
THE SOCIOECONOMIC IMPACT OF ACADEMIC STAFF UNION OF UNIVERSITIES (ASUU) INDUSTRIAL ACTION (STRIKE) ON THE LOCAL ECONOMIC ENVIRONMENT

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ABSTRACT

Universities play a crucial part in the economic development process. Universities contribute to community prosperity by promoting regional growth, job creation, investment, and community well-being. Students have a great deal of purchasing power. Some schools, for example, enrol up to about 50,000 regular, part-time, and graduate students as the case of University of Benin. This seemingly economic impact on communities hosting these institutions is being threatened by the incessant strike actions of the Academic Staff Union of Universities (ASUU). This research focused on the direct impact of this industrial action on businesses domiciled within campuses. The local businesses in the tertiary institutions and its surroundings were identified and categorised into 8 categories, including: Stationery, Business Center, Snacks, Driver, Clothing, Food Canteen, Phones/Accessories, and Others Specify. The findings indicate that the majority of these businesses are centred around office supply stores and other businesses of a similar nature. Analysing how the strike has affected businesses by reveals that the ASUU strike has had a detrimental impact on respondents' daily income. According to the tables provided for daily incomes of between 0-5,000 naira and between 5,001-10,000 naira, there is a daily increase of those who normally earn the previous increase by more than 57 percent, indicating that there was a decrease in business activities, and for the latter, by more than 51 percent during strike. The same pattern can be seen in how businesses cut costs by factoring in other daily income classifications.

Keywords: *Strike; Industrial action, ASUU, Local economic Environment, Universities*

INTRODUCTION

The story of higher education in Nigeria cannot be told without mentioning incidents and strike eras. Strikes of various types and for

various causes have become a common occurrence due to the government's and academia's increasingly callous approach to policymaking. The institutions of higher education are dwindling and shrinking despite the strikes, policies, money, corruption, knowledge, and human resources that are invested in it, even though it is stated in the constitution that strikes can be used as a means of expressing public opinion and can result in positive changes. Despite greatly improved inputs, the quality of higher education in Nigeria is declining, and the Nigerian economy is effectively reflecting this trend (Anonaba, 2015). According to Sasu (2023), in Nigeria, there are 170 universities. As of 2023, there were 79 private universities, 43 federal universities, and 48 state universities. The University of Ibadan, the University of Nigeria, Obafemi Awolowo University, and the University of Lagos are among Nigeria's oldest universities. These four institutions were established between the late 1940s and the early 1960s. The information is presented in figure 1 below.

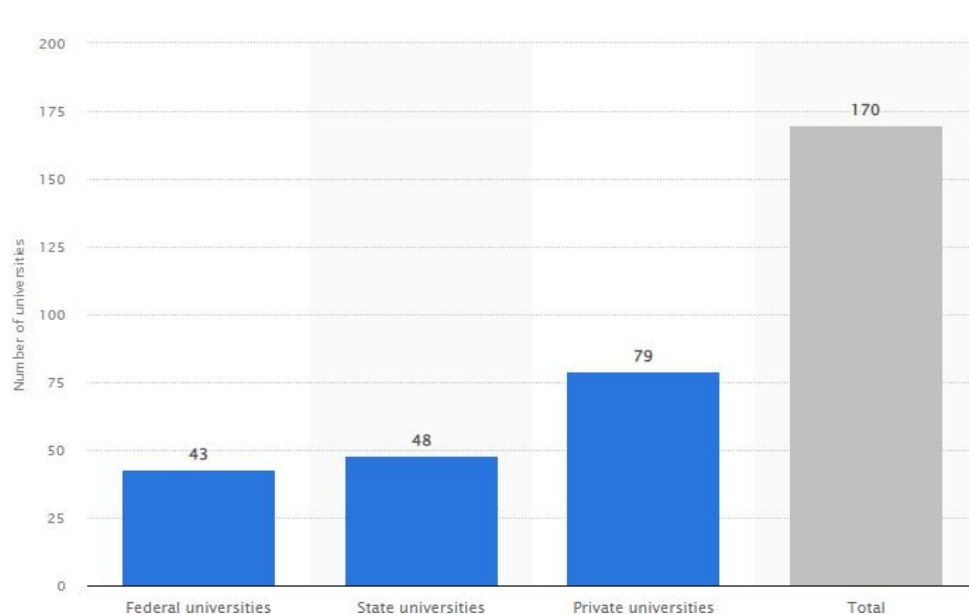


Figure 1: Number of universities in Nigeria as of 2023, by ownership

Universities have been found to be hubs of economic activities (Mapuranga, 2016). Universities play a key role in the process of economic development as both a source of new knowledge and a trainer of scientists and engineers who work in industrial laboratories. Universities generate prosperity in their communities by fostering regional growth, job creation, investment, and community well-being. They assist

