MAJOR ISSUES ARISING OUT OF INDUSTRIAL RELATIONS DISPUTES IN GHANA SINCE INDEPENDENCE: 1957-2004

By

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Thesis submitted in fulfilment of the requirements for the degree of Doctor of Philosophy in Management, Department of Management, Faculty of Economics and Management Sciences, University of the Western Cape, South Africa.

Supervisor: Professor Douglas Blackmur

November 2006
DECLARATION

I hereby declare that the work presented in this thesis is, to the best of my knowledge and belief, original, except as acknowledged in the text; the material has not been submitted, either in whole or in part, for a degree at the University of the Western Cape or at any other university.

Signature : 

Full Name : Francis Adu-Poku

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Date : November 2006
This thesis analyses the significance of disputes or conflict in Ghana’s industrial relations since her independence in 1957. It further analyses the causes of industrial conflict and its management or resolution in Ghana in particular. Scholars argue that industrial conflict may not only adversely affect the living standards of both the employers and the employees but may also destabilise the labour market and bring about industrial injustices. On the other hand, industrial conflict is not necessarily dysfunctional or “bad”. It may be a desirable feature so long as it is able to reflect the systematic inclusion of certain information and can lead to ideas about new approaches to organisational process and prevent ignorance from being accepted as a valid excuse for injudicious policy.

The thesis shall outline the historical development of Ghana’s industrial relations since independence with special reference to strikes. How trade unions, employers associations and successive governments since independence have influenced industrial disputes in Ghana will be considered. Forms of strikes in Ghana and disputes’ management policies that have been employed by governments of Ghana will be critically assessed and discussed.

The sources include Ghanaian government documents, policy statements, critical articles and books on both theories of industrial relations in general and Ghana’s industrial relations in particular. The analysis shall essentially be qualitative and a grounded, empirical method will be employed. The thesis makes no value judgments about industrial conflict.

The Conclusion identifies the major issues arising out of industrial disputes in Ghana with which future public policy will have to deal.
KEYWORDS / PHRASES

Major issues
Disputes/conflicts
Industrial relations
Ghana
Independence of Ghana
Strikes/absenteeism/sabotage/labour turnover
Collective bargaining
Conciliation/Mediation/Arbitration
National tripartite committee
Labour commission.
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meet all my financial needs during my research. To the current and past Heads of the Management Department (UWC), the lecturers and the entire staff, I say a big thank you for your co-operation.

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ABBREVIATIONS

<table>
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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACRI</td>
<td>African Crisis Response Initiative</td>
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<td>ACOTA</td>
<td>African Contingency Operations Training and Assistance</td>
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<td>AU</td>
<td>African Union</td>
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<td>AFRC</td>
<td>Armed Forces Revolutionary Council</td>
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<td>AGC</td>
<td>Ashanti Goldfield Company</td>
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<td>ALU</td>
<td>Association of Local Unions</td>
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<tr>
<td>CVC</td>
<td>Citizens' Vetting Committee</td>
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<td>CSAG</td>
<td>Civil Servants Association of Ghana</td>
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<tr>
<td>CHRAJ</td>
<td>Commission for Human Rights and Administrative Justice</td>
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<td>COSATU</td>
<td>Congress of South African Trade Union</td>
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<tr>
<td>CDR</td>
<td>Committees for the Defense of the Revolution</td>
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<td>CWU</td>
<td>Communication Workers’ Union</td>
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<tr>
<td>CBMWU</td>
<td>Construction and Building Materials Workers’ Union</td>
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<td>CPI</td>
<td>Consumer Price Index</td>
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<td>DIC</td>
<td>Divestiture Implementation Committee</td>
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<td>ECOWAS</td>
<td>Economic Community of West African States</td>
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<td>EPZ</td>
<td>Export Processing Zone</td>
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<td>ERP</td>
<td>Economic Recovery Programme</td>
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<td>FAC</td>
<td>Freedom of Association Committee</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GH</td>
<td>Ghana</td>
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<tr>
<td>COCOBOD</td>
<td>Ghana Cocoa Marketing Board</td>
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<tr>
<td>GEA</td>
<td>Ghana Employers’ Association</td>
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<td>GIPC</td>
<td>Ghana Investment Promotion Council</td>
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<td>GLSS</td>
<td>Ghana Living Standards Survey</td>
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<td>GMWU</td>
<td>Ghana Mine Workers’ Union</td>
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<td>GNAT</td>
<td>Ghana National Association of Teachers</td>
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GPRTU  Ghana Private Road Transport Union
GRNA   Ghana Registered Nurses Association
GAWU   General Agricultural Workers’ Union
GTPCWU General Transport, Petroleum and Chemical Workers’ Union
GNP    Gross National Product
GoG    Government of Ghana
GSS    Ghana Statistical Services
GTUC   Ghana Trade Union Congress
HSWU   Health Services Workers’ Union
HIPC   Highly Indebted Poor Country’s Initiatives
ICU    Industrial and Commercial Workers’ Union
IAD    Institute for African Development
IMC    Interim Management Committee
ICFTU  International Confederation of Free Trade Unions
ICESCR International Covenant on Economic, Social and Cultural Rights
IDA    International Development Association
ILO    International Labour Organisation
IMF    International Monetary Fund
JCCs   Joint Consultative Committees
JSC    Joint Standing Committee
JSAG   Judicial Service Staff Association of Ghana
LET    Labour Enterprise Trust
LGWU   Local Government Workers’ Union
MDU    Maritime and Dockworkers’ Union
MEU    Mines Employees’ Union
MLMD   Ministry of Labour and Manpower Development Ghana
        Labour Department
NACL   National Advisory Committee on Labour
NCR    National Cash Register
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<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>NCD</td>
<td>National Commission on Democracy</td>
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<tr>
<td>NCFGL</td>
<td>National Consultative Forum of Ghana Labour</td>
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<td>NDC</td>
<td>National Democratic Congress</td>
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<tr>
<td>NEC</td>
<td>National Executive Committee</td>
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<td>NHS</td>
<td>National Health Service</td>
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<td>NLC</td>
<td>National Liberation Council</td>
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<td>NRC</td>
<td>National Redemption Council</td>
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<td>NTDB</td>
<td>National Trade Data Bank</td>
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<td>NUGS</td>
<td>National Union of Ghanaian Students</td>
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<td>NUS</td>
<td>National Union of Seamen</td>
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<td>NPP</td>
<td>New Patriotic Party</td>
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<td>NTs</td>
<td>Northern Territories</td>
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<td>NTP</td>
<td>Northern Territories Protectorate</td>
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<td>OFY</td>
<td>Operation Feed Yourself</td>
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<tr>
<td>OATUU</td>
<td>Organisation of African Trade Union Unity</td>
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<td>PNP</td>
<td>People's National Party</td>
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<td>PSWU</td>
<td>Public Services Workers’ Union</td>
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<td>PURC</td>
<td>Public Utilities Regulatory Commission</td>
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<tr>
<td>PUWU</td>
<td>Public Utility Workers’ Union</td>
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<td>PWD</td>
<td>Public Works Department</td>
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<td>WDCs</td>
<td>People's Defence Committees</td>
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<td>PDA</td>
<td>Preventive Detention Act</td>
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<td>PP</td>
<td>Progress Party</td>
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<tr>
<td>PNDC</td>
<td>Provisional National Defense Council</td>
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<td>REU</td>
<td>Railway Enginemen’s Union</td>
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<tr>
<td>RWU</td>
<td>Railway Workers’ Union</td>
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<td>RPED</td>
<td>Regional Programme on Enterprise Development</td>
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<td>SAP</td>
<td>Structural Adjustment Programme</td>
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<td>SOEs</td>
<td>State Owned Enterprises</td>
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<td>SMC</td>
<td>Supreme Military Council</td>
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<tr>
<td>TEWU</td>
<td>Teachers and Educational Workers’ Union</td>
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<td>Acronym</td>
<td>Description</td>
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<tr>
<td>TGLEU</td>
<td>Textile, Garment and Leather Union</td>
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<tr>
<td>TWU</td>
<td>Timber and Woodworkers’ Union</td>
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<tr>
<td>TNCs</td>
<td>Trans-National Corporations</td>
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<tr>
<td>TCSWG</td>
<td>Tripartite Committee on Salaries and Wages Guidelines</td>
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<td>UNIGOV</td>
<td>Union Government</td>
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<tr>
<td>USNLRB</td>
<td>United States National Labour Relations Board</td>
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<tr>
<td>VALCO</td>
<td>Volta Aluminium Company Limited</td>
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<tr>
<td>WDCs</td>
<td>Workers' Defence Committees</td>
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This research work attempts to analyse the nature and causes of industrial disputes in the industrial relations in Ghana from independence until 2004. Work relations during the time of the colonial administration would first be traced and used as the historical context. The causes of industrial disputes, their nature and characteristics, as well as the way they have been managed or resolved as outlined in the literature in general, and in Ghana in particular, shall be issues that shall come under investigation in the research. Also, the roles that successive governments of Ghana, trade unions and employers associations have played in the development of industrial relations and industrial disputes shall be analysed. Changing forms of industrial conflict and conflict management policies and procedures that have evolved in the industrial relations in Ghana would also be identified and explained.

Disputes in industrial relations can involve a simple interpersonal process between only two people; or may occur between groups at the workplace, such as between management and a group of employees. A much broader interaction may also develop between formalised groups, such as between associations of employers and trade unions, which bargain collectively within a specific sector of the economy. At the national level, it could concern labour as a broad interest group versus employers or the state.

Disputes in industrial relations can be physical and emotional confrontations, such as when workers lay down their tools to show their dissatisfaction with a supervisor. They may also be something more political and wide-ranging, such as intense debates between unions and employer bodies concerning the most appropriate labour legislation framework for the country. Industrial relations in general has to do with more than all the aspects of the employment relationship (Kochan & Katz, 1988). A national strike, for example, against a government foreign policy arguably ought to be captured by a definition of conflict in industrial relations but such an action is not limited to employment relationship matters.
Conflict in industrial relations is not limited to strikes, although these events may be given prominent coverage in the media. Other forms of industrial conflict identified in the industrial relations literature are sabotage, absenteeism, walk-out, labour turnover, and so on. However, while industrial dispute may have its orderly and constructive side, it may also be disorderly and destructive. Disputes arising from power struggles at the workplace may be a frequent part of the process.

So long as parties (such as employers and employees and the state) to industrial relations have divergent interests and objectives there is the potential for conflict (Finnemore & Van Rensburg, 2000: 4). For some scholars, industrial conflict is an inherent part of the nature of organisational life because work relations are an inevitable source of dispute (Bowditch & Buonu, 1994: 191; Hyman, 1975: 186; Meredeen, 1988: 3; Kolb Deborah & Putnam Linda, 1992: 2). Since interests of workers and those of employers may collide and what is good for one is frequently costly for the other conflict would exist in industrial relations as in other aspects of social life (Clegg, 1979: 452; Edwards & Scullion, 1982: 3).

Many industrial conflict theorists conceive of organisations as an inevitable battleground of differences traceable not to the characteristics of individuals but to the structural and inter-group attributes of organisations (Lawrence & Lorsch, 1967: 1-47). Conceiving of organisations more as a set of shifting and changing cliques, Pondy (1989) has argued that conflict is not an episodic or problematic phenomenon but a pervasive fact of interaction, and it becomes the essence of organisation. Organisations are arenas of conflict in which shifting coalitions with different interests and resources vie for influences and control (Pettigrew, 1973; March & Olson, 1976; Kanter, 1977; Pfeffer & Salancik, 1978; Bacharach & Lawler, 1980). The theorists conclude that conflict of one type or another is highly likely in most organisational settings.

