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# THE EFFECT OF GLOBALIZATION ON WORKERS' RIGHTS IN THE GLOBAL SOUTH: EVIDENCE FROM NIGERIA

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#### Abstract

This study was undertaken to unveil the effect of globalization on workers' rights in Nigeria with a focus on Chinese, India and Lebanese factories in Lagos state. A total of 300 workers were interviewed through questionnaires and few workers were also interviewed verbally. Data from the field survey indicated that the secondary school graduates dominate most of the factories. Furthermore, most of the workers have the right to join the union and they have uninterrupted salary payment. However, most interviewed workers lack the right to promotion, job security and the right to work in a conducive environment. In addition, the study notes that 70% of the workers work while standing while 90% are exposed to noise pollution and 71% of the workers work in a constraint posture. Finally, the study calls on the government to look into the plight of workers in most factories in Nigeria in order to protect their rights and also calls on the organized labour not to relent in their effort to protect the dignity of the Nigerian workers in most foreign companies.

Keywords: Globalization, Factory, Workers' rights, Working conditions, Transnational corporation

#### INTRODUCTION

The advent of globalization has directly affected workers in both the global north and the global south. While transnational trade and investment have taken place in advance countries, globalization has doubled in developing countries especially in Africa. Going by the World Development Indicator in 2008, the volume of trade to gross domestic product (GDP) in the low and middle countries increased from 31 percent to 57 percent within 1990 and 2007. The movement of multinational companies from developed states to developing countries at their free will and since developing countries need foreign direct investments to boost their economy, these have given the Transnational Corporations (TNCs) the power to undermine their host governments. According to Hirst and Thompson (1999) transnational companies have no obligation to their host governments and they can locate and relocate to where they have competitive advantages. Supporting this claim, Adewumi (2012) notes that the profit motives and the seeking for cheap labour by TNCs have made them pay less or pay no attention to workers' rights and labour standards, especially in developing countries. The impact of globalization is important to governments, trade unions and international organizations, this is because of the issue of employment and working conditions. The International Labour Organization (ILO) has been the foremost Intergovernmental organization promoting the rights of workers. The member countries of the ILO are expected to comply with its conventions and recommendations, but there is no punishment mechanism for erring member states who failed to comply with the ILO conventions. The United Nations (UN) have not been left out in the struggle and dignity of workers' rights. The UN has supported the rights of workers as incorporated into the United Nations Universal Declaration on Human Rights of 1948 which is based on the International Covenant on Economic, Social and Culture (Oginni and Adesanya 2013). The rights of workers have been reinforced by articles 23 and 24 of the United Nations Universal Declaration on Human Rights of 1948. Articles 23 says:

- Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- Everyone, without discrimination, has the right to equal pay for equal work.
- Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented if necessary by other means of social protection.
- Everyone has the right to form and join trade unions for the protection of rights (Cited in Adewumi 2012)

And, article 24 states:

 Everyone has the right to rest and leisure, including, reasonable limitation of working hours and periodic holidays with pay (Cited in Adewumi 2012).

In Nigeria the abuse of workers' rights is predominantly in foreign companies, especially companies from China, India and the Lebanon, the working conditions in most Chinese factories in Nigeria are so bad that some labour activists have called workers' rights abuses a modern day slavery. The rights of workers are being denied and most of the workers have decided to remain in these factories despite the harsh working conditions they encounter. Their reasons for this, according to some of the workers, they have no alternative place to work and poverty is so high in the country. The trade unions in Nigeria have been trying in regards to workers' rights, but globalization, political and economic situations have reduced the power of organized labour coupled with the hostile reception they encounter from employers and government agencies.

## Clarification of concepts

Globalization: According to Robertson et al (2009) "globalization is the transmission of ideas; the intermingling of culture; the preservation or loss of national identity; exchanges of technology, capital, workers and products across borders; and the role of international nongovernmental organizations."