regions in realising their economic potential by encouraging innovation and entrepreneurship, attracting investment and talent, and creating job opportunities (Sampson, 2004). By transferring knowledge and technologies to industry and society at large, universities engagement in various activities are becoming engines that contribute to the social, economic, and cultural development of the regions in which they operate (De Jong et al., 2014; Secundo et al., 2017a; Agasisti et al., 2019).

STATEMENT OF PROBLEM

Conflicts at work may require industrial action to be resolved. Therefore, it is crucial to stress that the current strike situation in Nigeria won't inspire any student or family, for instance, as long as the system continues to cunningly stifle intellectual ambition, eliminate monetary life, and other crucial and valid obtainable objectives as a result of regular neglect for resolutions, persistent disagreements, and a lack of the availability of basic and adequate resources to enhance the common good.

"Students have a lot of procuring power." For instance, some schools enrol up to 35,000 regular, part-time, and graduate students. Bike riding as a means of transportation in some communities rely on students to survive. Furthermore, because the majority of these students are from outside the community, these businesses in question located within and without the immediate environs suffer a great deal when there is a prolonged shutdown (Seye, 2022). The current state of the local economy in the nation is dismal as a result of the eight months of strike resulting from the Academic Staff Union of Universities (ASUU), and this research study focuses is on how the strike action impacts local businesses located the higher institutions and households.

AIMS AND OBJECTIVES

This research on the neighbourhood socioeconomic environment is focused on analysing and comprehending the cascading effects of ASUU industrial action.

The following leads are crucial:

- a) Identifying and categorize the local businesses within the tertiary institutions
- b) Investigating the normal average daily revenue for various businesses as against during the strike action
- e) Determining the effect of the strike on businesses

LITERATURE REVIEW

Any organisation will inevitably experience industrial conflict. Since organisations deal with people pursuing their own interests in conflict, the idea is linked to the "conflict theory." Strikes, the most visible manifestation of industrial conflict, are common in Nigeria. Without a doubt, this action has an impact on production costs and, of course, productivity, because most strike costs (wages and salaries, as well as other unavoidable payments) are paid during the strike period (Eseagba, 2014). Since the colonial period, the Nigerian labour market has seen numerous industrial conflicts between the major actors: management and employees. In most cases, it is due to a conflict of interest in terms of wages and working conditions (Ogbette et al., 2017).

The Academic Staff Union of Universities (ASUU) is a trade union whose activities are permitted by the law and in accordance with the principles of trade unionism. (Chigozie, 2017). In 1978, the Academic Staff Union of Universities (ASUU) was established. Its forerunner, the Nigerian Association of University Teachers (NAUT), was founded in 1965 and represented academic staff at the Universities of Ibadan, Nigeria, Nsukka, Ahmadu Bello University, Zaria, University of Ife, and Lagos. According to its founders, ASUU is a trade union whose goals include regulating relationships between academic staff and employers, encouraging its members to participate in the affairs of the university system and the nation, and protecting and advancing the nation's socioeconomic and cultural interests (Gimba, 2022).

The first strike in higher education in Nigeria took place on May 20, 1980, when a trade dispute was declared with the governing councils of universities in Nigeria. At the time, demands for better university funding, academic freedom, autonomy, and the creation of a special body to examine the working conditions of university staff members were made. Academic Staff Union of Universities (ASUU) members announced an industrial dispute at the beginning of 1992 due to the severe underfunding of universities in Nigeria, the poor working conditions of the academic staff, the autonomy of the universities, and the requirement for academic freedom (Anonaba, 2015).