It has long been recognised that industrial conflict can be expressed in a wide variety of ways. Typical lists of the forms of conflict include such apparently diverse phenomena as absenteeism, labour turnover, accidents, pilferage, sabotage, withdrawal of cooperation,
work to rule, go-slow, overtime ban and restriction of efforts as well as strikes and other collective actions (Kerr, 1954: 232; Knowles, 1952: 210; Paterson, 1960; Scott et al. 1963; Bean, 1975; Edwards, 1979a).

Protracted stoppages and continuous forms of dispute at the workplace may adversely affect the living standards of the employers and the employees as well as their families. These may also destabilise the labour market and negatively impact on the political and socio-economic development of nations (Steers, 1977: 113; Farnharn & Primcott, 1990: 4-7). Industrial conflict per se is not necessarily dysfunctional or “bad” in industrial relations. It can be a necessary and even desirable feature of all human society. Conflict can reflect the systematic exclusion of certain information or “group think” and can lead to ideas about new approaches to organisational process, the surfacing of long standing problems that can be resolved, and the opportunity for people to test their capabilities and interest and creativity in dealing with organisational problems (Bowditch & Buono, 1994: 191 and Meredeen, 1988: 3).

Generally, government might show interest in conflict in industrial relations based on two main reasons. Firstly, government as an employer is affected directly as a party to the conflict in industrial relations. Secondly, when micro level firm/industry issues begin to have a macro impact, governments usually think of intervention. This is particularly important where the impact is likely to affect national reputation, especially in the eyes of foreign/domestic investors, inflation, and productivity, or when the levels of violence impact on people and property and so on. The thesis examines the dynamics of conflict in industrial relations, especially with respect to strikes, in Ghana since independence. An attempt is made to discuss the causes of disputes, and the nature and characteristics and the different strategies that have been used to manage the situation since Ghana’s independence. Some recommendations to how future disputes could be resolved are also made.

The theoretical literature on industrial conflict is examined: this provides the basis for an investigation of documentary and other evidence all of which inform the research. Also, dating back to the colonial era till 2004, responses to strikes in Ghana are analysed. These
are examined against the background of the detailed analysis of existing industrial conflict theories.

In the light of the above, this thesis addresses the following matter: based on the literature on industrial disputes, Ghana’s history, and current circumstances, what are the major issues that have arisen out of the disputes in industrial relations in Ghana and how can these issues be taken into account when contemporary industrial conflict public policy is being developed in Ghana?

Research materials consisted of government documents, policy statements and laws, critical articles and books on both theories of industrial relations in general and that of industrial relations in Ghana in particular. Data on strikes/industrial conflicts and dispositions among key stakeholders of conflict in industrial relations of Ghana were collected and analysed. The analysis employs a historical approach. It uses a descriptive-critical approach in the assessment of the evidence.

The research method emphasises qualitative techniques, although descriptive statistics dealing with matters such as strike incidence, trends in inflation and Gross Domestic Product (GDP) and others, have been employed in the thesis. The approach emphasises an historical perspective used, for example by Blackmur (1993) in his book “Strikes: Causes, Conduct & Consequences” on the grounds that it is important to place contemporary developments and policy recommendations in a dynamic and therefore historical context. History, as Elton put it, is concerned with events, change and the particular and historical method “grounds detail upon evidence and generalisation upon detail” (Elton, 1969 in Blackmur, 1993). Emphasis is thus placed on particularistic and inductive approach in this thesis. Historical inquiry, by the same token cannot be conducted in a completely unstructured fashion. The analysis of the theories of industrial conflict presented in this thesis has been used as a framework, and a source of ideas in collecting and investigating the empirical evidence. Theory, by its very nature, cannot necessarily capture the rich and significant detail in the development of, in this case, Ghanaian society. Theory provides the starting point, not the final destination.
The research argues that industrial disputes are something that can be explained. There are rational reasons of conflict in industrial relations from the point of view of all parties. The research, moreover, admits that one has to be very careful in identifying and classifying industrial conflict since what appears to be strike, for example, might not be. The thesis examines the international literature on the definition, as well as the causes of conflict in industrial relations. Such knowledge is critical for the development of intelligent public policies which needs to put special emphasis on the causes of strike and where possible on other forms of industrial conflict. Data on things like sabotage, absenteeism, walk-out, labour turnover, and so on are, however, obviously difficult to obtain. The thesis thus concentrates on strikes.

Both secondary and primary sources are used. These consist of government policy statements, legislation on industrial relations in Ghana and secondary sources. Materials from Ghana Trade Union Congress (TUC), Ghana Employers’ Association (GEA), Ministry of Labour and Manpower Development (MLMD), Ghana Labour Department, and the Ghana Statistical Services (GSS) have also been used. The secondary sources include the journal literature on conflict theories.

In the case of primary sources, data on disputes in industrial relations in Ghana were collected from the Labour Department, Ghana Trade Union Congress and Minister responsible for Labour and Industry, Ghana Statistical Service, and some organisations that have gone through industrial conflicts before. Analysis was conducted among the social stakeholders of industrial relations: – owners and managers of industries/companies, workers unions, employers’ associations, Ministry of Labour and Manpower Development, Labour Department, and the media for data. Some statistical data on strikes were gathered from the Ghana Statistical Services, Labour Department, and Ministry of Employment and Manpower Development for analysis and use.

Chapter One presents the literature review which concentrates on explaining the theoretical framework. This employs a thematic and partly chronological approach to illuminate what conflict in industrial relations is about, the ideas of the pioneers of
industrial relations and conflict theories, and the various perceptions held on the topic. Causes of conflict as well as the nature of the parties to conflict in industrial relations shall all be discussed in this chapter. Also in Chapter One there shall be a highlight on the role of the government of Ghana in conflict in industrial relations in general and as an employer.

As part of the theoretical framework, Chapter Two shall discuss the general principles involved in managing dispute in industrial relations, i.e. how the literature suggests industrial disputes ought to be addressed in any comprehensive industrial disputes policy. The Third and Fourth Chapters draw attention to issues of fundamental importance to the context of industrial relations in Ghana. The social, political, economic, historical, and cultural as well as the development of industrial relations in Ghana have been examined. Chapters Five and Six shall discuss what constitute conflict in industrial relations in Ghana, its causes and management. Based on Chapters Three and Four, and with reference to the theories in Chapter One, assessments have been made on some new issues that have arisen out of industrial disputes in Ghana since independence. The nature and characteristics as well as some special strategies that Ghana has employed in the management of these disputes have also been analysed. The Conclusion identifies the major issues arising out of industrial disputes in Ghana with which future public policy will have to deal.
CHAPTER ONE

THEORIES OF DISPUTES IN INDUSTRIAL RELATIONS
Since World War II, the study of disputes in industrial relations has developed into an academic discipline which seeks to understand the nature of relationships arising from work in industrial society (Korpi & Shalev, 1979: 182; Salamon, 1987). Cooperation and conflict constitute the two poles of interaction within the labour relationship. The parties can either cooperate and engage in collective bargaining or rely on the use of power, although these are not mutually exclusive (O’Connor, 1973). Also, attention may shift continually between the individual and the collective. Power is conceptualised broadly in this study as the capacity to influence an individual or group to act in ways which they would not have freely chosen.

There is no simple definition of industrial disputes. The term ‘industrial disputes’, refers to the disputes in the relationship between people who work and those for whom they work. It could also be fined as any withdrawal of labour or capital in order to put pressure on another party to agree to certain demands. The latter embraces a strike designed to alter, say, a government’s foreign policy.

Labour or work conflict has, therefore, existed since the first individual approached another to perform a task for him against the promise of payment. The study of industrial relations from which industrial disputes occur places emphasis on the institutionalisation of disputes by way of collective representation, collective bargaining, joint regulation and legislative constraints. The emphasis is evident in most traditional definitions of the term ‘industrial relations’. Thus the British Commission on Industrial Relations defines industrial relations as including any policy action, pay condition or agreement within a given concern which enables the workforce to continue in a cooperative way (Bendix, 1997), while Clegg sees it as encompassing the rules governing employment, together with the ways these rules are made and changed and their interpretation and administration (Poulantzas, 1973 in Wright, Levine, Sober, 1996). Flanders, too, emphasises the institutionalised aspects of the relationships when he said that a system of industrial relations is a system of rules. In other words, the subject deals with certain regulated institutionalised relationships in industry. In the language of sociology
‘unstructured’ relationships have their importance for management and workers, but they lie outside the scope of a system of industrial relations (Flanders, 1970).

Disputes at work can be a simple interpersonal process involving only two people or they may occur between groups at a workplace, such as between management and a group of employees (Robinson, 1995). Or a much broader interaction may develop between formalised groups, such as between an association of employers and trade unions which bargain collectively within a specific sector of the economy (Thurley & Wood, 1983: 10-11). At a national level, disputes could concern labour as a “broad interest group versus employers or the State” (Hawkins, 1971: 205). Disputes can be in the form of physical and emotional confrontations, such as when workers lay down their tools to show their dissatisfaction with a supervisor. Or they may be something more political and wide-ranging, such as intense debates between unions and employer bodies concerning the most appropriate labour legislation framework for the country. Industrial relations is “broad, interdisciplinary literature and practice that encompasses all aspects of the employment relationship” (Kochan & Katz, 1988).

There has been the development of significant literature on industrial relations. Perhaps, not surprisingly, the literature on strikes and other forms of industrial conflicts occupies an important place in this literature. The key publications, according to Lyddon, the editor of Historical Studies in Industrial Relations (No.2 September 1996: 164-192), include Gouldner, “Wildcat Strikes” (ed) (1965), Lane and Roberts “Strike at Pilkingtons” (1971), and Blackmur (1993), “Strikes”. It is not proposed to review these literatures in this thesis. It is rather the key themes that would be debated.

It must be borne in mind that industrial relations is not just concerned with strikes/disputes, though these events may be given prominent coverage in the media and in this thesis. It is also a stable, ongoing activity at countless factories, offices and other workplaces, where on daily basis, regular contacts, informal discussions and formal procedures are used to solve problems and to pursue agreements on employees’ conditions of employment (Gill, 1974).
However, while industrial disputes have their order and constructive side, they may also be disorderly and destructive (Robbins, 1997: 486). Disputes arising from power struggles can and will be a frequent part of the process. This is because usually the parties concerned, namely employers and employees, may have divergent interests and objectives (Gerber, Nel, & Van Dyk, 1997). Yet, they also have a strong interdependence. It is this interplay between co-operation and conflict, between the need to work together and the drive to limit each other’s power that creates the dynamic process of industrial relations.

The industrial revolution in Britain changed completely the nature and meaning of work. During the period the philosophers of free-market economy such as Adam Smith, Mill and Ricardo emphasised the natural laws of economics which they believed defined the conditions under which labour and capital interacted in the employment relationship (Smith, 1937; Clegg, 1972). They regarded labour as one of the market commodities which ought to subject to the laws of supply and demand. They did not see the need for justification for labour to be accorded any special treatment since such action would interfere with the operation of market forces. They were of the opinion that, the ‘invisible hand’ of the market worked in the best interest of the largest number of workers and of society. On the other hand, social reformers were concerned about the consequences of this uncritical acceptance of the market. They pointed out social ills such as slums, dangerous working conditions, long hours and exploitation of workers, especially women and children (described by Bottonmore, ed. 1963). The strongest and the most influential criticism came from an academic theorist, Karl Marx, in the mid-nineteenth century.

