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Nigeria

# Occupy Nigeria: A general strike against the “Cabalocracy”

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**"Prosecute the Cabal!" With millions of on strike and crowds singing Solidarity Forever, Occupy Nigeria has shut down the most populous country in Africa. Here in New York, the diaspora is rallying in support as well, and on Saturday, Jan. 14, I went to the second rally at the Nigerian Embassy and the UN this week. Though big labor actions might be more common in Nigerian than in the US, folks are saying this one feels different. Maybe it's the wave of protest against neoliberalism around the world in 2011, maybe it's the corruptionâ€”facilitated by neoliberal deregulation â€” or maybe it's the high unemployment rates (over 40% among young workers), maybe it's that oil is so central to the economy; or maybe it's all of this together.**

## But what set it off?

On Jan 3rd, the Nigerian Government, under President Goodluck Jonathan) removed a subsidy for gas, which more than doubles the price at the pump for consumers (from 65 Naira â€” written N65 â€” to N141 / liter). Occupy Nigeria started on Jan 2nd, and a General Strike called by the 4-million-strong Nigerian Labor Congress (NLC) and the Trade Union Congress of Nigeria (TUC) kicked off on Jan 9th:

"After exhaustive deliberations and consultations with all sections of the populace, the NLC, TUC and their pro-people allies demand that the Presidency immediately reverses fuel prices to N65. If the Government fails to do so, they direct that indefinite general strikes, mass rallies and street protests be held across the country with effect from Monday 9th January, 2012.

From that Monday, 9th January 2012 date, all offices, oil production centres, air and sea ports, fuel stations, markets, banks, amongst others will be shut down." [http://www.nlcng.org/search\\_details...](http://www.nlcng.org/search_details...)

From an American context, the effectiveness of this protest has been amazing to follow. Central Bank Governor, Lamido put the loss incurred during the period of strike at US\$617 million daily. <http://www.thisdaylive.com/articles...> The headlines in the international and industry media tell some of the story:

"Nationwide strikes cause complete shutdown of Nigerian terminals" (Port Technology Intl)

"Maersk says unable ship goods into Nigeria ports" (Reuters)

"Gasoline tankers unable to deliver to Nigeria-sources" (Reuters)

"Strike Grounds Nigeria For The 5th Day!" (The Street Journal)

Saturday's negotiations with the Government ended in deadlock, <http://saharareporters.com/news-pag...> and oil workers prepared to join the strike on Monday, Jan. 16 <http://online.wsj.com/article/SB100...>. Afraid of a continuation and escalation of the strike, President Jonathan announced early that morning that he would unilaterally set the regulated price of gas at N97. This figure is still about 50% above the price on Dec. 31, but also much less than the deregulated market price of N141 that he had imposed Jan. 3. In response, the NLC/TUC have claimed victory and called off all strike and mass protest. <http://saharareporters.com/news-pag...>

But this struggle seems to be bigger than just the organized labor movement, and Occupy Nigeria activists vow to regroup and continue to push for not only a return to the N65/liter, but also their broader demands for economic reforms. <http://saharareporters.com/news-pag...> For example, the Joint Action Front has committed to "rallying

Nigerians to defeat this unpopular imposition, and also ensuring a new political and economic order that will end the era of Privatization, Deregulation, looting and exploitation by the corrupt capitalist ruling cabals and ensure that wealth of the country is judiciously applied to benefit the majority working population (formal and informal sectors) and the poor.”

## Some context, please!

With over 160 million people, Nigeria is Africa's most populous country, and is also the continent's biggest oil producer, producing nearly as much as Iraq. [http://en.wikipedia.org/wiki/List\\_o...](http://en.wikipedia.org/wiki/List_o...) Crude oil exports account for 95% of all exports, and the tax on it amounts to 80% of all Government revenue. But the history of colonization has left the country with only 4 refineries (Iraq has 10). Additionally, Nigeria's refineries are in such disrepair that they can't even function at capacity, forcing the country to import 70% of its gasoline from other countries. The subsidy on gasoline brought at least one essential consumer product down to a price-range that average Nigerians could afford: N65/liter. With no public transportation system and a grossly inept electric grid — an example of infrastructure neglected in the pursuit of oil extraction — Nigerians depend on gasoline and diesel to power generators in their homes and businesses as well as for transportation. With everything so dependent on this fuel, the subsidy is extremely important to the basic survival. Because there are so many unemployed and underemployed in the country, a 120% increase in this one commodity — along with the expected inflation in other consumer products — puts that very survival in jeopardy.