Since civil rule began in 1999, ASUU has been on indefinite strike. ASUU went on nationwide strikes for several months in 1999 and 2001. Following the Obasanjo administration's failure to put the agreement it

reached with the union into action, ASUU went on another strike on December 29, 2002, lasting for two months. However, in 2003 ASUU took part in another strike over the failure to implement earlier agreements regarding inadequate funding for universities, disparities in teacher salaries, and the retirement age for teachers. A second strike that lasted two weeks occurred in 2005 (Oyebode and Obaka, 2022). In effect there has been no regime since 1999 which ASUU has not gone on strike (Ogunode et al., 2022). The last strike spanning over 10 months in 2022 which makes it the longest strike in the history of Nigeria was particularly bizarre with government refusing to listen or even call for negotiations. Unions in public universities opted to go on internal strike or on national strike. Internal strike actions occur when one or more branches of the National Union in some public universities go on strike to press for their needs with one or a few public universities, whereas national strike actions occur when the National body orders all of its zonal and state branches to go on strike. The strike action can be classified as warning, indefinite, or total strike, as is the case with the current total strike (Ogunode et al., 2022).

According to Hornby (2001), a strike is a period of time during which an organised group of employees of a company stops working due to a disagreement over pay or working conditions. It can be defined as an action/attitude displayed by a group of people (employees or students) to express their level of disagreement in order to elicit favourable responses from those involved. A strike is an organised work stoppage by a group of workers to compel compliance with demands made by an employer or group of employers (Abiodun-Oyebanji, 2015 & Adavbiele, 2015). A strike denotes a breakdown in the friendly relationship between employees and employers. It is a useful tool for employees to press for and meet their demands, but the economic impact of a strike is difficult to quantify. According to Ogunode (2020), strike action is an ongoing issue for the administration of Nigerian public universities. Nigerian public universities are well-known for their ongoing strike actions by various union groups within the system. The actions are frustrating the administration of Nigeria's public universities. The reasons for union groups' strike actions include underfunding of public universities, insufficient infrastructure, and poor implementation of agreements reached with union groups, as well as poor working conditions.

Scope and Methodology of Research work

1. Scope of research

The scope and limitations of the study are described as background issues. That is, how far should research go against limited resources in the face of limitless research issues and interest (scope), and what issues would/could not be covered in the research for what reasons, and what should future researchers do? (limitation). The scope and limitations of the study are critical components of good social research, and they must be well-conceived and addressed (Akanle et al., 2020). For this research the scope of the study is determined by the objectives of the study which are as follows:

- a) Identifying and categorize the local businesses within the tertiary institutions
- b) Investigating the normal average daily revenue for various businesses as against during the strike action
- c) Determining the effect of the strike on businesses

The research was conducted at the University of Benin, Benin City. According to Top University (2023), in 1970, the University of Benin was established. The National Universities Commission (NUC) granted it the status of a full-fledged university on July 1, 1971, after it had first been established as an Institute of Technology. Col. S. O. Ogbemudia, then Military Governor of Mid-Western State and a Visitor to the University, made the official announcement that the Institute of Technology would now be known as the University of Benin in his budget speech in April 1972. The University was taken over by the Federal Government on April 1st, 1975 at the request of the State Government, and became a Federal University. With a number of faculties, departments, institutes, and units today, the university has continued to thrive.

The University of Benin (UNIBEN), which is officially recognised by the National Universities Commission of Nigeria, is a large (uniRank enrolment range: 40,000-44,999 students) coeducational Nigerian higher education institution.

2. Methodology of research

This is a case study research and it is for the purpose of examining interactions, attitudes, or characteristics of individuals or groups,

collects data directly from individuals, social, or community groups in their natural environment. The essence of this research was to determine the effect of ASUU strikes on businesses located within or near the university environment and in this case the University of Benin, Benin City.

Questionnaires were used for this research. The questionnaire is typically a form with a few questions on it that the respondents must complete without the researcher's assistance or input. It makes it possible to gather data from big samples. A total of 450 questionnaires were distributed and 414 were completed and returned for analysis. This is 92 percent of return rate.

The statistical analysis used was simply; frequency table, percentages, means and pie charts as a presentation method.