Marx rejected the notion that the working class should bear “the pain of the market system”, which was described as leading to poverty and alienation through exploitation (Finnemore & Mervin, 1991: 1). The capitalists (as the new class of entrepreneurs and financiers had come to be called), were seen to be driven solely by the need to make profits and accumulate more capital. As a result, workers, who were forced to sell their labour in order to survive, were paid subsistence wages (Bottonmore, ed. 1963).
The worker’s basic value to the capitalist was defined as the wage that was just sufficient to maintain the worker and their family unit, thus ensuring a constant supply of labour. In order to make profit out of workers, the capitalist was seen to force workers to work long hours at low wages so as to produce goods with market value exceeding this value. This excess was termed *surplus value*. Because the surplus value could only be produced by labour, Marx believed it rightfully belonged to the workers and not to the capitalists (Marx & Engel, 1967, translation of 1888 edn.).

During this process, in which the capitalist attempted to squeeze every possible cent out of the worker’s efforts, working conditions become intolerable. The production process was perceived as degrading an employee to the level of an appendage of a machine, and stifling any creativity of the worker. Workers, it was argued, subsequently became alienated from the product of their labour and ultimately from themselves (Polanyi, 1944 especially chapters 5, 6, 19 and 21).

Marx believed that a class consciousness would inevitably develop to unify the workers as a result of these processes of exploitation and alienation (Perlman, 1928). He thus supported the formation of trade unions and their struggle for higher wages and improved working conditions (Bottommore, 1963). Along with his colleague Engels, he also held the optimistic view that trade unions would mobilise the masses and so pave the way for the revolutionary overthrow of the capitalist system by the working class (Marx & Engels, 1967, translation of 1888 edn.).

Lenin and some others, however, held the pessimistic view that the normal activities of trade unions would pose no threat to capitalism but that trade unions and capitalists would remain locked in sectional struggle, following the industrial and occupational divisions of the capitalist system. Lenin recognised the risk of unions being co-opted into capitalist institutions (see Lenin’s *Collected Works*, 2nd English Edition, 1965: 188-196; Roach & Roach, 1980: 259).
In Britain, towards the end of the nineteenth century, the Webbs also criticised the free-market economists’ definition of labour as a mere commodity. They agreed with Marx on the necessity of improving the living conditions and uplifting the working class, but believed this could take place by a process of evolution rather than revolution. The Webbs regarded unions as important vehicles for improving the wages of workers through collective bargaining. They also advocated that legislation be passed to protect men, women and children who were being exploited under conditions where the free-market system was uncontrolled (Webb & Webb, 1898).

The necessity for reforms was also stressed in the United States in the early 1900s by Economists such as Commons (Institutional Economists). Like the Webbs, they emphasized the importance of negotiations in seeking compromise between labour, management and the public. In order to redress the unequal bargaining power of the parties, the early Institutional Economists advocated for the protection of the right of workers to join unions and their right to protective labour legislation in areas such as health and safety (Kochan, 1980).

While these recommendations were clearly based on the acknowledgement of conflicts between workers and employers, the capitalist system itself was not regarded as the cause of conflicts, as Marx maintained. Conflicts were rather seen as rising from the fundamentally different objectives of employers and employees (Hyman 1975). Accommodation between employers and unions was seen as a means of resolving specific conflicts of interests which arose (Kochan, 1980).

The Webbs and Commons were, on the other hand, primarily concerned with analysing the role of trade unions in society in an attempt to persuade management of the legitimacy of trade unions and the collective bargaining process (Kochan, 1980; Hong, et al. 1998: 220). However, in the early 1900s, management was more concerned with theories that focused on management efficiency and organisation than with theories relating to trade unions. For example, industrial psychologists, such as F. W. Taylor, promoted concepts of scientific management which attempted to show how to raise
productivity by means of engineering techniques and incentive strategies directed at the individual worker (Taylor, 1964; Bain, et al. 2002: 170; Bendix, 1956).

Later, industrial sociologists stressed the importance of the work groups in influencing working behaviour. Elton Mayo, on whose theories the human relations movement was founded, stressed the necessity of providing a satisfactory social environment as a basic requirement for a motivated workforce (Mayo, 1972 in O'Connor, 1999). Workers’ goals were not seen to conflict fundamentally with those of management. The human relations approach sought rather to encourage co-operation from workers and their acceptance of the management policies and actions.

According to Finnesmore and Rensburg, while all these theories gave little recognition to the role of trade unions and their influence on an organisation, in practice, industry-based trade unions were growing in size and strength (2000: 6). Thus in the immediate post-Second World War period, there was a realisation of the necessity for an approach which integrated trade unions fully to the understanding of what was then referred to as industrial relations.

Dunlop (1958 in Erickson & Kuruvilla, 1998) attempted to provide the comprehensive integrated theory of industrial relations and focused his attention on system of rules which govern the workplace and work community. His major work provided a theoretical framework which defines the industrial relations system as a subsystem of the wider society. The wider society is seen to provide certain external influences and constraints but not to dominate industrial relations completely.

Dunlop’s analysis was subsequently developed further by Flanders, who described the study of industrial relations as a study of the institutions of job regulation (1965: 10, 16). Labour relations rules may appear in many forms, e.g. labour laws, grievance and disciplinary procedures, trade union regulations, collective bargaining agreements, and so on. Emphasis was thus placed on structured relationships and the formal institutions of
labour relations, such as trade unions, employer organisations and state departments, which develop and administer these rules.

Although these theories were significant pioneering attempts to give theoretical unity to the study of industrial relations, they have been criticised. Hyman (1975), one of the new Marxists critics of system theory stated that while the rules and the institutions which devise and implement them are of central importance to the study of industrial relations, the perspective is too restrictive and value-laden for the reasons that the systems theory over-emphasises on rules. Systems theory implies that industrial relations is about the maintenance of stability and regularity in industry. The focus is therefore on the ways in which disputes are contained and controlled by rules and procedures. Thus, the processes through which dispute is generated are overlooked.

Also, the belief that trade unions and employers are involved in a process of seeking order in industrial relations is at the core of systems theory. Hyman argued from the Marxist perspective that workers do not share a common ideology with employers in maintaining the structures of capitalism since the aims of unions and employers are largely contradictory.

Hyman further argues that the employer is committed to paying wages, leave and fringe benefit, usually fixed in the employment contract. Workers, on the other hand, rather than agreeing to expend a given or certain amount of effort, surrender only their capacity to work. It is the function of management to transform this capacity into actual productive activity. However, management cannot exercise unilateral control over workers and compel them to perform to management’s requirements only. Despite its enormous powers, management is at the same time dependent on the workforce and their skills, and consequently there is an opposing power to management’s authority.

Hyman (1975: 26) argues that:
The more technically sophisticated the work process or the more strategic the functions of the labour force, the more vulnerable are the employer to hostile action by employees. Hence in every workplace there exists an invisible frontier of control, reducing some of the formal powers of the employer: A frontier which is defined in a continuous process of pressure and counter-pressure, conflict and accommodation, overt and tacit struggle. An increasing power struggle is therefore a central feature of industrial relations.

The orderliness of Dunlop system of industrial relations was thus rejected by Hyman. Hyman consequently defined industrial relations in terms of the processes of control over work relations.

Fox (1966) rejected the polarity of both Marxist theory with its conflict base, and the “plural” theory with its consensus connotations. He focused on the micro-level of the industrial organisation and stated that its structure and dynamics were altogether more complex and subtle than could be accounted for by either the consensus-based systems theory or the conflict-based Marxist model.

Fox (1966 in Ackers and Payne 1998) posed the following question:

“What is the closest analogy to the organisation? Is it, or ought it to be, like a team unified by a common purpose (e.g. a sports team)? Or is it more like a miniature democratic state composed of sectional groups with divergent interests over which the government tries to maintain some kind of dynamic equilibrium”?

Fox proposed that most employers favoured the autocratic unitarist approach, which is based on the notion of there is no room for opposition groups or factions in the workplace; the boss’ role is perceive as legitimate and is coupled with the perceived right of management to unilaterally control all decision-making, whereas commitment to the organisation and loyalty to its leaders is expected from employees; conflict is perceived as unnatural and dysfunctional but where conflict does not occur it is perceived as the outcome of a breakdown in communications or the result of the work of agitators and the presence of union in the workplace is seen to be an intrusion which creates confusion.
among otherwise satisfied employees who are encouraged to make unreasonable demands and to strike when these demands are not acceded to (Fox, 1966).

Fox (1966) rejected this unitary emphasis which “has long since been abandoned by most social scientists as incongruent with reality and useless for purposes of analysis”. Rather, he claimed:

“We have to see the organisation as a “plural” society, containing many related but separate interests and objectives which must be maintained in some kind of equilibrium. In place of a corporate unity reflected in a single focus of authority and loyalty, we have to accept the existent of rival sources of leadership and attachment. They need to be accepted, above all, by whoever is ruling the plural society in question”.

Liberal pluralism in broad political terms accepts that society is composed of diverse competing groups, and extends to each of these the right to free association and further the interests of their constituents by any legitimate means but fail to consider issues of power in the system (Clegg, 1975: 309; Fox, 1966: 400; Hyman & Fryer, 1975: 161). Specifically, in industrial relations, the crux of pluralism is based on the premises that conflict is accepted as natural and a fundamental part of the relationship between employer and employee. But a common interest in the survival of the organisation makes a compromise necessary and possible (Clegg, 1975: 309).

Also trade unions and employer organisations are seen by the liberal pluralists as legitimate and functional organisations through which workers and employers protect and further their interests within a framework of rules provided by the state (Dundon, et al. 2004: 1149 – 1170). Collective bargaining is, again, regarded by them as a generally decentralised, dynamic and democratic process for expressing and controlling conflict (Flanders, 1971). Parties negotiate not only on issues of difference that may arise, but also on the institutions and procedures through which conflict will be channeled.

The existence of countervailing powers supported by employees’ right to strike and employers’ right to lock-out, is seen as ultimately conducive to maintaining some balance
of power between the parties (Sartorius Von Waltershausen, 1998: 129 and Steve Early, 2006).

Pluralism does not imply that an equal power balance must exist or that every conflict can be settled by compromise. Compromises may not always be possible and there will be tests of strength resulting in the emergence of winners and losers. However, pluralism does not survive where one of the parties constantly makes a gain at the expense of the other. Parties may sometimes have to exercise their potential power with restraint in the sense that they have a vested interest in the overall stability of the relationship.

“Plural” societies are therefore finely balanced. They also require a wealth-base that is perceived as sufficiently fairly distributed for the major groupings to have an interest in maintaining the society rather than disrupting it. Poole (1986: 3-31) pointed out that, in practice, pluralism is encouraged in countries that have certain characteristics, such as a cultural commitment to freedom of association; ideological support for a society where opposing constituencies are allowed; the freedom to test contrary viewpoints, and where one-party political systems are distrusted; an economic system that has a history of operating on market-driven principles; substantial powers vested in the trade unions; and a commitment by all parties to the rules and outcomes of collective bargaining; and an adequate material base so that all parties can at least achieve some of their interests.

Disputes are seen as a persistent fact of organisational life as the members go about their daily round of activities (Kolb & Putnam, 1992, 1-2). Whenever people must work together, there will be degrees of conflict (Plunkett & Attner, 1991: 436). This is because people will not always be in perfect agreement on all issues, goals, or perceptions. Conflict in a work environment is inevitable (Kelly, 1974: 570). According to James A. Stoner (‘Management’), disputes in the workplace could be defined as “disagreement between two or more organisational members or groups arising from the fact that they must share scarce resources or work activities and/or from the fact that they have different status, goals, values or perceptions” (1986: 385).
Additionally, industrial disputes can be generated by the evolution of any of the stages of an organisation’s development (Plunkett & Attner, 1991: 436). Disputes are often seen as one of the mainsprings of social life (Edwards & Scullion, 1982: 1; Hellard, 1995: 96; Xinping & Harry, 1997: 76-94) that is perceived as an incompatible difference that results in interference or opposition (Robbins, 1997: 304).

