THE IMPACT OF INDUSTRIAL RELATIONS ON NATIONAL DEVELOPMENT IN NIGERIA

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ABSTRACT

National development is a multidimensional process which includes expansion in trade, infrastructures, building a more diversified export economy and development of the rural communities among others all in a bid to lift significant number of the populace out of poverty. Industrial relations and its institutions especially labour must be efficiently and effectively utilized to promote stability and productivity in workplace which ultimately enhances national development. This paper examines the impact of industrial relations on national development in Nigeria using samples drawn from the unions in the public sector, financial institution and food, beverage and tobacco industry. The quantitative research method was used for the study. The data gathered were analyzed using descriptive statistics expressed in percentages and complemented with correlational analysis. The results obtained showed positive significant correlation between industrial relations and the operationalised variables.

Keywords: Direct Foreign Investment (DFI), Gross Domestic Product (GDP), Industrial Relations, Infrastructural Development, National Development.

1. INTRODUCTION

Industrial relations are interactional relationship between organization of workers represented by trade unions and an employer or a group of employers. The term originated in Europe during the Industrial Revolution of the 18th and 19th centuries. At inception, employer-employee relationship was governed by the Laissez-faire doctrine which gave absolute freedom to labour and management in handling of their affairs. The State had little or no role in the relationship between the parties. With the passage of time, events showed that the power relationship between labour and management was lopsided. The trend encouraged labour abuses, human degredation and exploitation leading to spate of industrial strife and its attendant adverse consequences on the national economy.

Sequel to the fact that one of the fundamental objectives of the State is to protect the interests of the citizens, the Laissez-faire doctrine could not be sustained, consequently, the State abandoned its back bench for more active participation in industrial relations matters through
the provision of appropriate legislations and mechanisms for their enforcement. The State involvement was also perceived as a vehicle for promoting efficient industrial relations system that would guarantee national economic growth, political stability and national security through the maintenance of industrial peace and harmony by the social partners. The state of industrial relations in any economy beleaguered by industrial strife ultimately affects the economy negatively not to perform at optimal level. There is no gainsaying the fact that industrial relations impinge greatly on national economy irrespective of the government in power. Labour history in Nigeria had shown that the Trade Union Movement as an industrial relations institution played a significant role both pre and post colonial period towards political independence and national development. The contributions of labour movement towards national development have been a subject of interest not only to industrial relations actors but also to various stakeholders.

However, the incessant industrial strife has been a serious clog in the wheel of national development. According to Awe and Ayeni (2010) more often than not, the average Nigerian worker cannot afford to meet the family’s basic needs and works all his life without nearing his life goals. The situation is worrisome when viewed against the backdrop of the worker’s morale being the mental and emotional condition necessary for optimal effectiveness (Dike, 2005). Akin to the foregoing, productivity or real output in Nigeria is confronted by perennial work stoppages (Awe & Ayeni, 2010). The effects of trade disputes on productivity are monumental. In the position of Humphrey (1991) cited in Awe and Ayeni (2010) industrial relations disharmony not only affects productivity through labour loss alone, machines and other fixed and variable capitals when not fully utilized, reduce the level of output and increase average cost. The tone in Perry and Wilson (2004) suggests that for obvious reasons, the ILO no longer publishes Nigerian work stoppages.

Notwithstanding the negative effects of strikes on national economy, statutory mechanisms have been devised to minimize their harmful effects. This study in a nutshell is an attempt to examine the contributions of industrial relations and its actors to national development which for the purpose of this study is operationalized in terms of democracy sustenance, performance of the Gross Domestic Product (GDP), living standards of the citizens, Direct Foreign Investment (DFI), technology transfer, state of employment, industrial relations system and level of infrastructural development.

2. LITERATURE REVIEW

Industrial relations, a term coined out of the historical circumstances of the British Industrial Revolution of the 18th and 19th centuries (Anyim, Ikemefuna & Ekwoaba, 2012) is a body of knowledge concerned with the systematic study of all aspects of the employment relationship (Fajana, 2006). For Yesufu (1982) industrial relations involve the whole web of human interactions at work which is based upon and arises out of the employment contract. As such, industrial relations refer to a system of rule making where parties develop working rules to guide future decisions and behavioural relationship (Deber, 1984). According to Poole (1986) industrial relations is concerned with conflict and accommodation and reconciliation of parties and partly divergent interests of workplace actors in both production and distribution spheres.
Little wonder Fajana (2006), contends that the whole idea of industrial relations emerged because of the conflict arising from the inability of the employers and employees to have a proper dialogue concerning the terms and conditions of employment.