Data Analysis and Discussions

The data collected from the administered questionnaires were analysed based on the different segments of it. The analysis is presented below:

1. Sex distribution

Table 1: Sex distribution

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------|-----------|---------|---------------|--------------------|
| Valid | Male | 250 | 60.4 | 60.4 | 60.4 |
| | Female | 164 | 39.6 | 39.6 | 100.0 |
| | Total | 414 | 100.0 | 100.0 | |

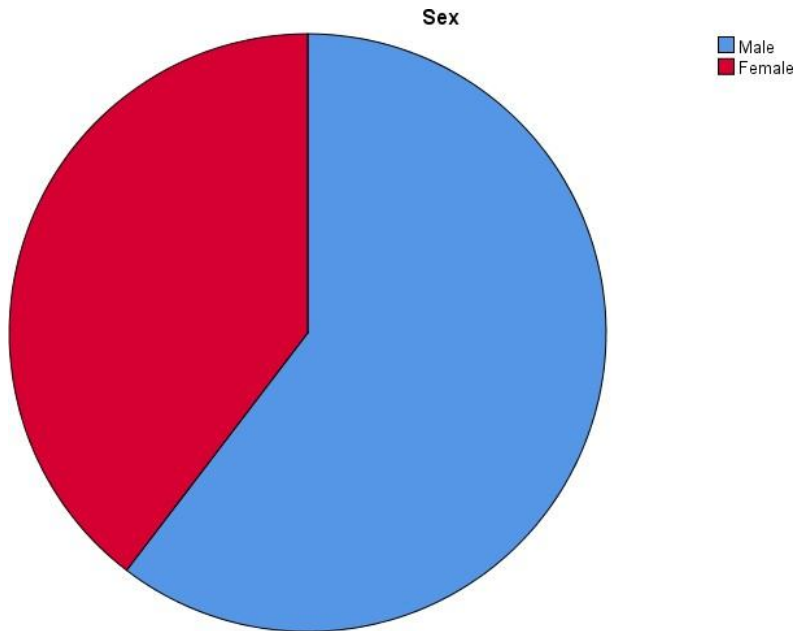


Figure 2: A pie chart showing sex distribution

Table 1 and figure 2 shows the breakdown of the sex distribution of respondents that filled and returned the questionnaire for analysis. The data analysis showed that 250 respondents were males and 164 were females. This further shows that the male makes up 60.4 percent and the female 39.6 percent.

2. Age Distribution

Table 2: Age distribution of respondents

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------------|-----------|---------|---------------|--------------------|
| Valid | 18-25 | 133 | 32.1 | 32.1 | 32.1 |
| | 26-35 | 140 | 33.8 | 33.8 | 65.9 |
| | 46-55 | 99 | 23.9 | 23.9 | 89.9 |
| | 56 and above | 29 | 7.0 | 7.0 | 96.9 |
| | empty | 13 | 3.1 | 3.1 | 100.0 |
| | Total | 414 | 100.0 | 100.0 | |

Table 2 and figure 3 shows the Age distribution of respondents. The Age distribution of respondents shows that more of the business owners from the data are between the ages of 26-35 years totalling 140 respondents. This is 33.8 percent of total respondents. The second largest group are of ages 18-25 years make up 133 respondents and a percentage of 32.1 percent. 13 respondents making 3.1 percent did not fill out this portion of

the questionnaire. Further implication is that due to the problem with unemployment the youths of age bracket 18-35 years makes up the largest part due to the parlance in Nigeria that “guy need to hustle”. The portion is equivalent to 65.9 percent of the total questionnaires analysed.