The definitions above encompass a wide range of actions—from overt and violent acts to subtle forms of disagreement. So long as parties concerned in industrial relations (namely employers and employees) inevitably have divergent interests and objectives there would be at least the potential for conflicts (Finnemore & Rensburg, 2000: 4). This has been so because it has been observed that industrial dispute is an inherent part of the nature of organisational life and work relations are an inevitable source of disputes (Bowditch & Buonu, 1994: 191; Hyman, 1975: 186; Meredeen, 1988: 3).

Abraham Zaleznik notes that:

“Because people come together to satisfy a wide array of psychological needs, social relations in general are awash with conflict. In the course of their interactions, people must deal with differences as well as similarities, with aversions as well as affinities. Indeed, in social relations, Sigmund Freud’s parallel of humans and porcupines is apt; like porcupines, people prick and injure one another if they get too close; they will feel cold if they get too far apart” (Harvard Business Review, 67, January-February 1989: 51-53).

To Allen, the nature of the transaction between managers and the managed which creates an enormous imbalance of economic power between the two classes, results in conflict situation? “There are many sellers and relatively fewer buyers, as the latter are dominant over the former in every sphere of the activities through their ownership of the means of production” (Allen, 1971: 9).

From the same perspective, Farnham & Pimlott (1990: 168) see industrial disputes as power-based between the employer and the employed. Because of the power-balance between the two sides, the stronger party, which is usually the employer, chooses to use
its power differential, or the threat of it to impose its policies on the weaker employee in
the industrial relations process. It is because of the above debate that the model of the
unitarists based on the assumption that industrial relations is essentially cooperation,
purposive and harmony of interest between management and the managed and so must
see dispute as alien and pathological has not been accepted by modern scholars of
industrial relations.

All the definitions of industrial disputes that have been discussed above by industrial
relations’ experts have been ably summarised by Pondy (1967: 298) after observing that
the definitions have differed on various aspects of conflict including, antecedent
conditions of conflicting behaviour, that is, scarcity of resources, policy differences;
affective states, that is, stress, tension, hostility, anxiety etc.; cognitive states of
individuals, which is, their perception or awareness of conflicting situations; and conflict-
full behaviour which ranges from passive resistance to overt aggression.

Pondy refers specifically to the social content of conflict by associating it with the
interaction among a number of people, whereas many writers concentrate on the
economic aspects resulting in conflict. The former standpoint is, however, taken further
by Thomas (1976: 891) in his way of seeing that “conflict is the process which begins
when one party perceives that the other has frustrated, or is about to frustrate, some
concern of his”. Dubrin (1984: 128) refers further to the nature of the conflict as the
product of human reaction of which the origin may be ascribed to the incompatibility of
objectives, aspirations and conduct. Gerber, et al (1987: 267) contributes to this
discussion with their proposition that human behaviour is not accidental. There are
reasons why people do or do not do certain things; and people are not alike. This aspect
emphasises strongly the feature of individuality. Since people differ, it gives rise to a
variety of forms of conduct. Importantly, however, although people display the same
conduct, it is often not for the same reasons.

However, conflict is also accepted as a feature of society by neo- Marxian industrial
relations commentators. Unitarists, on the hand, whilst accepting the reality of conflict,
view it as pathological and indicative of a breakdown in management systems, or as result of the work of agent provocateurs (Kochan, 1982: 117; Fox, 1966: 399).

The causes of industrial disputes have been known to include shared resources, differences in goals, differences in perceptions and values, disagreements in role requirements, nature of work activities, individual approaches, and the stage of organisational development (March & Herbert, 1958). Shared resources disputes can arise in organisation because limited resources must be shared by the organisational members. A manager of a work unit depends on the allocation of money, personnel, equipment, materials, and physical facilities to accomplish objectives. Some managers, despite the system used for allocation, will inevitably receive fewer resources than others. This can lead to lack of cooperation and eventually open conflict (De Villiers, 1980).

This view has been shared by De Villiers. In differences in goals, dispute individuals may have goals different from those of the organisation (De Villiers, 1980). An individual’s goal may require advancement within say a three-year period. The organisation may have a tradition of “seasoning” an employee over a longer period, say, seven years. There may be conflict in this situation.

In supporting March and Herbert, Dubin emphasised that, formal groups within the organisation may develop conflicting goals if the production department focuses its energies on manufacturing a product at the lowest possible cost, but the sales department is willing to accept unprofitable orders, conflict would arise (Dubin, 1957).

Differences in perceptions and values can also be a source of disputes. These as a source of disputes are where individuals have different value systems and different perceptions of a situation (Dubin, 1957). These differences can lead to conflict in the work environment. For instance, an employee may place a high value on his time. He may really want to work but also prices quality time with his family. A manager may request constant overtime or late work hours and not understand the employee’s need to have family time. This is an obvious value system conflict. Different groups of employees can
have conflicting perceptions too. Upper-level management may perceive reports and procedures as valuable control devices designed to provide information while lower-level employees may view it as nothing.

March and Herbert again mentioned that disagreements in role requirements conflicts can occur at all levels in the organisation. An individual who is a member of a group can have conflicting demands placed on him or her by both formal organisation and informal organisation. Perhaps the informal group will seek out a worker as a leader, hoping for representation through her, and encouraging her assertiveness. But the formal organisation may view the same person as just another employee, discouraging her input and attempting to control aggressiveness. A second illustration can be noted in the area of line and staff interaction. The line manager may expect the staff person to give advice, be supportive to the organization, and be action oriented. The staff person may see her role as providing answers rather than advice, being analytical (sometimes critical) of the organisation, and being reflective in order to review all potential alternatives. Conflict is highly likely.

Nature of work activities conflict can also result in conflicts. This can result between individuals and groups concerning the quantity of work assigned as well as the relationship among the work units in performing the work (Thomas & Bennis, 1974). In the first situation, individuals and groups compare the workloads each has relative to the other. If there is inequality, there can be conflict. The second situation has two potential relationships. The group or individual may be dependent on another group or individual to complete work before starting its own. If the work is not on time or is of poor quality, open conflict can result. Another conflict situation can be created when two groups or individuals are purposely placed in competition with each other. If management has set it up so that both groups have the opportunity to win, positive results can occur. But if it is a win-lose situation, conflict may be the outcome.
It has also been observed that individual approaches can be a source of conflict. People have different styles and approaches in dealing with others and with situations. One person may be reflective, speak little, but deliver words of wisdom when ready to talk about a topic. Another person may be combative, as evidenced by an argumentative approach, immediate response with little thought, and pressure for agreement (Turner & Weed, 1983).

The other source is the stage of organisational development. Various crises can call for organisational change. These crisis conflicts are different depending on the stage of the development of the organization. The conflicts may result from lack of or too much structure, inappropriate leadership, or over control (Turner & Weed, 1983). Flippo (1976: 443-445) is of also of the view that conflict between two or more persons/groups primarily originates as a result of incompatibility of objectives; and the interdependence of their activities. Bendix (1989: 79-81), on the other hand, refers to Luthan’s eight factors as specifically causing organisational conflict. These he noted as scarcity of resources; incompatibility of needs, objectives and interests; difference in attitudes towards the job/business; differences in attitudes, values and perceptions in general; participating and overlapping job activities; poor or inadequate organization structures and opportunities; poor communication in general; and vagueness about responsibility and roles.

De Villiers (1985: 22), also, identified a number of factors which may be used for measuring conflict-potential symptoms in the South African context. In accordance with this he distinguished two broad groupings comprising of, needs dissatisfaction (normal) factors; and estrangement (trigger) factors (see Table 1.1).
### Table 1.1: De Villiers’s classification of conflict factors in the workplace

<table>
<thead>
<tr>
<th>Needs dissatisfaction (or normal) factors</th>
<th>Estrangement (trigger) factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages/salaries</td>
<td>Company policy</td>
</tr>
<tr>
<td>Working conditions</td>
<td>Discrimination/exploitation</td>
</tr>
<tr>
<td>Leave/sick leave</td>
<td>Communication</td>
</tr>
<tr>
<td>Medical benefits</td>
<td>Grievances handling</td>
</tr>
<tr>
<td>Transport</td>
<td>Employee representation</td>
</tr>
<tr>
<td>Job security</td>
<td>Facilities</td>
</tr>
<tr>
<td>Promotion opportunities</td>
<td>Supervisor conduct</td>
</tr>
<tr>
<td>Responsibility</td>
<td>Cultural differences</td>
</tr>
<tr>
<td>Working hours</td>
<td>Disciplinary action</td>
</tr>
<tr>
<td>Pension benefits</td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td></td>
</tr>
<tr>
<td>Job satisfaction</td>
<td></td>
</tr>
<tr>
<td>Training opportunities; and</td>
<td></td>
</tr>
<tr>
<td>Recognition</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** *The Management of Employment Relations, Organisational Level Perspectives. Edited by Swanepoel et al, 1999: p. 225*

Latter studies have re-affirmed the above views. For example, it has been found that the factors causing organisational conflict can be classified in five broad groupings (Van Aarde, 1990), namely: remuneration matters (salary, administration, promotion opportunities, overtime pay and consistency of management actions); management affairs (procedures, cohesion, identity and human relations); communication (effectiveness and
rumours); personnel affairs (working conditions, equipment, facilities and benefits); and training (needs and opportunities).

The above mentioned factors of causes of disputes in the workplace could be summarised to have arisen from three major sources of communication, structure and personal behavioural factors. Poor communication is often mentioned as a source of conflict because it is an integral part of everyday life. For example, conflict arising in this way is often not seated in the real differences, but rather misunderstanding of some nature. It is also better to communicate bad news directly and honestly rather than to keep it quiet and allow speculation to have its way. Also perception that silence on the part of the worker (individual) is normally seen and interpreted as tacit acceptance of the factual situation must be guarded against. Also, structure as a source of disputes becomes prevalent when the factors mentioned above are reckoned among those which fall within the direct manipulation of management and can thus be controlled or managed. On the other hand, the personal or human behavioural factors are inherent in and peculiar to humanity, and mainly fall outside the direct control of the manager.

Thomas (1976: 889) describes the conflict process as a series of conflict episodes which each consists of four separate phases, namely: frustration of goals, values, scarce resources, recognition, status, that is, anything individuals or groups care about, causes conflicts; conceptualisation of the conflict situation indicates a phase of information gathering and the forming of perceptions. According to Thomas, this phase either stimulates the conflicts or may contribute to the solution. That is the behaviour of the conflict parties dictates the perceptions and reactions as well as modes of dealing with the conflict. And the outcomes of the conflict episodes include the decisions and feelings (see Table 1.2).
Conflicts invade every part of the organisation, including management. Employees can avoid and hide from conflicts, but they cannot escape them. According to Thomas, the conflict process is in continuous interaction, and may comprise the following:

Latent conflict: this implies the probability of conflict where the underlying potential is already present or lies in the aftermath of a previous conflict situation. Latent conflicts are characterised by underlying tensions that have not fully developed and have not escalated into a highly polarised conflict. Often, one or more parties may not be aware that a conflict or the potential for one even exists (Curle, 1971).

Experiencing conflict is that which is consciously experienced, felt and seen in the general surroundings or circumstances. This is based on the observer’s perception and is normally intrapersonal in nature. Manifesting conflict is the overt expression by means of, for example, a strike, and resignation or employee absence. This is the observed conflict behaviour. Conflict aftermath: this implies that the results of conflict expression,
which may be positive or negative, should be recognised and managed. Both these outcomes, positive or negative, affect future conflict episodes—if the experience was negative, a bad taste remains and afterwards everything tastes bad. The sweet taste of a positive experience, however, sharpens the appetite, not for the conflict per se, but the solution of conflict.