Workers' Rights: Workers' rights are said to be legal rights that have to do with labour relations between workers and employers, these rights are entrenched in labour and employment law. The rights include workers' pay, right to unionize, benefits and safe working conditions. According to Scherre and Greven (2001) "workers' rights (or labour rights) refer to the core rights of freedom of association, collective bargaining, and the prohibition of forced labour, child labour and discrimination in employment."

### WORKERS' RIGHTS IN THE ERA OF GLOBALIZATION

The kind of democracy that we all seek to build demands that we deepen and broaden the rights of all citizens. This includes a culture of workers' rights." - Nelson Mandela

The increase in trade, migration and investment across the globe that undermine regulatory barriers which is known as globalization has an impact on both workers in the developed and developing countries. Transnational corporations (TNCs) are locating to countries where there is cheap labour and they use the opportunity to infringe on workers' rights globally, since most of



their host governments in the global south are purely concerned about foreign direct investment and not the welfare of workers who work in these multinational companies. Governments of developing nations who are after foreign direct investment will always succumb to the caprices of TNC who are always undermining labour standards and workers' rights (Adewumi 2012). The ILO has tried in the aspect of the rights of workers, but the lack of compliance by private and government establishments have undermined the agitation of the rights of workers and core labour standards. The TNCs a pose real threat to workers' rights in emerging economies. According to Scherrer and Greven (2001:15) "in many emerging market economies, working conditions, wages, and environmental standards have deteriorated particularly in plant production for export. Every year, the International Conference of Free Trade Unions (ICFTU) documents widespread abuses of workers' rights."

## WORKING CONDITIONS AS IT RELATES TO THE RIGHT OF WORKERS IN NIGERIA

"We're treated like slaves, but we're afraid of losing our jobs"- Nigerians in Chinese and Indian companies. This was the caption of Saturday Punch Newspaper on February 8, 2014. The working conditions in most Chinese factories in Nigeria are bizarre. Despite the harsh working conditions, Nigerians are still grateful in working in such factories because of the economic hardship in the country. According to Falayi, quoting one of the workers in a Chinese factory in Lagos, "I finished secondary school, but I had no means to further my education," the 31-yearold man said. His work involves lifting heavy materials as he has to carry chunks of marble and other materials used for the high-end products churned out from the company's factory every day. Abbas said, "This job is slavery, there is no other way to describe it. In fact, the company only started paying N15, 000 recently. Our salary was N12, 000 before. But where else do I go if I leave this job? Even if I find another factory work somewhere else, it is not likely that it will pay better (Falayi, 2014). Although, most of the companies from Asia have been admonished by Non-Governmental Organizations (NGOs) and trade unions for the bad working conditions, but the unruly practices continue unabated despite the labour laws in Nigeria. Nigerian workers have become endangered species in most of the Asian factories as a result of the dehumanized conditions of these workers. Workers in these factories are prone to factory accidents on a daily basis. The accidents range from permanent disability to dead (Madike and Njoku, 2013). The worst factory accident that had ever happened was in 2004 when 250 factory workers died in a fire that broke out inside the factory. According to Oginni and Adesanya as a result of a power surge, a Chinese factory was engulfed by fire and over 250 workers died in the fire incident. The workers were unable to escape because the management of the company had locked the door leading to the factory only to be open the next morning (Oginni and Adesanya, 2013).

#### **METHODOLOGY**

The study relied on primary and secondary sources for data collection. Secondary data were used to understand concepts and the role of globalization on workers' rights. Journals, thesis, newspapers, magazines, research literature formed part of the secondary data that were used in the study. The study used different methods of primary data collection. These are one-on-one interviews and the use of questionnaires. The interview involves the researchers with the interviewees. One advantage of the one-on-one interview is that the building of rapport with the interviewee is normally easy. Dichotomous questions were used on the questionnaires. The is a process where simple questions are ask and respondents answer yes or no. A setback for this method is that answers on yes or no cannot be analysed. A Simple Random sampling method was used to select participants for the interview. This method is an unbiased representation of a group. Workers in the Chinese, Indian and Lebanese factories that the interviews were conducted were more than two thousand workers. With simple random, a group of 300 workers were chosen out of the more than 3,000 workforce, and the simple is random owing to the fact that each worker had an equal chance of been chosen. Over 600 questionnaires were distributed in order to get responses from the following areas:

- The right workers deserved- 180 questionnaires were filled and returned
- Working conditions- 120 questionnaires were filled and returned

Aside this, personal interviews were conducted with some members of the workers' union and some workers were also interviewed.