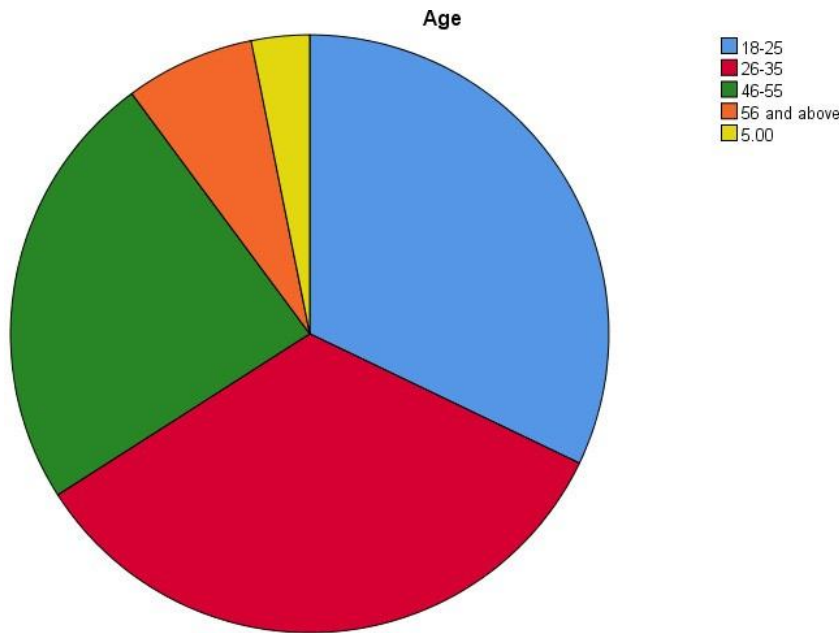


Figure 3: Age distribution of respondents

3. Marital Status

Table 3: Marital Status of questionnaires returned

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|---------|-----------|---------|---------------|--------------------|
| Valid | Single | 193 | 46.6 | 47.0 | 47.0 |
| | Married | 192 | 46.4 | 46.7 | 93.7 |
| | Widower | 5 | 1.2 | 1.2 | 94.9 |
| | Widow | 8 | 1.9 | 1.9 | 96.8 |
| | Empty | 13 | 3.1 | 3.2 | 100.0 |
| | Total | 411 | 99.3 | 100.0 | |
| Missing | System | 3 | .7 | | |
| Total | | 414 | 100.0 | | |

Table 3 and figure 4 deals with Marital Status of questionnaires returned. The marital Status of questionnaire returned indicates that those of single status are slightly more than the married group. The single has a total of 193 and married 192 with a marginal difference of just one. The

percentage are 47 and 46.7 percent respectively. This shows that both the married and the single are all hustling for survival to make a living by sitting or establishing businesses within university campuses across the nation.

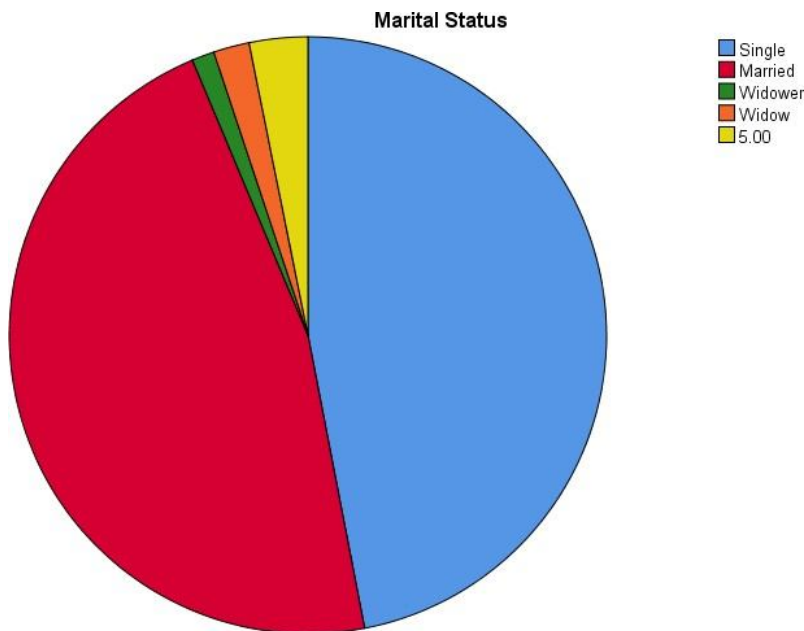


Figure 4: Marital Status of questionnaires returned

4. Highest Educational Qualification

Table 4: Highest Educational Qualification of respondents

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Primary School | 38 | 9.2 | 9.2 | 9.2 |
| | O'Level | 102 | 24.6 | 24.6 | 33.8 |
| | NCE/ND | 75 | 18.1 | 18.1 | 51.9 |
| | B.Sc/HND | 171 | 41.3 | 41.3 | 93.2 |
| | M.Sc/PhD | 28 | 6.8 | 6.8 | 100.0 |
| | Total | 414 | 100.0 | 100.0 | |

Analysis of table 4 and figure 5 are related to the Highest Educational Qualification of respondents. The qualifications of respondents show that BSc/HND holders are more with 171, which is 43.3 percent of the total. The second category of respondents were those with O' Levels with 102 which is 24.6 percent. Further probe shows that those possessing certificates (graduates of NCE/ND, BSc/HND, MSc/PhD)) above O'

Level certificates of the total. This is also an indication of the level of unemployment and show the facts that even graduates are not exempted from the problems of unemployment.