Robbins (1991: 431-432) also describes the conflict process as a series of four conflict episodes or stages as depicted by Van Uytrecht (1995: 31): These are:

Potential conflict which is referred to as “antecedent conditions” (for example, communication, structure and personal variables) that creates opportunities for conflict to arise. The next is cognition and personalization: in the second stage the awareness of potential conflict caused by the antecedent conditions may cause frustrations in which case the potential for opposition will become actualized. The perceived conflict, if it leads to psychological states of tension, becomes translated into felt conflict which is likely to cause the individuals in a group to enact certain behaviours. The third is given as behaviour, which relies on the Thomas-Kilman conflict mode instrument/model (Figure on Thomas-Kilman conflict mode instrument) which describes five types of potential conflict-handling styles in terms of the orientation of each party in terms of assertive or co-operative behaviours and the last is the outcomes. The outcome which is in the final stage conflict is described as giving rise to either functional or non-functional organizational implications (see Figure 1.3).

Conflict trigger, as part of the conflict process, could also be defined as any factor that has the propensity to increase the chances of conflict occurring at the workplace (Kreitner 1992: 509). It can stimulate either functional or dysfunctional conflicts. Kreitner is of the view that knowledge of conflict triggers is important: “as long as conflict trigger appears to stimulate constructive conflict, it can be allowed to continue but as soon as the symptoms of destructive conflict becomes apparent, steps need to be taken to remove or correct the offending conflict trigger” (1992: 509). Kreitner accordingly, identifies major conflict triggers to be: ambiguous or Overlapping Jurisdiction; competition for Scarce
Resources; Communication Breakdowns; Time Pressure; Unreasonable Standards, Rules, Policies, or Procedures; Personality Clashes; status Differentials; and Unrealised Expectations (outlined by Kreitner, 1995: 519).

Managers who understand these conflict triggers will be in a much better position to manage conflict in a systematic and rational fashion. Those who passively wait for things to explode before reacting will find conflict rather managing them (Filley, Interpersonal Conflict Resolution, Glenview, Ill.: Scott, Foresman, 1975: 9-12). Knowing the potential sources of conflict and conflict triggers are as important as knowing conflict levels/manifestations in the conflict process. Conflict manifestation refers to the factual or more observable trends of labour conflict in the work situation. Kornhauser, et al. (1954: 14), refer to the manifestation of labour conflict as the difference in degree between organised groups and unorganised groups/individuals. In accordance with this, one can distinguish between primary and secondary forms of conflict expression (see Table 1.3).

**Table 1.3: Conflict manifestation forms**

<table>
<thead>
<tr>
<th>Primary forms</th>
<th>Secondary forms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strikes</td>
<td>Labour turnover</td>
</tr>
<tr>
<td>Industrial court disputes</td>
<td>Employee absence</td>
</tr>
<tr>
<td>Arbitration</td>
<td>Grievances</td>
</tr>
<tr>
<td>Mediation</td>
<td>Industrial-social trends</td>
</tr>
<tr>
<td>Conciliation board/industrial council applications</td>
<td>Disciplinary actions</td>
</tr>
</tbody>
</table>

Different levels of conflict can be identified. The model, which is outlined in Table 1.4, has three levels of conflict, and one of these being subdivided so that there are four categories in all. The levels and the characteristics of the categories have been outlined as
overt conflict, non-direct conflict, institutional conflict and implicit conflict. (See Table 1.4 below).

Overt conflict is the most straightforward category. It refers to cases where a conflict is recognised by participants and where action is taken to express it. As expressed by Clegg (1979: 269), ‘the two main motives for striking are: to exert pressure…in order to achieve a collective bargaining objective; and to express frustration over some aspect of work situation’, it does not mean that overt conflict must be deliberately used as a sanction in dispute on a specific matter such as wage demand. The overt recognition of conflict is plainly a matter of degree, and the category therefore merges with the second category, which is non-direct conflict.

Table 1.4: Categorisation of Conflict

<table>
<thead>
<tr>
<th>Level of Conflict</th>
<th>Categories of conflict</th>
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<tbody>
<tr>
<td>Behavioral</td>
<td>Overt</td>
</tr>
<tr>
<td>Institutional</td>
<td>Institutionalised</td>
</tr>
<tr>
<td>Structural</td>
<td>Implicit</td>
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</table>

Non-direct conflict means cases where there is concrete behaviour but where the behaviour is overtly conflictual. As Gramsci (1971: 327) argued, ‘we must draw a distinction ‘between thought and action’: a social group may ‘have its own conception of the world, even if only embryonic; a conception which manifests itself in action, but occasionally and in flashes’. The thought of the group be based on different conceptions and may imply an acceptance of the existing order which is belied by the group’s actions (Benton, 1981: 172). The notion of non-directed conflict is used to explore the significance of actions which are not overtly conflictual.
Implicit conflict, on the other hand, refers to cases where conflict is not expressed at either the behavioural or the institutional levels. Edwards and Scullion are of the view that if there is no observable conflict then the conflict is implicit within the nature of the employment relationship, then the category plainly useless (1982: 13). Conflict is implicit in the structure of the situation if there is a recognisable clash of interests and if specific reasons can be adduced to explain why this clash does not lead to an observable expression. Implicit conflict is used not to analyse the contradictions built into the employment relationship but to ask why these contradictions obtain some expression in some situations and not in others.

Typical lists of the form of conflict include such apparently diverse phenomena as absenteeism, labour turnover, mass resignations, accidents, pilferage, sabotage, restrictions of efforts as well as strikes, employer lockouts and other collective actions (Kerr, 1954: 232; Knowles, 1952: 210; 1998; 2003: 189-220). These are some of the available weapons of the employees when they are faced with managerial sanctions (Farnham & Pimlott, 1990: 169).

Special emphasis has placed on the theory of strikes in this study since they are of great concern to many parties including government, the media, the workers and their families as well as employers and their association. It is for this reason that public policy in many countries is directed towards managing strike activity.

Uncoordinated industrial actions by management against subordinate employees include close supervision; tight work discipline; discriminatory employment practices against certain employees; lay-offs; demotion; and the unofficial speeding up of work processes or job tasks (Farnham & Pimlott, 1990: 169). On the other hand, organized and collective sanctions by management include: withdrawal of overtime; mass suspension; the unilateral changing of work standards or piecework prices; the tactical precipitation of
strikes; locking-out; the closing down of enterprises; and the removal of plant and machinery at the workplace (Farnham & Pimlott, 1990: 169).

Strike, which is one of the union’s weapons, is the principal overt manifestation of conflict (Kornhauser, Dubin & Ross, ed. 1977: 7). Strike is the concerted efforts on the part of workers to refuse to work unless their demands are met (Pearlman, et al. 1974: 429, Peterson 1938: 3). This refusal is a straightforward form of economic pressure on the employer. Strike may be used as an information device to communicate to the public the fact the workers feel discounted and maltreated. Thus the strike may also be a technique of the workers for trying to mobilize the sympathy of other unions, the support of the public or to induce the government to put pressure on the employers to settle the impasse when they (the workers) have no hope of winning in terms of economic strength (Pearlman, et al. 1974: 430; Batstone, et al. 1978: 19).

Using the South African Labour Relations Act, 1995 definition of a strike below (which is not different from Ghana’s definition of a strike) as an example, strike is very broad as it covers secondary or sympathy strikes, go-slows, overtime bans and work-to-rule strikes.

“the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purposes of remedying a grievance or resolving a dispute in respect of any matter or mutual interest between employer and employee, and every reference to work in this definition includes overtime work, whether it is voluntary or compulsory” (Section 213).

According to the definition, industrial action must have several characteristics before it qualifies as a strike in the statutory sense. For example, for there to be a strike, a refusal to work must be concerted (involve two or more persons acting with a common purpose). This includes both a full-blown strike and all actions which are short of a complete withdrawal of work. This is the reason why the definition could include actions like work-to-rule, a go-slow and an overtime ban.
By the definition, there should be employees employed by the employer. People working for an independent contractor are therefore excluded. The definition of “strike” makes it clear, however, that the persons involved need not be in the employ of the targeted employer at the commencement or for the duration of their industrial action. It is for this reason that this definition also includes secondary strikes. The Act defines a secondary strike as:

“a strike, or conduct in contemplation or furtherance of a strike, that is in support of a strike by other employees against their employer, but does not include a strike in the pursuit of a demand and referred to a council if the striking employees, employed within the registered scope of that council, have a material interest in that demand” (Section 66 (1).

Secondary or sympathy strikes are a species of strike. It is a strike having the characteristics set out in the definition of a secondary strike. According to Finnemore & Van Rensburg (2000: 455), in this strike, employees who are not party to the primary dispute, strike in support of the employees who initiated the action. While these terms are used interchangeably, Cooper (1995), points out that there is a subtle difference between them. Sympathy strikes tend to emphasise workers' common altruistic interests in general such as where a section of the workers may refuse to work because other colleagues are locked in volatile disputes. Secondary strikes are usually associated with a close relationship between employers. The workers undertaking the secondary action may be employees of companies that are customers, suppliers or close associates of the primary company involved.

A secondary strike could be distinguished from a primary strike based on the absence of a grievance or dispute between the secondary strikers and their employer. Secondary strikers seek no relief for themselves—they do not have a direct and substantial interest in the outcome of the dispute. Their interest is to advance the cause of the primary strikers (Du Toit, et al. 1996: 174-175).

In order to qualify as a strike, the action must be undertaken by the employees for a specific purpose—to remedy a grievance or resolve a dispute. There should be “mutual
interest” which is wider than the term “terms and conditions of employment”. This effectively increases the range of issues over which a grievance or dispute leading to a strike could arise. Socio-economic strikes and strikes over consultation issues are therefore permitted (quoting from the Presidency, Dr E.G. Pahad, Government Communication and Information System, during COSATU briefing, Issued by GCIS, 2 October 2002).

However, it is traditional strike, i.e. the full blown strike tactic that remains the most powerful form of collective action that may be mounted by a union.

Flippo (1976: 495) states:

A strike is a concerted and temporary withholding of employee services from the employer for the purpose of extracting greater concessions in the employment relationship than the employer is willing to grant at the bargaining table. The strike, or the potential strike, is a basic part of the bargaining process. The possibility of a strike is ultimate economic force that union can bring to bear upon the employer. It is the power that offsets the employer’s right to manage the firm and lock-out employees. Without the possibility of a strike in the background, there can be no true collective bargaining.

Wellisz (Hyman, 1984) states that: “Strikes are both a reaction against frustrating situations and an instrument of positive action”. Finnemore & Van Rensburg (2000: 454-455) identify the following types of strikes in terms of their objectives: offensive economic strikes, defensive frictional strikes and solidarity building strikes.

The offensive strike is the type of strike that backs up demands for better wages, hours of work, annual leave and working conditions than the employer is willing to grant at the bargaining table. These strikes are often strategically planned and may lead to a protracted battle between employer and union. Such strikes are more likely to adhere to legal requirements.

Defensive strikes on the other hand are the type of strikes that often occur as response to perceived unfair management action such as the dismissal of a individual or group of
employees, unilateral change to existing work practices, problems of supervision, failure to deal with employee grievances, or pending retrenchment, plant relocation or closure. Such strikes are frequently wildcat, illegal stoppages of a generally shorter duration than offensive strikes.