Akpala (1992) cited in Yusuf (2009) views industrial relations as a process of defining power and authority relations among management, labour organization and government agents. Similarly, Armstrong (2006) describes industrial relations as a system of regulations and rules; such that there exist the development, negotiation and application of formal procedures, rules and systems for collective bargaining, regulating employment and handling disputes. Anyim, Ikemefuna and Ekwoaba (2012) argue that definitions such as the foregoing, concede that industrial relations is concerned with the systems, rules and procedures used by unions and management to determine the reward for effort and other conditions of employment to protect the interests of labour and management and to regulate the experience of labour in the hands of management. It must be emphasized that apart from the decisive influence which industrial relations wield in the area of the supply of goods and services, and the obvious impact on human values in the work environment, the scope and content of industrial relations also cover national issues such as fuel scarcity, bad roads, power failure, inflationary trends, armed robbery, terrorism etc. (Anyim, Ikemefuna & Ekwoaba, 2012).

A good number of theories (though some in rudimentary forms) are found which are enough to negate the assertion that there are no valid theories of industrial relations (Adam, 1988). In fact, the Unitary, Conflict, Social Action, Systems and the Marxist orientations are the five academic theories by which industrial relations institutions, structures and processes are analyzed (Farnham & Primlott, 1998). The Unitary Theory according to Fox (1974) is defined by the assumptions that management and workers are seen as members of the same group which pursue common interest or objective for the overall interest of their organization. Conflict is therefore seen in unitary perspective as rather unnecessary since there is no misunderstanding or mischief (Crouch, 1982). As Anyim, Ikemefuna and Ekwoaba (2012) capture it, the unity of interest assumed among members of the workplace under the unitary ideology implies that conflict does not necessary exist or should not logically occur. What this means is that democracy sustenance, increase in direct foreign investment, enhancement of living standards, technology transfer, good industrial relations practice and infrastructural development can only thrive when management and labour become members of the same group pursuing common interest.

In contrast to the Unitary Theory, the Conflict orientation is based on the premise that conflict is inherent in the labour-management relations as the two classes pursue diametrically opposed agenda. The proponents of Conflict Theory believe that in a capitalist economy, the state is always on the side of the employer in an attempt to protect the interest of the bourgeoisie (Anyim, Ikemefuna & Ekwoaba, 2012). In this instance, accusing fingers are pointed at the state’s tacit support for casualisation of labour. For the apologists of the Conflict orientation, the often superfluous demands made by labour constitute some clog in the wheel of potential industrial dividends like democracy sustenance, increase in direct foreign investment, enhancement of living standards, technology transfer, good industrial relations
practice and infrastructural development; and would continue to be so save labour is put into coercive submission.

The Social Action theory which is predominantly associated with the studies of Weber (1947) focuses on the individual responses of the social actors such as management, labour and union representatives to situations. According to Anyim, Ikemefuna and Ekwoaba (2012) the Social Action Theory focuses on understanding particular actions in industrial relations situations rather than on just observing explicit industrial relations behavior. By that token, industrials relations would bring about a regime of democracy sustenance, increase in direct foreign investment, enhancement of living standards, technology transfer, good industrial relations practice and infrastructural development.

Dunlop (1958) in presenting the systems theory posits that an industrial relations system at any one time in its development is regarded as comprising of certain actors, contexts, an ideology which binds the industrial relations system together, and a body of rules created to govern the actors at the workplace and work community. As Anyim, Ikemefuna and Ekwoaba (2012 p.40) explain:

> the actors comprise a hierarchy of managers and their representatives; a hierarchy of non-representatives; and specialized third party agencies whether governmental or private ones. The contexts focus on three environmental contexts that play a decisive part in shaping the rules of an industrial relations system and with which the actors interact. They include technological characteristics, budgetary constraints and the locus and distribution of power in the larger society.