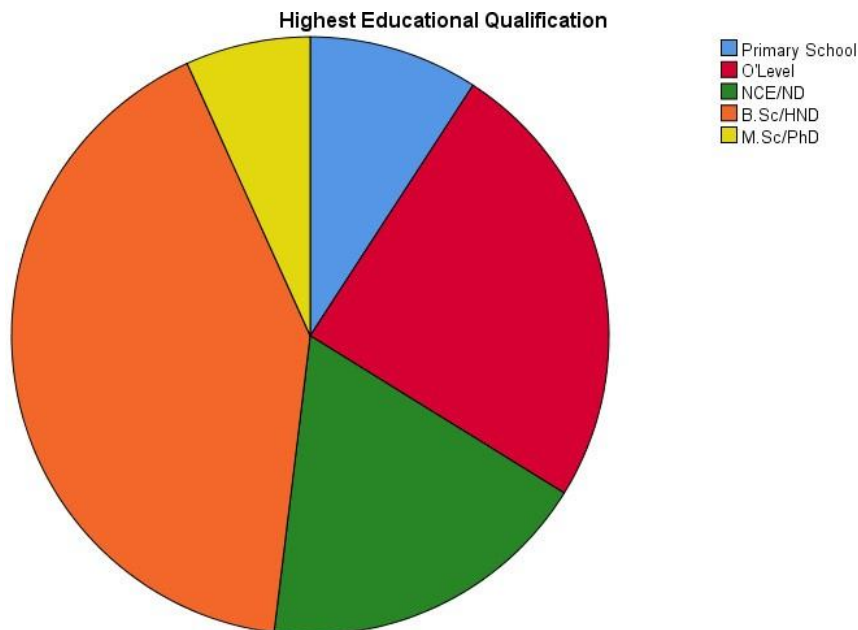


Figure 5: Highest Educational Qualification of respondents

5. Types and Nature of Businesses

Table 5: Type of Business

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------------------|-----------|---------|---------------|--------------------|
| Valid | Stationeries | 48 | 11.6 | 11.6 | 11.6 |
| | Business Centre | 102 | 24.6 | 24.6 | 36.2 |
| | Snacks | 23 | 5.6 | 5.6 | 41.8 |
| | Driver | 36 | 8.7 | 8.7 | 50.5 |
| | Clothing | 41 | 9.9 | 9.9 | 60.4 |
| | Food Canteen | 24 | 5.8 | 5.8 | 66.2 |
| | Phones/Accessories | 49 | 11.8 | 11.8 | 78.0 |
| | Others Specify | 91 | 22.0 | 22.0 | 100.0 |
| Total | | 414 | 100.0 | 100.0 | |

Table 5 and figure 6 are indicative of the types and nature of business engaged in around campuses. The business categories identified were categorized in 8 groups namely; Stationeries, Business Centre, Snacks, Driver, Clothing, Food Canteen, Phones/Accessories and Others Specify.

The business related to sales of stationeries and business centre make up the bulk of the business types around campuses. This make up are combined total of 150 translating to about 36 percent. The second highest group were the 'Others specify" with 91 respondents translating to approximately 21.9 percent. The next category is the sales of phones or accessories with 49 respondents translating to 11.8 percent.