Solidarity strikes may arise out of a need to promote the aims of the union in achieving recognition from employer, the establishment of a national bargaining forum or the implementation of a closed shop or agency shop. Unions may seize any suitable opportunity in order to create a major dispute round which the members may rally to exert its strength and achieve its goals.

Hyman (1989: 27) emphasized that it must be remember that strike statistics are an imperfect measure of work stoppages, and that work stoppages themselves are only a very partial indication of industrial conflict, let alone the general climate of industrial relations in a country. With this explanation, however, it is hoped that strike analysis would only provide a useful guide to understanding the trends in industrial action-specifically strikes-in the industrial relations’ history of countries.

According to Chermesh (1993: 87), the strike trend or strike pattern concept was developed almost simultaneously by two pairs of researchers, Britt and Galle (1974) and Shorter and Tilly (1974). This concept was further developed by Stern (1978) and others. The three more important characteristics which indicate certain patterns in strikes are the number of strikes (frequency), the average size of the strikes in terms of number of strikers per strike (strike breadth) and the average man-days lost per striker, in other words the average duration (strike depth). The frequency refers to the call of a strike by either the union members or union officials, the breadth of participation refers to the number of workers mobilised for the strike activity and the depth refers to the time it takes to settle a strike (Stern, 1978: 39).
In South Africa, as also applicable in Ghana, basically the Act stipulates only two requirements for a procedural or protected strike, namely first that there be an attempt at resolving the dispute through conciliation and then giving a minimum of 48 hours’ notice of the intention to strike to the appropriate person or body.

The right to strike is based on the philosophical argument that without the power to affect the course of events, a person or a group would lack the responsibility to reach decisions. Power is the source of the responsibility. Without the right to strike, unions would lack the foundation for voluntary negotiation and agreement. If collective bargaining, as a means of resolving conflict, is in public interest then so is the right to strike which a fundamental underpinning of the power base of most unions involved in negotiations (Kochan, 1980). However, the right to strike is never absolute or unconditional since the exercise of the right can conflict with the interests of larger society especially where some essential services are likely to be affected (Section 7, United States National Labour Relations Board (USNLRB), 1997).

The most widely ratified international law is the International Covenant on Economic, Social and Cultural Rights (ICESCR) which obliges parties to guarantee the right to strike in conformity with the laws of the particular country. The International Labour Organisation (ILO) Conventions, number 87 and 98 which promote the right to freedom of association and the right to organise and bargain collectively do not deal explicitly with the right to strike. But Convention 87 provides for the right of workers’ organisations “to organise their administration and activities and to formulate their programmes”. The strike is interpreted as one of the essential activities of the union. In addition, the Freedom of Association Committee (FAC) of the ILO has laid down the basic principle that the freedom to strike is one of the essential and legitimate means through which workers and their organisations may further defend their social and economic interests (Cooper, 1994). Most countries, including Ghana, place limitations on the right to strike, for example in services, during a specified period when conciliation is still underway (ACT 322, Ghana). Some countries also provide that unions must conduct ballots before embarking on a strike.
There are also the unprocedural strikes. These type of strikes are contrary to workplace or bargaining council agreements and do not comply with the provisions of the laws of the country. In stronger terminology these types of strikes are termed wildcat strikes. Unprocedural strikes are usually brief, sudden and unauthorised work stoppages that are triggered by an incident on the shop floor. They may be triggered by seemingly minor issues. However, the immediate trigger of the strike may mask the real underlying cause of dissatisfaction. In many cases, these spontaneous stoppages may serve as a trigger to negotiation and are termed “a pause for discussion” by Turner (Batstone, et al. 1978).

The expression of discontent is not limited to direct, vocalised protest. Quietly leaving can be important way of expressing dissatisfaction with it (Hirschman, 1970). It is appropriate, therefore, to examine patterns of quitting. Turnover, which is a form of quitting, has been studied from a large number of perspectives. Bowey (1976; 188) for example lists eleven ways in which ‘labour wastage’ can occur. These different ways tend to be the concern of different disciplines, with quitting increasing wages being the preserve of the economists, leaving as a result of ‘interpersonal conflict’ being the concern of the social psychologist, and so on. This disciplinary fragmentation has caused the lost of the significance of quitting to one element the mode of ‘wage adjustment processes’ (Addison & Burton, 1978: 208-23) and not as an important phenomenon in its own right. Quitting needs to be looked at in the context of workplace relations i.e. examining how different patterns of turnover reflected the organisation of the labour process. Quitting has, thus, been seen as the product of forces: individual’s desire to maximize the net balance of benefits over costs in any employment, and the opportunities of finding another job (Price, 1975: 66-7).

It is obvious that a high rate of turnover does not necessarily mean that workers are ‘dissatisfied’ with their employers in the sense of feeling a clear sense of grievance; quitting may well mean that opportunities are felt to be better elsewhere without there being any particular feeling of antagonism to the current employer (Hulin, 1966; Leys, 1966; Waters & Roach, 1979).
That turnover can express conflict is not in doubt. Yet detailed discussion of the way in which it actually does so and how turnover patterns can be shown to reveal conflict is far from common. Turnover patterns vary according to the form of control over the labour process in various workplaces. For example, it has been studied that turnover can be related to a notion of conflicts where managerial control of work was considerably high and workers experience this in a negative way (Kennerly & Susan, 2000: 611-617). Quitting can be readily understood in the light of an individual. Anyone who could not accept the situation on its own terms, and in particular anyone who was unwilling to put in the considerable effort required to earn a satisfactory wage, found quitting being the only option open to her.

Purcell (979: 128), for example, makes the point that, where collective organization is weak; workers ‘are similarly characterized by high job turnover’. Quitting is a direct and obvious reflection of workers discontentment over wages; and it is not individualized; for workers feel a strong sense of identity with those who had left. Quitting can thus be described as a conscious strategy of protest involving important collective elements.

Disputes in industrial relations can again be expressed in the form of absenteeism. Measure of absence often features in studies of correlates of job satisfaction. More generally excessive absenteeism is widely seen as problems which must be controlled (Cranford & Volard, 1981). The concern of the broad topic of ‘absenteeism’ shall concentrate on the social conditions which define whether and in what ways absence is seen as a ‘problem’ by those involved with it. The dominant approach to absenteeism, which goes back to the early studies by Hill and Trist (1953 & 1955), sees it in terms of the adjustments which individual workers made to their work environment.. Apart from the undue emphasis on individual psychology in this early work (Brown, 1967: 39) there are two main problems here. First, the environment is taken for granted, and the question is not raised as to whether dissatisfactions stems from the physical environment or the boredom induced by particular technologies. Second, worker responses are seen as
attempt to ‘adjust’ and not as conscious actions which meet specific needs (Hyman, 1976).

Existing studies of absenteeism have been criticized for being managerial (Nicholson 1972: 237) in that they treat the phenomenon largely in terms of problems which they creates for management and of ways in which these problems can be minimized. However, managerial perceptions are important because of the light they throw in the ‘subjective’ aspects of absenteeism as a form of conflict. They also affect the significance of the behaviour, for different managerial control systems can be expected to have different implications for workers strategies.

The rate of absence, particularly of one-day absences from work is always high and it is more often argued that taking days off was a reasonable and indeed necessary. Yet the lack of wider critical awareness of managerial control means that the significance of absenteeism as an ‘expression’ of conflict is muted.

In some organisations rising quit rate may reflect increasing discontent over wages, the notable thing about absenteeism was the low level of absence rates, in some organisations these were the opportunity for ‘leisure in work’ provided by collective controls over effort and (a closely related aspects) the availability of time off which was not open to managerial sanction. The /individual’ actions of quitting and absenteeism reflected different aspects of the frontier of control.

Absenteeism is often linked to lacking ‘commitment’ to ones work or to need to take time off to deal with family or other responsibilities (Millward, 1968). The question about absenteeism is couched in very general terms. It is again believed that workers absent themselves due to boredom or other task-related matters (Newby, 1977a: 313; Ingham, 1970: 119-21), and in some cases seen as a response to managerial control over the labour process (Morrison & Henkel, 1970; Brown, 1972).

Boredom can also cause absenteeism (Newby, 1977a: 313). Mellish and Collis-Squires
(1976: 170-1) are of the view that where there is lack of boredom and workers has sufficient leisure on the job to compensate for the frustration of the immediate work task there would be a substantial decrease in absenteeism. Workers ability to finish their work well before the end of the shift so that there was relatively little need to take time off to escape the pressure of work also reduces absenteeism (Edwards & Scullion, 1982: 101).

The phenomenon of absence should be understood to mean not just rates of behaviour (Brown, 1973) but the perception and strategies of workers and managers must be explained in terms of the organization of the labour process. Viewing absence as a withdrawal from boring tasks or as the result of inadequate adjustments to the environment is helpful: equally ‘boring’ jobs had different absent rates, and workers do not necessarily see going absent as a response to boredom (Terry, 1977). Taking time off is seen by workers as a legitimate means of escape from the pressures of work, and managers’ surprisingly sanguine view of the ‘problem’ can all be related to the nature of managerial authority in the workplace, it is not seen as a central problem by management Rootes (1981: 440). Absence behaviour can be related, thus, to a notion of conflict in that, ‘objectively’, it reflected patterns of control to which workers are subject and, ‘subjectively’, it involved a conscious strategy, such conflict does not imply direct resistance to managerial control (Abercrombie, et al. 1980: 1-2).

Some writers see rising trend of absenteeism as an expression of resistance to control with workers increasingly questioning management’s right to determine how many hours they will work (Abercrombie, et al. 1980: 87; Bowles & Gintis, 1976: 126-48). One possibility is that workers deliberately use absence as a means of exerting some counter-control against management and that they will articulate a clear strategy: a state of overt conflict. The behaviour has a very limited role as a form of direct resistance in most work organisations. Burawoy (1979: XI-XII) has posed the question of why workers work hard as they do once they are in the organization. He argues that direct coercion is only part of the answer and that the reasons for workers’ co-operation are the system of their own exploitation has to be examined.
Sabotage was until a few years ago given a little serious attention as a form of individual conflict. It received a mention in ritual listings of the forms of conflict. It was easy to assume that sabotage was an immediate and unplanned response by organised workers and that its significance declined with the growth of more ‘modern’ forms of protest. This image has recently been challenged in two ways. First, it has been argued that sabotage, defined as ‘that rule-breaking which takes the form of conscious action or inaction directed towards the mutilation or destruction of the work environment’ (Taylor & Walton, 1971: 219), remains a widespread phenomenon. Second, the concept of sabotage has been widened beyond destruction. For Brown, it involves any action which clogs the ‘machinery of capitalism’ by direct actions at the point of production (Brown, 1977: XI). Dubois (1976: 10) thinks it goes a wider still to include all ‘intentional acts’ which result in a reduction in the quantity or quality of the product; this includes absenteeism, strikes, working to rule, and even voluntary unemployment as well as destruction.

As these definitions indicate, the flurry of interest in sabotage has created terminological confusion. It is doubtful whether applying the same label to all the phenomena listed by Dubois is helpful. Such a listing reproduces all difficulties with the definition of industrial conflict: what do the various phenomena have in common, what means are given for deciding whether an action is a case of sabotage, and how far does a specific action such as going absent reflect sabotage? Since Dubois is explicitly concerned with intentional acts, these problems are severe. Brown’s definition is more restricted but, as he recognizes and indeed stresses, much of his subject-matter comes under the conventional rubric of restriction of output. While there may be advantages in evading the negative overtones of the word ‘restriction’, we doubt whether it is helpful to employ the new term to refer to a very wide range of practices (Brissenden, 1920: 279). Sabotage, according to Brissenden, in its mildest form is simply the traditional union practice of restricting output, and direct action at the point of production can assume a variety of forms (Brissenden, 1920).