#### **RESULTS AND DISCUSSIONS**

A total of 600 questionnaires was given to workers who work in the Chinese, India and Lebanese factories in Lagos, Nigeria. 300 questionnaires each were assigned to the two areas mentioned in the methodology in section 4. Some of the characteristics of the respondents are as follows:

## **Educational qualification**

Table 1: Educational Qualification

	Primary Edu.	Secondary Edu.	Tertiary Edu	Total
Workers' rights	10	165	5	180
Working conditions	5	110	5	120



The educational qualification of the respondents who answered questions on workers' rights showed that 10 of the respondents representing 5.6% have primary school qualifications. While 165 of the respondents signifying 91.7% have secondary school education and leaving 5 respondents that constituted 2.7% with higher education. Out of the 300 respondents that were asked about their working conditions, only 120 provide information on their educational background. Five of the respondents comprising 4.1% are primary school leavers, 110 respondents composing 91.7% are post primary school graduates and 3 respondents consisting of 2.5% have a high degree.

#### Sex distribution

In all, there were 300 respondents in the two areas that questionnaires were assigned to and from the sex distribution of the respondents 247 were males representing 82.3% while 53 were females composing of 17.7%.

## Nature of employment and job

The nature of employment of the respondents indicated that 198 of them making up of 66% are permanent workers while 102 composing of 34% are contract staff or what is known as outsource workers. 285 of the respondents worked in the factories. 5 of the respondents working in the office, 5 are drivers, 3 worked as carpenters and 2 as canteen workers in the factories.

## Rights deserved by workers

Table 2: Workers' Rights

Rights deserved by workers	Frequency	%
Work under conducive atmosphere	60	33.3
Participate in management meetings	5	2.8
Annual leave	129	71.7
Further education	12	6.7
Regular salary	180	100
Right to promotion	15	8.3
Right to associate	129	71.7
Job security	50	27.8

A total of 180 respondents was asked if they work in a conducive environment, 30 of the respondents representing 16.7% agreed that they work in an enable environment, while 120 of the respondents constituting 66.7% complained of the environment they work in. One of the

workers that was interviewed verbally if he works in an enable environment in the factory, he made the researchers to understand that most of the companies from Asia are not after a conducive atmosphere for factory workers but what there are after is to make a profit and make their production continues uninterrupted. The second question that was put before the respondents was as workers do they take part in management's meetings. Five of the respondents that constituted 2.8 % said they take part in management meetings. The researchers were inquisitive to know why they take part in meetings with the company's management. Four of them said they are headmen of their respective department, once in a while they are invited by the management to discuss production issues. While one of the respondents among the five said he belong to the union, so any time the management calls for a meeting between the union and the management he is always present. 175 of the respondents representing 97.2% answered in the negative. In order to know if the respondents are entitled to annual leave from their work, 129 of the respondents indicating 71.7 % answered in the affirmative. From the questionnaires, those that indicated that they are entitled to annual leave are permanent workers. On the other hand, 51 of the respondents consisting of 28.3% said they are not allowed to go on leave annually. Reason for this, according to what is indicated in the questionnaire they are not permanent workers, rather they are called 'contract staff' One of the researchers inquired to know what is contract staff. These are workers that are contracted to workers in the factories by employment agencies and these workers are not entitled to a pension and the can have their contract terminated anytime. A case in point is that when production is low or when there are low sales, most of these contract workers are told to go home pending when sales will increase. A follow up question was if the respondents have the opportunity to further their education. 12 of the respondents that was made up of 6.7% agreed that they have the opportunity to further their education. However, the 12 respondents are not full-time students but part-time students of Lagos State Polytechnic and the Yaba College of Technology. All the 180 respondents answered in the affirmative that they have regular salaries. However, some of the respondents notified the researchers that any delay in salaries is caused by the banks. For instance, some of the banks the workers collect their salaries from can delay their payment for one or two days, whereas some banks will pay the very day the companies lodge the workers' salaries in their receiving banks. From the questionnaires, the right to promotion favours supervisors, foremen, headmen and some hardworking workers, while workers who are not in these categories find it difficult to get promoted. In all, 12 respondents constituting 8.3% are liable for a promotion. One common avenue for factory workers to air their grievances is through the organized labour. 129 of the respondents composing 71.7% are members of the workers union. The researchers were