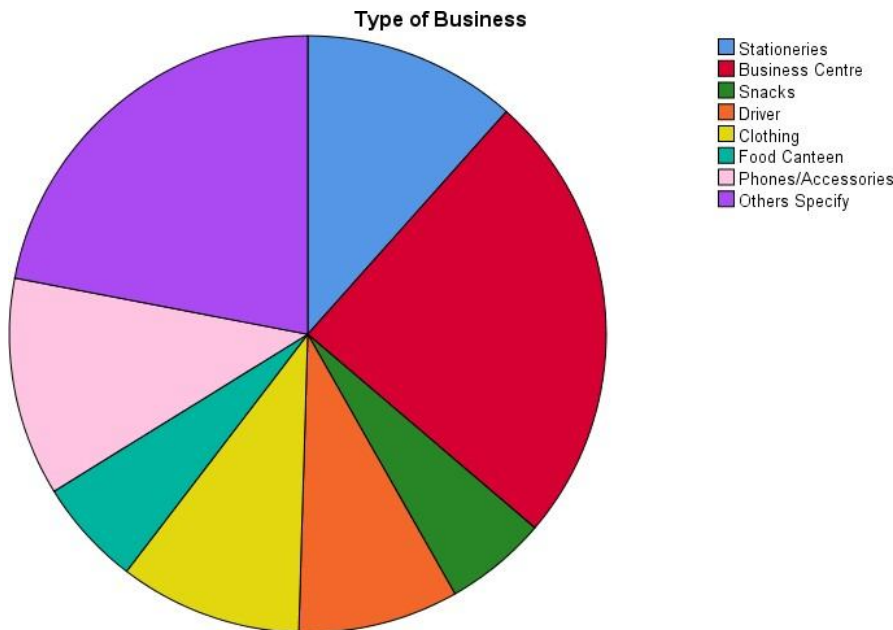


Figure 6: Type of Business of respondents

6. How they make normally

Table 6: How much do you make daily normally?

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------|-----------|---------|---------------|--------------------|
| Valid | 0-5000 | 91 | 22.0 | 22.0 | 22.0 |
| | 5001-10000 | 153 | 37.0 | 37.0 | 58.9 |
| | 10001-15000 | 77 | 18.6 | 18.6 | 77.5 |
| | 15001-20000 | 24 | 5.8 | 5.8 | 83.3 |
| | 20001-25000 | 12 | 2.9 | 2.9 | 86.2 |
| | 25001-30000 | 15 | 3.6 | 3.6 | 89.9 |
| | Above 30000 | 42 | 10.1 | 10.1 | 100.0 |
| Total | | 414 | 100.0 | 100.0 | |

Table 6 and figure 7 deals with How much do you make daily normally? People making between 5,001 and 10,000 naira daily from the returned questionnaires were 153 approximately making up 37 percent. The next

group were those making daily income of between 0-5,000 naira. Which is 91 and a percentage of about 22 percent. The next is daily income of between 10,001-15,000 naira, which is 77 and percentage of about 19 percent.

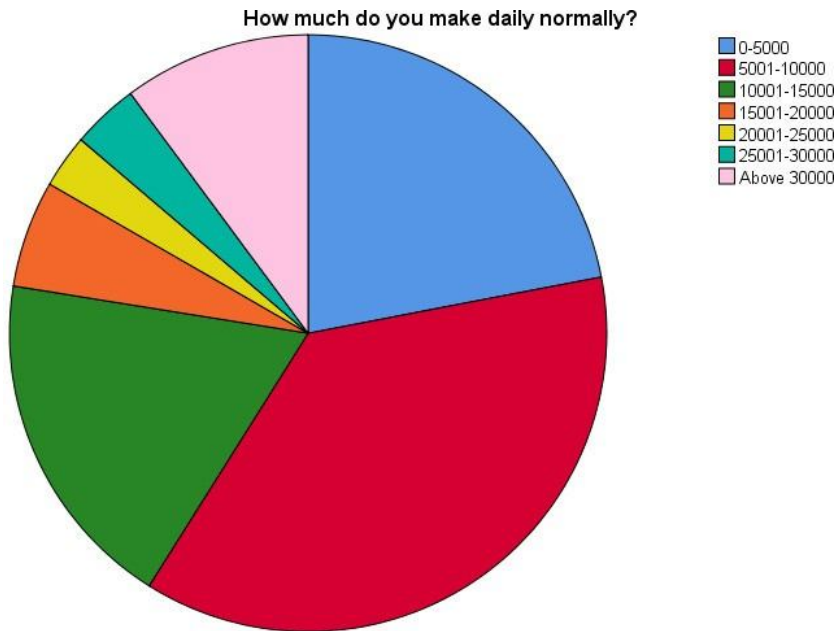


Figure 7: How much do you make daily normally?