A more serious problem concerns the nature of the evidence used in these studies. Taylor and Watson (1971: 220) admit that their data may not be wholly reliable, for they came
from the popular press as well as sociological studies and ‘notes on hundreds of causal conversations with workers about sabotage’. There can be two reservations about this. First, and most obviously, although press reports can give a few colourful anecdotes about the phenomenon, they cannot be relied upon to give an accurate appraisal of its extent or significance. Second, Taylor and Watson give no indication of the nature of their ‘causal conversations’ or how much reliance can be placed on them. Taylor and Watson are merely able to sketch three main types of motivation for sabotage, a classification which is itself open to some question. They cannot explain the significance of the behaviour in specific settings or why some groups of workers engage in it when others do not. Similarly, Brown provides a historical survey of behaviour which comes within his wider definition of sabotage but gives little analysis of patterns the behaviour or reasons for its use in particular settings. One of his few specific hypotheses is that the extent of destructive sabotage reflects the payment system in operation—where workers have no control, the direct action is the only ways of exerting control (Brown 1977: 366-9). The first difficulty here is to show that the reports and the study by Beynon (1973) indicate that sabotage occurred but did not indicate extent or significance of the phenomenon (Beynon, 1973: 139-41).

The concept of sabotage remains important in directing attention to actions at the point of production. Withdrawal of co-operation is a crucial shopfloor response to what can be termed as a managerial attack on custom and practice. In the eyes Brown and Dubois this action would qualify as sabotage. Taylor and Walton would use the term to refer to deliberate behaviour leading to the destruction of, or damage to the company’s property; this includes deliberate poor work as well as the destruction of existing work. The use of the term restriction of effort, withdrawal of co-operation and other non-destructive actions and other means of ‘controlling the track’ e.g. pushing the emergency stop button without ‘good reason’, border on sabotage.

Taylor and Walton distinguish between sabotage to facilitate the work process, which they call utilitarian sabotage and sabotage aimed at asserting a wider control over that process. Although the distinction is far from clear-cut, since easing the work process by
altering the wage-effort bargain necessarily involves some assertion of control, the broad
difference between the two forms of sabotage in our organization are utilitarian in that
they concerned specific aspects of work and not a self-conscious attempt to undermine or
challenge managerial control more generally. Sabotage can be seen in the restricted sense
of action which lead to the destruction of product or decline in quality and which stem
from a broad utilitarian motivation.

Strike, just as other forms of conflict has adverse public view. The vast background of
motivational and perceptual factors that are involved in the causal process that results in
the strike may perhaps avoid realising that no simple explanation and no simple placing
of blame on either side is going to be adequate (Chamberlain, et al. 1980: 232-233).

“If man were the rational economic animal postulated by classical theory, strikes would
long since have disappeared …” (Stagner, 1956: 439). Workers as well as employee lose
heavily in any kind of extended strike. If both sides calculated long-run gains and injuries
realistically, the necessary compromises would be reached without a strike (Pearlman, et
al. 1976: 431). From the union view point, other losses must also be considered. These
included the decrease of membership, expenditures for emergency aid to strikers’
families, and possible political backlash in the form of restrictive legislation against
union (Halloran, 1983: 481, 484).

The losses to the employer are harder to determine but substantial. During strikes, white-
collar workers are usually kept on salary, and maintenance costs are and interest charges
continue. Customers may be lured away by competitors who can promise immediate
delivery, and the public image of the firm may suffer substantially, especially if trouble
occurs during the strike. Considering the sums spent to “improve the image,” such losses
may be costly to recoup (See “Blue Collars in the Board Room”, Time, May 19, 1980: 78).

Losses to consumers, and to the economy as a whole, are sometimes important. Hardships result from interference with normal marketing procedures; in a transportation
tie-up, food may spoil. Thus, when work stoppages occur, there are other losses, beyond the major ones to workers and employees (Pearlman, et al. 1974: 431).

Stephen P. Robbins has remarked that conflict or strike can have obvious negative ramifications on a group’s functioning and disagreement and infighting can hurt because it can misdirect members’ efforts away from accomplishing goals to trying to resolve differences (1997: 304). Stephen again believes that at the extreme strike or conflict can breed discontent, can dissolve common ties and can lead to the eventual demise of the group functioning (Robbins, 1997: 304).

Under certain circumstances strikes can lead to the collapse and bankruptcy of employer with a resultant loss of job opportunities and devastating consequences on the local community (Chamberlain, et al. 1980: 232-233).

The notion that conflict is “bad” or seen as pathological to the smooth functioning of organisations and should be by all means eliminated (Journal of Collective Negotiations in the Public Sector 247-264, Volume 28, Number 4/1999) has been profusely propagated by the traditional theorists of industrial relations. They, among other reasons think, conflict discourages cooperation, creates unnecessary stress and tension, and effort is spent on trying to win rather than working toward common goals of achieving organisational objective and productivity (Wayne, et al. 1986: 394).

It has, however, been the belief of the interactive theorists that conflict is inherently neither positive nor negative. For example, in his book, Managing Organisational Conflict: A non-traditional Approach, S. P. Robbins states that: “All conflicts are not bad! Low and moderate levels of conflict have been shown to have positive influences on group performance by reducing apathy, stagnation, and resistance to change” (1974).

By the above statement, Robbins wants to believe that the existence of some conflict keeps a group viable, self-critical, and creative and improves the quality of decisions, stimulates creativity and innovation, encourages interest and curiosity among members,
provides the medium through which problems can be aired and tensions released, and fosters an environment of self-evaluation and change. Hall and Williams believe that “conflicting opinions should be viewed as additional information, rather than as threats to other group members” (1966: 217).

Plunkett and Attner (1992: 436) are of the view that for industrial conflict to be helpful (functional) or destructive (dysfunctional) would depend on the way that particular conflict would be managed. Swanepoel et al, asserts that: “Many studies are show, however, that well handled conflict is a powerful and constructive force that breathes life and energy into workplace” (1999: 224).

This is to say that if industrial conflict is managed correctly, it can be functional in meeting the organisation’s goals and objectives but if it is mismanaged, it can be dysfunctional. It further means that self-directed work teams, labour-management cooperation, participative management, task forces and organizational transformation are empty words without positive conflict.

Conflict is a perceived incompatible differences that result in interference or opposition which can have positive as well as negative influences on group performance (Robbins, 1997: 486). Every aspect of conflict and the handling, thereof, is influenced by the organization’s view of conflict. If the pervading culture of the organisation is to perceive conflict as negative, the organisation is predominantly a conflict negative organisation. An organisation that predominantly perceives conflict as constructive is seen as a conflict positive organisation (Swanepoel, et al. 1999: 246).

In conflict negative organisation, conflict is seen as destructive to relations, sabotaging collective work and devastating people (Crandall & Menefee, 1996: 11-15). There is little understanding that conflicts that are appropriately managed add substantial value to organisations.
In the conflict positive organization there is an understanding that conflict is an integral part of organisational life (Swanepoel, et al. 1999: 246). There is also an understanding that poorly managed conflicts cost a great deal, and that no-one wins when conflicts escalate (Bowditch & Buono, 1994: 191). The culture in this type of organisation allows for diverse opinions and information and the understanding that conflict is part of the solution and not of the problem. Conflict is perceived as the reconciliation of opposing tensions and directions into workable solutions.

The assumption in the conflict positive organisation is that conflict is potentially very productive, but that it must be used skilfully to realize its potential. Positive conflict is the overall culture in which conflict is managed in this type of organisation, although on occasion employees will still try to win. Understanding the benefits of conflict handled in a constructive manner goes a long towards creating a conflict positive organisation.

Tjosvold (1991: 3-4) outlines eight benefits that well-managed conflicts can contribute to organisations. These are: firstly, problem awareness. Discussing frustrations helps employees and managers to identify poor quality, excessive costs, injustices and other barriers to effectiveness. Tjosvold also mentions organisational change. He believes that conflict creates incentives to challenge and change outdated procedures, assignments and structures.

Conflict can again improve solutions. Debating opposing views digs into issues, searches for information and insight and integrates ideas to create solutions responsive to several perspectives. There is also the belief that it increases morale. Employees release tension through discussing their problems. They feel confident that they have faced difficulties together and that their relationships are strong and open.

Personal development is another benefit that conflict can offer. Managers and employees learn how their different styles affect one another and acquire the skills to adapt accordingly. It brings self and other awareness. People learn what irritates themselves and others and what is important to them. Knowing what makes people angry enough to fight
about keeps them in touch. People take the perspectives of others, integrate them and become less egocentric, thus ensuring psychological maturity. People feel confident and empowered to deal directly with difficulties.

Tjosvold, again thinks the fun of it is enjoyable to employees. Employees enjoy the stimulation, arousal and involvement of conflict. It can be a welcome break from an even going pace. Conflict also invites people to examine and appreciate the intricacies of their relationships.

It is generally believed that conflict between groups is not necessarily dysfunctional or “bad”, but indeed it is a necessary and even a desirable feature of all human society (Amason, 1996: 123-148; Meredeen, 1988: 3; Bowditch & Buono, 1994: 191). Conflict can reflect the systematic exclusion of certain information or “group think” and can lead to ideas about new approaches to organisational process, surfacing of long standing problems that can be resolved, and the opportunity for people to test their capability and interest and creativity in dealing with organisational problems (Bowditch & Buono, 1994: 191; Swanepoel, *et al.* 1999: 247). Reese thinks that it is normal that labour and management time and again find that their aspirations, expectations and goals are incompatible because the result of the conflict can be productive and a better way of doing things may be found (1983:50). According to Blackmur, industrial conflict is justified in the possibility that it may have a tremendous impact on future industrial relations at the macro and or micro levels and that it may contribute significantly to change the wider society and improve the quality of decision-making undertaken by governments, unions and employers or at least prevent ignorance from being accepted as a valid excuse for injudicious policy (Blackmur, 1993: XI). Tjosvold (1991: 3-4) indicated eight benefits that well-managed conflicts can contribute to organisations as: problem awareness; organisational change; improved solutions; morale booster through tension release; personal development; self and other awareness; psychological maturity and fun.

In their study on “Do public-sector bans really prevent conflict” in the municipal level of government in the United States, Robert Hebron and Robert Stern have this to say,
Our central findings are that job actions were higher in states that had no laws or finality in the law, publicity campaign were used as a pressure tactic in the bargaining process, and grievance delays were greatest under final offer arbitration. Thus dispute costs are highest in jurisdictions that provide no finality in dispute resolution whether or not an explicit framework for bargaining exists’ (Industrial Relations Journal of Economy & Society, Vol. 42 No. 3 July 2003: 493-512).

There is, however, the general belief that conflict ought not be tolerated where the attitudes of labour and management become antagonistic and create negative constituents which would ensure that the prevailing frustration over incompatible goals turns into aggression and open conflict (Reese, 1983: 50).

Bowditch & Buono see conflict as negative when people began to feel defeated and a climate of distrust and suspicion develop which bring about resistance rather than cooperation becomes the norm and people begin to react defensively (1994: 191). Outcome of conflict episode include not only decisions reached by the conflict parties, but also the effects of the episode upon relationships between the parties and upon the rest of the organisation (Thomas, 1976: 167).

Pressure tactics are not only confined to employees and their unions. Employers may also use a variety of tactics in order to compel their employees into meeting their demands or complying with behaviours. Some actions may involve direct coercion such as the obtaining of court interdicts against illegal strikes. Plants relocation or closure, technological redundancy or outright dismissal in response to unprocedural stoppages are often threatened in order obtain compliance from the workforce. However, it is lock-out that is seen be frequently used (Quinn, 1989).