## The Neoliberal Agenda:

## Phasing out Subsidies, relying on the Cabal

As comrade Abiodun Aremu explains, it is a great paradox that with all this wealth of oil, and despite the real benefits that the subsidy has for poor Nigerians, the reality is that Nigerians are struggling now much more than 30 years ago:

"The paradox on Nigeria is better appreciated when viewed from deteriorating standards over the decades. The boom in agricultural produce in the 50 – 60s, that of oil in the 70s were channeled into Development Plans that produced standard universities (ABU, OAU, UNN, and later, universities in every state), local manufacturing industries, hydro-power stations, the four oil refineries, airports, stadia, trade fair complexes, durable roads and health infrastructure, etc; but most of these national assets have been taken over as private property by those in political power today and their cronies, and in some cases, rendered obsolete; all in the guise of economic reform agenda of privatization and deregulation. As an undergraduate in the early 80s, my Industrial Training Fund (ITF) @ N120 per month x 3 months (N360), which was equivalent of US\$720 could fetch me a return ticket to London. Minimum wage was N125 (US\$260) in 1981 and had a purchasing value that guaranteed one-bedroom low cost house to the least paid worker with opportunity for mortgage facility of 25 – 30 years. But N18,000 (US\$120) for the least paid worker in 2011, which the slave driver employers (public and private) are resisting to pay can never improve the lots of the workforce."

In a 2010 article in *International Viewpoint* [Celtic Tigers? - the SNP in government](#), Congolese comrade Jean Nanga notes that "a half century after the first wave of independence, sub Saharan Africa remains fairly specialized in supplying the industries of the capitalist centre with agricultural, energetic and mining raw materials". Nigeria fits this bill. In the 50s and 60s, there was a tremendous export trade of food and all agricultural products. However, as oil

began to dominate in the 70s, these other sectors were neglected, along with the infrastructure needed to rejuvenate them now. Subsidizing the purchase of refined oil products is so expensive for the Nigerian government that there is little left over from the oil-based revenue; in essence the foreign oil companies are taxed as they extract the crude oil, but are then basically paid back when the Government subsidizes their profits through the purchase of market-rate refined fuel. The Nigerian people are left with environmental destruction, abandoned infrastructure and little else in this game of oil exportation.

Though the new Finance Minister, Okonjo-Iweala (who was Managing Director at World Bank until July 2011) <http://web.worldbank.org/WBSITE/EXT...> says removing the oil subsidy wasn't officially dictated by the World Bank, <http://www.thenigerianvoice.com/nvn...> and the Bank has officially distanced itself from Jonathan's implementation of this policy, <http://allafrica.com/stories/201110...> the reality is that it has long been a priority for the World Bank:

"Fuel price subsidies help the poor, but at a large cost to society and to governments. Governments should look for opportunities to move away from fuel price subsidies as rapidly as possible and replace them with targeted assistance to the poor." - Public Policy for the Private Sector: Phasing out Subsidies  
<http://rru.worldbank.org/documents/...>

But of course it's not just Okonjo-Iweala; all the finance advisors around Nigerian President Jonathan have a clear consensus that removing the subsidy is a good idea, <http://www.thisdaylive.com/articles...> and this just part of the neoliberal consensus.

## The role of corruption

President Jonathan argues that the subsidy costs too much (somewhere around US\$7 billion), and proposes that the amount should instead be redistributed to the population in more targeted social programs (like food and housing subsidies for the poor) that would actually improve the quality of life of the average Nigerian. Though on its surface this idea makes sense (why should the Government be propping up oil company profits?), protesters don't believe it would work. <http://globalcomment.com/2012/occup...> For one, with two-thirds of Nigerians living on less than US\$2 a day, raising the quality of life to a humane level would require redistribution of even more than the money spent on the current subsidy on oil. Second, protesters don't believe that the Government is capable of implementing those sorts of programs without most of the money being lost in corruption, and everyone else being left without. Occupy Nigeria activists say corruption is so rampant, they can't trust the government to carry out what it says it will. In fact, one of the Occupy Nigeria websites — [www.theoccupynigeria.com](http://www.theoccupynigeria.com) is simply titled "We Don't Trust You".