Table 7: How much do you make daily during the ASUU strike?

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------|-----------|---------|---------------|--------------------|
| Valid | 0-5000 | 192 | 46.4 | 46.4 | 46.4 |
| | 5001-10000 | 79 | 19.1 | 19.1 | 65.5 |
| | 10001-15000 | 40 | 9.7 | 9.7 | 75.1 |
| | 15001-20000 | 22 | 5.3 | 5.3 | 80.4 |
| | 20001-25000 | 17 | 4.1 | 4.1 | 84.5 |
| | 25001-30000 | 24 | 5.8 | 5.8 | 90.3 |
| | Above 30000 | 40 | 9.7 | 9.7 | 100.0 |
| Total | | 414 | 100.0 | 100.0 | |

How much respondents make daily during the ASUU strike is dealt with in table 7 and figure 8. From the table and figure, 0-5,000 naira daily income make up the highest category with 192 respondents, translating to about 43.4 percent. While respondents making daily income of between 5,001 and 10,000 naira make up the second category with 79, translating

to 19 the next are respondents making daily income 10,001-15,000 and above 30,000 naira of 40 each. This makes 9.7 percent.

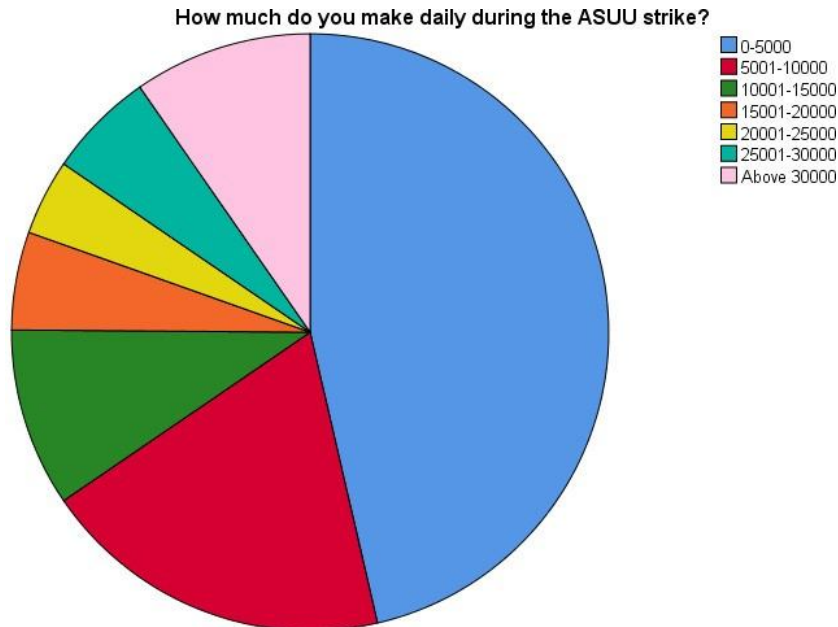


Figure 8: How much do you make daily during the ASUU strike?

CONCLUSION

No doubt the huge number of the student's population makes any community that host tertiary institution a business centre. Accommodation, business activities blossoms. This singular population factor brings liveliness and economic activities, therefore, any action that slows this or stops this can have a serious negative impact on the local economy. This is what industrial actions by trade unions domicile in the institutions can result to especially the ASUU.

This research writing is centred around the followings:

1. Identifying and categorize the local businesses within the tertiary institutions and its environs were grouped into 8 namely: Stationeries, Business Centre, Snacks, Driver, Clothing, Food Canteen, Phones/Accessories and Others Specify. The results show that the majority of these businesses are centred around stationeries and business centres and others categorized as others specify.
2. Investigating the normal average daily revenue for various businesses as against during the strike action, the results show that

the normal daily average income of respondents is around 5,001-10,000 naira.

3. Determining the effect of the strike on businesses by comparing table 6 and table 7 shows that there is a negative effect of ASUU strike on the daily income of respondents. From the tables stated for daily incomes of between 0-5,000 and 5,001-10,000 naira there is a daily increase of those that is normally gained the previous increase by over 57 percent showing that there was a reduction in business activities and for the latter reduced by over 51 percent during strike. The same trend can be seen that businesses reduced by doing calculations in other daily income categorizations.

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