research objectives guided the analysis and interpretation of data. Virtually all the respondents in this category pointed out that their salaries are very poor compared with what other workers in similar organizations are paid. For instance, the minimum wage, as at 1998 before the wage increments, was N2735.00. With the new salary structure, the minimum wage has risen to N4, 270.00. One of the workers pointed out that:

> What we are paid in this place is unbelievable. They don't seem to know that we have families to take care of, what is most annoying is that they will expect you to work as though you were a machine. These Ogas that will shout at you to do this and that hardly leave their air-conditioned offices to do some work. In fact, we escorted them to this place. The worst part of it is that work is not easy to come by if not you would not have seen anybody here except these Ogas who have big bellies.

The respondents highlighted that what they are paid does not represent their efforts or labour, they pointed out that workers in other organizations are paid between six-thousands (N6,000) to seven thousand five hundred naira (N7, 500) monthly. Some respondents pointed out that some allowances that should have been paid to the workers as part of their work packages were pocketed by some members of management. Such allowances, according to respondents, include risk allowance and diligence allowance. This according to respondents should be paid to those workers that were diligent in discharging their duties. However, some of the management staff pointed out that these allowances are not paid due to the fact that the company was not making enough profit that can be used in paying workers such allowance outside their basic salaries and allowances. But as one of the respondents in the company's account section point out, “since I joined this company about twelve years ago, there has never been any year
that the company did not declare profit, but they come to tell us another thing”. Some of these respondents pointed out that in 1996, 1997 and 1998. The company declared annual profit of 1.3, 2.1 and 2.8 billion naira respectively.

Some of the respondents also pointed out that they are persuaded to work overtime when for instance an emergency order is placed by a customer. However, according to data gathered, in some cases, the over time allowances are either not paid or not paid regularly/adequately.

It was also gathered that it is the management that determines when a worker goes on annual leave. Moreover, as pointed out by the respondents, their break period is one hour per working day. It was gathered in the course of this study that workers in the company work between the hours of 7am to 7pm from Sunday through Sunday. It was equally highlighted by some respondents that the company restricts the treatment of workers at their hospital to three times per year, some of these workers however pointed out that they frequently fall sick due to the nature of their work. It was further gathered that workers frequently lose their shoes and dresses, and at times, skin to the acidic power of these salt.

Equally, there is little or no insurance cover for workers. They pointed out that some families of their dead colleagues had received “peanuts” from management, some respondents cited the case of one late Adebola Akinpelu whose family was given forty thousand naira only (40,000.00) when he died in 1998, among many others. Most workers stated that management react to workers agitation in form of strike by sacking some of their members. For instance in 1996, when the workers demanded for improved welfare facilities, by embarking on strike, the management terminated the appointment of some union leaders. From the data gathered in the course of this study, these sacked unionist were not paid their due benefits.

The workers at the production section pointed out that management provided them with petroleum jelly which they rubbed right round their bodies to reduce the effect of the salt. The workers we gathered in the course of the study also use safety boots, and helmets to cover their heads.

The workers further pointed out that they use various drugs including paracetamol, Dequadine, sulphur ointment, etc. for both pain relieving to reduce the effect of the salt on their throat and for general fitness to enable them continue with work. As one of the factory workers in the production section pointed out:

The work is too tedious and demanding and also hazardous. It has not been easy for us to cope, but we have been managing to survive. Some of us do funny things including the destruction of things that lead to the suspension of work temporarily. Some of us even frame sickness or injury so as to be allowed sick leave.

The study found out that the bitterness in the minds of workers of the company, if not checked, would lead to the destruction of some factory machines. In fact, the workers are neither interested in the progress of work nor on the company generally. Due to their exploitation and subsequent alienation by the company, the workers feel indifferent to organizational goals and aspirations.

In the final analysis it can be objectively said that working at Union Dicon Salt Plc, Lagos is a hazardous venture. Apart from the fact that hands and feet are eaten up by salt and dresses and shoes destroyed, workers are prone to sickness. Hence, the safety precautions by workers only serve to reduce the effects of the salt on them. It does not eliminate it.

Recommendations
Based on the findings of this study, we make the following recommendations.

That the general conditions of service of the workers should be improved. Their salaries should reflect the nature of the work they do. They should at least be paid salaries that are similar to those received by workers in the public sector. This will heighten their morale to work at high productivity while at the same time guarantee industrial harmony.

The study recommends that work in the company should be divided into three shifts. This will
not only reduce the stress of work among employees, but will also ensure that they spend some time with their families. The workers will give out their best under that circumstance and profit will increase.

Considering the hazardous nature of work in the factory, safety equipment should be supplied at intervals. However, since maximum security is not guaranteed by these safety measures, workers who fall sick should be allowed to be treated in the company's clinic whenever they are in need of medical attention.

Similarly, workers should be insured against accidents and death, such insurance should serve the purpose for which it is undertaken. Other benefits, which include christmas bonuses, long service award, compensation for consistency and efficiency among others, should be made attractive as a form of incentive.

**Conclusion**

Based on the data generated by the study, the analysis made and the findings of this research, it can be stated that the workers of Union Dicon Salt Plc. Lagos are exploited to an appreciable degree. The management of the company is bent on making profit without considering the working conditions of employees. Hence, the study concluded that the company can only achieve greater heights when recommendations based on facts generated by the study are implemented. That will equally enthrone harmony in the organization.

**References**