The implication of the Systems Theory under the current circumstance is that industrial relations could lead to democracy sustenance, increase in direct foreign investment, enhancement of living standards, technology transfer, good industrial relations practice and infrastructural development if there is a synergy among the industrial relations actors, that is presence of favourable context for the actors to operate, common ideology and generally acceptable body of rules to guide their course of action.

The Marxist perspective is rooted in the socialist ideologies. According to the Marxist Theory, the workplace characterized by the exploitation of the working class by the bourgeoises (management) and there seems to be no end in sight unless labour rises up to revolutionaryize the workplace. The Marxist Theory emphasizes that the imbalance in the wielding of authority and power in the workplace has brought untold hardships on helpless labourers. In the words of Hyman (1975) the capitalist society thrives as productive systems are owned and profit is the key influence on company’s policy (Hyman, 1975). According to the dictates of the Marxist orientation, industrial relations leading to democracy sustenance, increase in direct foreign investment, enhancement of living standards, technology transfer, good industrial relations practice and infrastructural development would remain a mirage until wanton exploitation of labour is stopped.
The concept of National Development is a critical element in the quest of any country to provide qualitative life for her citizenry. Gboyega (2003) defines development as an idea that embodies all attempts to improve the conditions of human existence in all ramifications. It encompasses improvement in material well being of all citizens in sustainable way such that the gains of the present do not jeopardize the future. Naomi (1995) believes that development does not focus on economic growth alone but extends to issues such as equitable distribution of income, provision of healthcare, education, housing and other essential services that collectively will improve the quality of life. Development can be perceived as a process of a country’s advancement whereby people’s well being are derived through strong partnerships between state apparatus, corporate bodies and other interest groups in the society.

Looking at the concept of development from industrial relations perspective, Damachi (1992) posits that there is a congruency of objectives among the social partners: government, employers and trade unions and that the pace of development tends to be accelerated and this assumption holds conversely. Development can be viewed as evolution and in a broad sense African and developing countries expect a change from where they are presently and where they will be in future in terms of betterment, progress and prosperity. Akin to these strategic aspirations are the needs for more political autonomy, control and gigantic stride towards nation building. From the foregoing, there is no gainsaying the fact that the concept of development cuts across economic, social, political and cultural spheres.

In the view of some labour observers and scholars, trade unions in Africa had played prominent roles towards the attainment of independence in the continent, consequently, it is only fair for governments and those in the helm of affairs of the States to reciprocate the gestures of labour leaders through equitable distribution of national wealth as co-partners or stakeholders in the struggle for independence or political autonomy. The second school of thought held by State functionaries expected far more contributions from the labour leaders through playing a dualistic role: aiding and being vanguard in the overall development in nation building and secondly, representation of the job interests of their rank and file membership. On the side of the unions, their contention is that their primary function centres on the job representation of their members whilst participation in development process should be secondary as workers being suppliers of their labour power are obviously indispensable element in the implementation of development plans.

Evidence from literature indicates that an industrial relations system can be understood in terms of the political environment within which it operates (Yusuf, 2009). The 1945 six weeks general strike of the Railway Workers’ Union is identified by historians as one of the remote causes of the struggle for Nigeria’s independence (Nchuchuwe & Ajulor, 2008). Thus, it seems obvious why Dunlop (1972) argues that an industrial relations system overlaps with the other sub-systems in the society, namely, the economic and political systems. Hauss (2003) asserts that trade unions are the “hottest” concept that reflects on political life. As Yusuf (2009) puts it, a nexus exists between industrial relations and the political environment. Nchuchuwe and Ajulor (2008) contend that a virile trade union and civil society would promote good governance. In fact, Oche (1999) recounts that organized labour were at the forefront of
democracy sustenance during the struggle towards revalidation of the annulled June 12, 1993 Presidential election in Nigeria. Perhaps this explains why the thinking in Diamond (1999) suggests that members of the civil society like the organized labour provide the basis for the limitation of state power. In effect, societal ills can be abated with a formidable industrial relations system (Nchuchuwe & Ajulor, 2008).