interested to know why some workers are not in the union. From our investigation, contract workers are not allowed to join the union since they are not permanent workers and the Nigerian labour law do not allow such workers to pay union dues. Job security is one major issue befalling workers working in Chinese and Indian factories in Nigeria. Workers are dismissed at the free will of the companies' management without recourse to due process. 50 of respondents of the 180 interviewed through questionnaires said they have job security this was because they held strategic positions in the factory such as electricians, foreman, supervisor and those they have spent a good number of years working with good employment record.

## **Working conditions**

Table 3: Working conditions

Working conditions	Frequency	%
Working while standing	88	73.3
Working while sitting	32	26.7
Constraint posture (bent over, kneeling, squatting)	86	71.7
Working exposed to vibrations	109	90.8
Protective Clothing and equipment	120	100

The study was also interested in knowing the working conditions of workers in the various Chinese, India and Lebanese factories. The outcomes of the questionnaires that was administered are illustrated in table 3 above. The proportion of workers who work while standing is 73.3% as compared to 26.7% of workers who working while sitting. Most of the 88 workers that stand frequenting while working work on the production lines. On the other hand, those that sit while working are those working in the packaging section. As regards to constraint posture of workers that were interviewed through questionnaires 86 of the workers composing 71.7% either in one way or the other bent, kneel or squat while working. One of the interviewees complained to the researchers that he always has a constant chest pain as a result of lifting heavy materials. The proportion of workers that are exposed to noisy condition is 90.8%. The noise comes from the production machines and at times the big generating plants contribute to the noisy conditions in the factories. All the 120 interviewed workers stated that their management provided them with working apparatus such as safety boots, hand gloves, eye glasses for those that work in areas that have to do with chemicals.

## **Key Findings**

- The majority of the people who work in most Asian factories are secondary school certificate holders.
- The working environment according to 90% of the workers is not conducive.
- One unique feature of companies from Asia operating in Nigeria is that they pay their workers' salaries as at when due.
- Permanent workers have the right to join the union
- Large numbers of the factory workers work while standing.
- Most of the workers in the factory are exposed to noise pollution.

#### CONCLUSION

The study unravels the role of globalization on Nigerian workers working in most Asian factories in Nigeria. It examines the rights of the workers and their working conditions and from the available data, the rights of the workers have been infringed by these foreign companies operating in Nigeria. Despite the Nigerian labour law, the multinational companies always have their ways in maltreating workers without any serious challenge from the government because the government careless for workers. Since Nigeria is a signatory to the ILO convention on the protection of workers' rights, the Nigerian government should endeavour henceforth to always look at the plight of workers working in most of these factories through the Ministry of Labour and the National Human Rights Commission. In addition, the organized labour should not relent in its efforts in protecting the rights of workers in Nigeria. Finally, this study was done on a smaller scale, a comprehensive study is needed to ascertain the effect of globalization of workers' rights in the global south. Furthermore, the study was limited to factories that are operated by the Chinese, Indian and Lebanese capitalists in Lagos State. Which made the study not be generalized in the analytical term.

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