The practice of siphoning off the public treasury has been honed to a fine art, with critics of the Government arguing that all the money Jonathan says will be saved by ending the subsidy could have been made simply by preventing the well-known graft of what's been termed the cabal of national and international companies and a political class conspiring with them. <http://allafrica.com/stories/201201...> On the political side, the ones that do the bidding of the capitalists, Nigerian governors make an average of 16,000 times the minimum wage that so many workers live on. <http://saharareporters.com/column/m...> This sort of practice makes the Nigerian Government one of the most grossly over-paid in the world.

And then there's the corporate side. One example, involving — not surprisingly — the process of buying refined gasoline back from oil companies, was exposed recently by Wikileaks: <http://theoccupynigeria.com/article...>

"According to the cable, the scandal concerns prices paid by the government for imported fuel, as international fuel traders, taking advantage of massive corruption loopholes in Nigeria, engaged in falsifying the dates of bills of lading

to reflect particularly high market prices. By so doing, they overcharged the Nigerian National Petroleum Corporation (NNPC) by over \$300 million."

The reality, of course, is that the World Bank and the capitalists behind it have no interest in the redistribution of money or resources. Founded during the closing act of direct European and American colonial rule in much of the world after WWII, IMF and the World Bank are simply the current manifestation of the same colonial project. In this process, they are counting on the ability of the domestic Nigerian ruling class and its form of government – what Occupy Nigeria is calling the cabalocracy – to steal from its own people through all means of corruption and graft, putting the money back into the hands of those who pull the strings of the system. Though he doesn't address the colonial context from which it arose, Pius Adesanmi writes of the Nigerian political system – and the Presidency in particular – as a deadly weapon against the Nigerian people. He outlines the ways it is structured to perpetuate this status quo: <http://saharareporters.com/column/n...>

"Our presidency is an institutionalized travesty of democracy and Federalism. No President, no matter how well-intentioned, can escape the trap of despotism because even the most routine exercise of your constitutional powers, the most mundane performance of your constitutional duties, already makes you a despot in our strange democratic dispensation. It is precisely these immense and unheard-of powers [compared to the checks that Presidents have in other governmental systems] that make the Nigerian presidency extremely dangerous. In the wrong hands, the Nigerian presidency is a deadly weapon. Bad news: the Nigerian presidency has always been in the wrong hands, is currently in the wrong hands, will always be in the wrong hands unless Occupy Nigeria rises up to its historic potential by forcing a fundamental redefinition of the Nigerian project.

One paradox: as omnipotent as the Nigerian presidency is, it is almost the most vulnerable to hijack in the history of modern democracy. Because of the nature of our system and politics, there is no clean and decent way to become the President of Nigeria. You get there through an accumulation of political and other dubious IOUs to “chieftains”, “stakeholders”, “elder statesmen”, and “business cartels” whose selfish interests and private agendas are always antithetical to the common good.

Every president gets to office neck deep in political and other debts; every president gets to office a peon of the enemies of the Nigerian people; every president gets to office as a mere guarantor of the first function of the Nigerian presidency: the distribution of limitless patronage to the interests who put him there."

## Taking the bait?

President Jonathan and the World Bank would have believe that they will put in place wonderful social programs that would be enable Nigerians to pay market-rates for gasoline and still afford an improved quality of life. Thankfully, there happens to be few people who aren't buying the hype, and are willing to fight over it – well, few million people actually, and that's just in Nigeria!

Finally, the economic policies and planned-corruption implemented in Nigeria by their cabal, on behalf of North American and European capital, also requires the complacency of us folks North America and Europe, especially us white folks. They depend on us believing that corruption and inadequate infrastructure, poverty and crime, social programs that buy luxury for the elite, the informal 'black' market and wide-spread unemployment are all just part of the "developing world"; We're supposed to accept that these things are just part of what happens when an "inferior people" try to enter the "modern world". They rely on our white supremacy, which first makes the people sub-Saharan Africa invisible to our eyes, and second tells us that Nigeria's problems are their own fault! So stay informed, and stand in solidarity with the largest Occupy protests to-date as we bring the fight home to the belly of the beast!!

*January 16th, 2012*