The influence of industrial relations institutions on economic outcomes has been a key feature of the study of the global workplace (Ham & Kleiner, 2007). For example, studies like Nickell and Layard (1999) as well as Botero et al (2003) have examined the influence of labour market institutions on some economic performance measures (e.g. increase in GDP, direct foreign investment, technology transfer, infrastructural development, enhancement of living standards etc.). Specifically, the tone in Ichniowski and Shaw (2003) suggest that industrial relations system variables are implicated in some economic outcomes. In the same vein, the case information and analysis attributable to Ham and Kleiner (2007 pp.305) constitute a compelling evidence that there are trade-offs between higher levels of economic outcomes and greater equity and employee voice associated with more and deeper labour market institutions. In fact, the position in Ham and Kleiner (2007) indicates that there is a multiple equilibrium level of the industrial relations system with FDI. In addition, while using comparisons of countries, Ham and Kleiner (2007) also report that FDI grew less in countries whose industrial relations systems remained relatively restrictive and unchanged. However, as Burkett and Craig (2001) argue, the quest in developing nations to attract Foreign Direct Investment (FDI) presents a potential industrial relations landmine as these nations are often forced into reducing worker protections through questionable legislations and double standards in the application of existing labour statutes.

Industrial development has had an important role in the economic growth of many countries, and along with the accelerated growth came a decline in poverty rates (Kniivila, 2007). According to Tennenbaum (1965) a key feature of industrial relations is the existence of actors who by design work to protect and enhance the social and economic welfare of their members, and therein lay the challenge. Onasanya (1999) contends that while labour works to squeeze out better welfare and improved conditions of work regardless of the cost implications for the management, on the other hand management seeks to keep costs low by controlling labour demands and having some way round labour legislations. However, Gray (1946) warns that any positive program for improving industrial relations must include fulfilling the fundamental desires of employees.

However, disagreements and disputes among various contending interests in the workplace remain some possibility (Anyim, Ikemefuna & Ogunyomi, 2011); and they come at significant financial costs to the parties concerned (Fajana, 1995). As Osamwonyi and Ugiagbe (2013) argue, good industrial relations is synonymous with industrial peace or harmonious industrial relations thus ensuring that maximum level of productive efficiency can be attained and economic returns equitably shared by all concerned. In similar vein, Makinde (2013) posits that a harmonious working environment can be secured through effective industrial relations.
The current trend in industrial relations (aimed at achieving good industrial practice) is to embrace the concept of social dialogue. According to European Communities (2008) social dialogue relates to the discussions, consultations, negotiations and joint actions that take place between employers and trade unions on a wide range of social and work-related issues (European Communities, 2008). The ILO recognizes social dialogue as a veritable tool in advancing the course of social justice and improving working and living conditions. The concept of social dialogue which bothers on good industrial relations practice implores all actors in the industrial relations arena to recognize and accept each other as social partners. In the words of Osamwonyi and Ugiagbe (2013) a cooperative attitude in the workplace is mutually beneficial in terms of output, performance and rewards. As de Silva (1996 pp.8) echoes:

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\text{a (good) sound industrial relations system is one in which relationships between management and employees (and their representatives) on the one hand, and between them and the State on the other, are more harmonious and cooperative than conflictual and creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee and generates employee loyalty and mutual trust.}
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Interest in the effects of industrial relations practices on employment and unemployment has been a feature of many countries. For example, in Europe, it has been associated with 'Eurosclerosis'- a term coined to indicate that employers' freedom to hire and use labour has become excessively restricted by collective agreements and labour laws (Marsden, 1995). Addison and Teixeira (2006) posit that the association between greater union coverage and higher union density on one hand and greater unemployment on the other hand are often weak. For Marsden (1995), the success in boosting employment opportunities in a country like the USA for less skilled and lower paid workers has been widely held up as one of the achievements of labour market deregulation. However, cooperative industrial relations have been linked to improved labour market performance (Freeman & Medoff, 1984). Specifically Feldmann (2008 pp.201) reports that cooperative industrial relations are associated with lower unemployment rates. By and large, as Addison and Teixeira (2006) argue, there appear to be some divide between theory and practice as it relates to how quality of labour relations impact on economic performance. In fact, opposing views of both the State and the unions on what should be the primary role of the unions seem to be a constant source of conflict in developing countries with its attendant and adverse consequences for development in the African continent.

3. METHODOLOGY
The study population was drawn from the unions in the following occupational groups: industrial unions, senior staff association, employers association in the public service, financial institutions and food and beverage. This three tier unions constitute the actors in Nigeria industrial relations system and are at vantage position and conversant with the subject-matter. For the public service, the sample was drawn from top government officials in the Office of the Head of Service of the Federation; senior and junior staff in the core ministries and parastatals.
who are members of the Association of Senior Civil Service of Nigeria (ASCSN) and Nigeria Civil Service Union (NCSU). For the financial institutions, the Human Resource Managers of the sampled Banks and Insurance companies who are members of the Nigeria Employers Association of Banks, Insurance and Allied Institutions (NEABIAI); middle level managers who belong to the Association of Senior Staff of Banks, Insurance and Financial Institutions (ASSBIFI) and junior/support staff who are members of National Union of Banks, Insurance and Financial Institutions Employees (NUBIFIE). For the Food and Beverage industry, the Human Resource Managers who belong to Association of Food, Beverage and Tobacco Employers (AFBTE); middle level management staff, supervisors and chargehands who belong to Food, Beverage and Tobacco Senior Staff Association (FBTSSA) and junior staff and factory workers who are members of National Union of Food, Beverage and Tobacco Employees (NUFBTE).

According to Talbot (1995) the use of structured questionnaire is vital in obtaining relevant data from a target population. To ensure standards, the questionnaire was validated using experts and practitioners in the field of study. The outcome of the validation was also subjected to a pre-test which yielded a Cronbach alpha of 0.914. Although the prescribed standard for a measuring instrument is still being debated in literature (Lance, Butts & Michels, 2006 pp. 205-207), Nunnally (1978) argues that a reliability of .90 should be tolerated while a reliability of .95 should constitute the desirable standard (pp. 245-246). On the overall, four hundred questionnaires were administered on the sampled elements using the proportionate and stratified random sampling technique. The sample drawn from the public service is higher than other groups because government is largest employer of labour in Nigeria. The instrument being a five point scale (1=Strongly Disagree; 2=Agree; 3=Undecided; 4=Agree; 5=Strongly Agree), requested of the respondents to express their opinions on the relationship between industrial relations and national development as operationalised. The data collected was analyzed using correlational analysis. Interpretations and discussions were based on the result that emerged from the analyses. In the study, the concept “National Development” was operationalized in terms of Democracy Sustenance, Increase in Gross Domestic Product (GDP), Enhancement of living standard, foreign direct investment increase, technology transfer, Employment opportunities, Good Industrial relations practice and Infrastructural development.

4. RESULTS AND DISCUSSIONS
Table 1 shows that National Development variables (Democracy sustenance, increase in GDP, Enhancement of living standard, foreign direct investment increase, technology transfer, employment opportunities, good industrial relations system and infrastructural development) have positive relationship with industrial relations respectively. This implies that; National development, (Democracy sustenance, increase in GDP, Enhancement of living standard, foreign direct investment increase, technology transfer, employment opportunities, good industrial relations system and infrastructural development) are related to industrial relations.
Table 1: Means, standard deviations and correlations for all variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
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<tbody>
<tr>
<td>Industrial Relations</td>
<td>4.69</td>
<td>.538</td>
<td>1.00</td>
<td></td>
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<tr>
<td>Democracy sustenance</td>
<td>4.48</td>
<td>.537</td>
<td>.585</td>
<td>1.00</td>
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<td></td>
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<tr>
<td>Increase in GDP</td>
<td>4.45</td>
<td>.534</td>
<td>.556</td>
<td>.754**</td>
<td>1.00</td>
<td></td>
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<tr>
<td>Enhancement of living standard</td>
<td>4.50</td>
<td>.567</td>
<td>.525</td>
<td>.763**</td>
<td>.754**</td>
<td>1.00</td>
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<tr>
<td>Foreign Direct Investment</td>
<td>4.45</td>
<td>.534</td>
<td>.585</td>
<td>.675**</td>
<td>.836**</td>
<td>.852**</td>
<td>1.00</td>
<td></td>
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<tr>
<td>Technology Transfer</td>
<td>4.49</td>
<td>.538</td>
<td>.588</td>
<td>.706**</td>
<td>.807**</td>
<td>.825**</td>
<td>.912**</td>
<td>1.00</td>
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<tr>
<td>Employment opportunities</td>
<td>4.48</td>
<td>.537</td>
<td>.525</td>
<td>.763**</td>
<td>.699**</td>
<td>.822**</td>
<td>.793**</td>
<td>.884**</td>
<td>1.00</td>
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<tr>
<td>Good industrial relations system</td>
<td>4.45</td>
<td>.534</td>
<td>.470</td>
<td>.620**</td>
<td>.723**</td>
<td>.679**</td>
<td>.766**</td>
<td>.853**</td>
<td>.739**</td>
<td>1.00</td>
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<tr>
<td>Infrastructural development</td>
<td>4.50</td>
<td>.567</td>
<td>.723</td>
<td>.346</td>
<td>.444</td>
<td>.472</td>
<td>.472</td>
<td>.470</td>
<td>.409</td>
<td>.407</td>
<td>1.00</td>
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Source: Field Survey, 2015

From the findings, it could be seen that industrial relations is connected to national development through the sustenance of democracy. In the past, the duration of civil rule were short due to military intervention. Since 1999 to date, civil rule has been in place and this 4th Republic has lasted more than the previous ones without military incursion. Yusuf (2009) reports that an industrial relations system can be understood in terms of the political environment within which it operates. In the same vein, Nchuchuwe and Ajulor (2008) recount that the 1945 six weeks general strike of the Railway Workers’ Union is identified by historians as one of the remote causes of the struggle for Nigeria’s independence. As Yusuf (2009) confirms, a nexus exists between industrial relations and the political environment. Thus, as Nchuchuwe and Ajulor (2008) concur, a virile trade union and civil society would promote good governance.

Majority of the participants lay credence to the fact that Gross Domestic Product (GDP) has been on the increase and has been an index of national development. The analysis of the data gathered also indicated that Foreign Direct Investment (FDI) is related to industrial relations. For instance, Foreign Direct Investment (FDI) provides a great incentive for national development in terms of higher export earnings and creation of more jobs in the third world. To account for this positive trend, Dinla (2009) empirically traced the inflows of FDI to Nigeria between 1970 to 2006 and found that the natural resources, openness, inflation and exchange rates are the significant factors responsible for inflow of FDI to Nigeria. In similar vein, Abel and Nikk (2012) investigated the effect of macroeconomic and institutional factors on FDI investments that flow into 30 Sub-Saharan African (SSA) countries from 1995 to 2008 and revealed that financial development, the size of market, infrastructural development and urban accumulations are vital indices. The foregoing instances are pointers to the fact that FDI has tremendous impact on national development in the third world countries.

It can also be deduced that with increase in Gross Domestic Product and the inflow of Direct Foreign Investment which have positive relationship on employment opportunities, the living standard of the citizens of the country is also buttressed. The above indicators which are interwoven are veritable determinants of economic stability and development in a country. It is obvious that the absence of industrial peace and harmony between the parties in industrial relations could jeopardize the realization of these inputs facilitating the path to national development.
From the study, it was found that developed nations do transfer technologies to developing countries. DeGregorio (2003) attests to this fact when he asserts that Foreign Direct Investment serves as a vehicle for developed nations to bring in technologies and knowledge that are not readily available to domestic enterprises and in this way increase their productivity throughout the economy. In the same vein, a study in the area of technological opportunities showed that African countries indigenous capabilities were relatively low and not well developed for accumulation and upgrading of technological capabilities (Szogs and Mwantima, 2009). However, this seeming gap according to Akinwale (2010) was the factor responsible for technological transfer from the West to African countries including Nigeria. A serene industrial relations climate by every measure is no doubt a channel for a flawless transfer of technology necessary for promoting industrial growth and national development.

In consonance with all the findings above, Ham and Kleiner (2007) contend that the influence of industrial relations institutions on economic outcomes has been a key feature of the study of the global workplace. Just like the present study, Nickell and Layard (1999) as well as Botero et al. (2003) have equally examined the influence of labour market institutions on some economic performance measures (e.g. increase in GDP, direct foreign investment, technology transfer, infrastructural development, enhancement of living standards etc.). Specifically, Ichniowski and Shaw (2003) suggest that industrial relations system variables are implicated in some economic outcomes. Similarly, Ham and Kleiner (2007 pp.305) present some compelling evidence showing *trade-offs between higher levels of economic outcomes and greater equity and employee voice associated with more and deeper labour market institutions*. The findings also find support in Ham and Kleiner (2007) which shows that there is a multiple equilibrium level of the industrial relations system with FDI. In particular, Ham and Kleiner (2007) while using comparison of countries also report that FDI grew less in countries whose industrial relations systems remained relatively restrictive and unchanged.

The findings also suggest that healthy industrial relations climate in the country is implicated in employment opportunities. Besides, international investment at macro-economic level results in decision that would also be responsive to country specific labour market institutions (Prescott, 1986). Specifically, as Addison and Teixeira (2006) posit, the association between greater union coverage and higher union density on one hand and greater unemployment on the other hand are often weak. Marsden (1995) notes that the success in boosting employment opportunities in a country like the USA for less skilled and lower paid workers has been widely held up as one of the achievements of labour market deregulation. However, according to Freeman and Medoff (1984) there is a link between cooperative industrial relations and improved labour market performance. Specifically Feldmann (2008) reports that cooperative industrial relations are associated with lower unemployment rates.

In addition, the study revealed the importance of good industrial relations system to economic and national development. Ham and Kleiner (2007) posit that countries consider the industrial relations system as a critical determinant of the social stability of a nation. Industrial relations institutions have impact on how income is distributed in the society, the level of workers voice and participation in the political system and the rate of social vices which are presumed indices of the social well-being of the populace (Fortin and Lemieux, 1996; Budd, 2004).

The study further shows that healthy industrial relations system has implications for infrastructural development. Besides, Udjoh, Simelane and Booysen (2000) perceived infrastructure as having both direct and indirect impact on the growth of the economy. Furthermore, they posit that infrastructure adds to economic growth and development by raising efficiency and providing facilities which enhance the quality of life. Ijaiya and Akanbi (2009) found long term linkages between infrastructure and
economic growth. The link between infrastructure and growth in African countries: South Africa, Nigeria, Uganda and others has also been shown to be positive by Foster (2009) in the Africa Infrastructure Country Diagnostic Report (AICD, 2009). The foregoing is a byproduct of peaceful and harmonious industrial relations climate. We learn through Anyim, Ikemefuna and Ogunyomi (2011) that disagreements and disputes among various contending interests in the workplace remain some possibility; and they come at significant financial costs to the parties concerned (Fajana, 1995). Similarly, the finding is in line with Osamwonyi and Ugiagbe (2013) which indicate that good industrial relations is synonymous with industrial peace or harmonious industrial relations thus ensuring that maximum level of productive efficiency can be attained and economic returns equitably shared by all concerned. In the same vein, Makinde (2013) posits that a harmonious working environment can be secured through effective industrial relations.

Finally, in line with the findings, Kniivila (2007) informs that industrial development has had an important role in the economic growth of many countries, and along with the accelerated growth come a decline in poverty rates. As Tennenbaum (1965) equally submits, a key feature of industrial relations is the existence of actors who by design work to protect and enhance the social and economic welfare of their members.

5. CONCLUSION
The state of industrial relations in any economy is a crucial factor that impacts on national economy. It is an indispensable fact that development irrespective of the path it had taken is heavily dependent and driven by the social partners (government, employers and the employees). In consequence, the State, Employers Association and the Trade Union Movement are the institutions propelling and lubricating the arms of national development. As can be seen from the study, industrial and labour relations practice have contributed significantly to the pace of national development in Nigeria in terms of the operationalized variables employed in the study. Interestingly, all the statistical analyses showed positive results. However, based on discussions with a large spectrum of the industrial community, some veteran unionists hold the view that the Labour Movement in Nigeria have not been commensurately rewarded by the State for the tremendous role it had played towards political independence and national development of Nigeria whether in the past decades or present time.

6. REFERENCES