Lock-out is normally the manager’s outlet for his annoyance or simply a tool for imposing economic power (Howard, 1983: 343-357). This outlet takes the form of saying, “If you do not conform to our demands, we would close the plant”. Thus, the worker’s concern over his job security is mobilised against his other motives, such as desire for money, or some other goal he was seeking.
The employer may use the threat of a lockout to put the pressure of a majority of workers upon a minority which has a grievance (Howard, 1983: 343-357). Where several employers bargain as a group with a single union, threat of the union to strike a single employer can be countered by the threat of the association to close down every plant. Thus the complaining workers are faced with pressure from their fellow union members, who have no desire to be without pay checks while the dispute is being settled.

Lock-out is seen in some countries such as Germany, Sweden, USA, Britain and Canada as the employer’s counterpart of the strike weapon that can be applied once dead-lock has been reached in the bargaining process. On the other hand, in other countries such as France, Italy and Portugal, the lock-out is perceived as a disturbance of the balance of power and thus the right to lock-out is refused employers and is seen as a breach of employee’s contract, unless employees have embarked on unlawful strikes (Cox & Dunlop, 1950: 389-432).

A lock-out by an employer is exclusion by the employer of employees from the workplace. This action is taken in order to compel the affected employees to accept a particular demand or proposal concerning conditions of employment or other matters of mutual interest (Stanley, 1967: 47).

The lock-out can be used for a variety of reasons. Finnemore and van Rensburg outline the following reasons: offensive lock-outs may be implemented under various circumstances. When a dead-lock in negotiation arises, management may impose a lock-out so that the employer controls the timing of the industrial action rather than allowing the union the advantage of choosing when to embark on a strike. Tactically, the employer thus controls the situation. It may be used to force an agreement which would otherwise be difficult to obtain (Farmer, 1965: 13).

Defensive lock-outs on the other hand may occur after a strike has already commenced. Management may wish to enforce the seriousness of its final offer or remove striking workers from the premises. Gates may be locked and access only granted to scab labour or until such a time as striking employees accept conditions laid down by management.
Where go-slows or work-to-rules prove intractable, an employer may lock-out employees until they agree to meet production norms (Farmer, 1965: 25).

The Labour Relations Acts of Ghana and South Africa provide that every employer has recourse to lock out employees if the issue in dispute has been referred first to a bargaining council or the commission for conciliation, Mediation and Arbitration (in the case of South Africa) and to the Conciliator, who is the Minister in charge of labour in Ghana. A certificate ought to be issued stating that the dispute remains unresolved after conciliation attempts have failed. A period of 30 days or any extension of period agreed to by the council or Commission or the conciliator and at least 48 hours notice of the lock-out has been given to any trade union that is a party to the dispute, or if there is no such trade union, to the employees, unless the issue in dispute relates to a collective agreement to be concluded in a council, in which case notice must be given to that council. However, in the case of dispute where the State is the employer, at least seven days notice of the lock-out has to be given to the parties listed above.

Social reformers like Karl Marx, the Webbs, Common in the USA, Mayo and his human relations movement and the New Marxists have emphasised the importance in seeking compromise between labour, management and the government in order to redress the unequal bargaining power of parties to conflict in industrial relations in an attempt to resolve negative conflict (Kochan, 1980). Conflict in industrial relations, therefore, has often been discussed in terms of a tripartite relationship between employers, employees and the government (Bendix, 1997: 10).

Broadly speaking, Chapter One explains the literature review which forms the theoretical framework for thesis. This has made explicit the central issues that have been considered in the research. It has ensured coherence and established the boundaries of the project.

It has examined the theories of conflict through its causes and how to manage it. All forms of disputes in industrial relations have been outlined and discussed in this chapter. Prominence has, however, been given to the strike since it is generally accepted as the
most common form of dispute which easily attracts political attention, popular discussion and media coverage. It has been debated in this chapter that disputes in industrial relations are not always dysfunctional. On the other hand, disputes can become dysfunctional when they become protracted and carry with them negative ramifications on employer solvency, employment, social cohesion and so on. Strikes, in particular, are likely to attract the attention of government because of their effects on lives of individuals, the society, and institutions, the economy (Robbins, 1997: 304; Chamberlain, et al. 1980: 232-233).
CHAPTER TWO

THEORIES OF HOW TO RESPOND TO EXPRESSIONS OF INDUSTRIAL DISPUTES WITH PARTICULAR REFERENCE TO STRIKES
Management of disputes in industrial relations is often used synonymously with dispute/conflict resolution but they are not the same (Robbins, 1978). If it becomes acceptable that all disputes/conflicts were dysfunctional, then it is imperative to resolve or eliminate conflicts (Robbins, 1978). However, as already noted, conflict can have its positive side too (Van De Vliert, De Dreu ed., 2000: 9-22; Hall & Williams, 1966: 217).

Several authors are of the view that dispute/conflict intervention is a “growth industry” (Panitch, 1980; Mani, 2005: 2). Among other things, this growth has been stimulated by an increased awareness of the potentially devastating consequences of some conflicts in organisations. This increase has necessitated the development of effective interventions for dealing with this increasing conflict in industrial relations. Employees and consumers are more aware of their due process rights and are more willing to assert them (Ewing, 1977). Traditional lines of authority are blurring and increasingly leaving employees in the position of managing conflict demands from several constituencies (Adams, 1976). Economic hard times have led to conflict over decreasing resources and the need to identify mechanisms for better managing resulting budgetary, labour and policy conflicts. Possibly in response to these conditions of increasing conflict, the number of management courses, books, research articles and chapters of Organisational Behaviour textbooks concerning conflict management are being written frequently (Rahim, 1982).

In addition to this growth, there are other recent trends emerging in research and thoughts about conflict intervention. Firstly, there has been recognition of multiple aims of conflict intervention. The recent trend in writing about conflict intervention concerns a long overdue recognition that conflict is not necessarily bad (Robbins, 1974). For example, Thomas (1976: 889) suggested, “Conflict itself is no evil, but rather a phenomenon which can have constructive or destructive effects depending upon its management”. Conflict may, in fact, contribute to innovation (Robbins, 1974) and growth in relationships of organisational members (Chesler, Crowfoot & Bryant, 1978). Conflict keeps work viable, self-critical, and creative. A group that is totally void of conflict is prone to becoming static, apathetic, and non-responsive to needs for change and innovation.
Dispute intervention or management is the process by which an outsider or third party enters into a conflict in order to influence its outcome in a direction that he or she defines as desirable (Laue, 1978: 38). Because intervention always alters the power configuration of the conflict, all interveners are advocates—for a specific party, a particular outcome, or a preferred process of conflict intervention. Conflict management entails maintaining the optimum level of conflict in a group. Too little conflict creates stagnation. Too much creates disruption and infighting. Both are dysfunctional because they undermine group performance. The job of this research, in support of Robbins, is how to balance these forces by using conflict resolution, intervention and stimulation techniques (Robbins, 1974).

The ability to manage conflict is undoubtedly a very important skill. A study of middle- and top-level executives by the American Management Association revealed that the average manager spends approximately 20 percent of his or her time dealing with conflict (Thomas & Schmidt, 1976: 315-318). The importance of conflict is reinforced by a survey of what topics practicing managers consider most important in management development programmes. Conflict management was rated as being more important than decision making, leadership, or communication skills (Thomas & Schmidt, 1976: 315-318). In further support of the above claim, another study looked at twenty-five skill and personality factors to determine which, if any, were related to success (defined in terms of ratings by one’s boss, salary increases, and promotions) among a group of managers (Graves, 1978). Of the twenty-five measured, only one—the ability to handle conflict—was positively related to managerial success.

Conflict should not be allowed to become an end in itself. Strategies ought to be developed to work with potentially disruptive or dysfunctional conflict situations. Prior to creating strategies, it is appropriate to develop a philosophical basis for dealing with conflict. A philosophical approach to conflict will determine the strategies to be taken in conflict situations. Stephen Robbins has made suggestions on some basic philosophical approaches (1986: 321), as shown in Exhibit 2.1 for conflict management. Let us examine them as put forward by Plunkett/Attner (1992: 439):
Exhibit 2.1: Stephen Robbin’s Philosophical Approach to Conflict

<table>
<thead>
<tr>
<th>Philosophy</th>
<th>Belief</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional</td>
<td>Conflict is unnecessary</td>
<td>Immediately stop conflict</td>
</tr>
<tr>
<td></td>
<td>Conflict is to be feared</td>
<td>Remove all evidence of conflict, including people</td>
</tr>
<tr>
<td></td>
<td>Conflict will turn out to be harmful</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conflict is personal failure</td>
<td></td>
</tr>
<tr>
<td>Behaviourial</td>
<td>Conflict does not occur frequently in organisation</td>
<td>Immediately move to resolve or eliminate conflict</td>
</tr>
<tr>
<td></td>
<td>Conflict is to be expected</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conflict can be positive but more likely harmful</td>
<td></td>
</tr>
<tr>
<td>Interactionist</td>
<td>Conflict is inevitable in organisations</td>
<td>Manage conflict to maximize the positive</td>
</tr>
<tr>
<td></td>
<td>Conflict is necessary for organisational health</td>
<td>Manage conflict to minimize the negative</td>
</tr>
</tbody>
</table>

Source: Adapted from Plunkett and Attner, “Introduction to Management” 1992: 439

Plunkett and Attner first talk about Traditional View of Conflict. This approach may view conflict as unnecessary and harmful to an organisation. If this is the philosophical foundation, the reaction would be to fear the occurrence of conflict in the organisation and eliminate all evidence of it. If industrial conflict does occur, it is obviously perceived as management’s own failure to prevent it.

On the hand, those with the “Behavioural View of Conflict” attitude towards conflict recognise that conflict does frequently occur in organisations because of the nature of people, resource allocations, and organisational life. Those who hold this view would expect conflict. In addition, they might expect the conflict to turn out to be positive on occasions but more often to be harmful. With this philosophical foundation, the reaction would be to attempt to resolve it or eliminate it once it occurs (Plunkett & Attner, 1992: 439).
The “Interactions View of Conflict”, holds a more current philosophy about conflict. This is where conflict is accepted as inevitable in organisations and even necessary for organisational health. They are of the view that, no matter how well a company is developed and organised, conflict can and does occur (1992: 439). Those operating with this philosophy believe that the challenge of conflict is to manage it in order to maximise its positive potential for organisational growth or to minimise its negative effects.

To be able to manage conflict effectively, conflict interventionists and negotiators believe that one essentially needs to know the basic conflict-handling styles, as well as those of the conflicting parties, to understand the situation that has created the conflict and to be aware of ones opinions (Robbins, 1997; Hinds & Bailey, 2003). Some important things to bear in mind before attempting to manage conflict, according to Stephen P. Robbins are: ask to “what is your underlying conflict-handling style?” There ought to be the ability to vary ones conflict response according to the conflict situation in addition to ones own preferred style for handling conflicts (Rahim & Magner, 1995: 122-32). Preferred style should be flexible enough to suit the context in which a certain conflict exists; however, ones basic style should tell how one is most likely to behave and the conflict-handling approach on which to rely often (Robbins, 1997: 487).

The second is to be judicious in selecting the conflicts that you want to handle. Robbins is of the view that it not every conflict that must justify attention for management. This is because while some might not be worth the effort others might be unmanageable. Although avoidance might appear to be a “cop-out”, it can sometimes be the most appropriate response. Overall management skills improve effectively and conflict management skills in particular, by avoiding trivial conflicts. Battles are chosen judiciously to save efforts for ones that count (Robbins, 1997). “Regardless of your desires, reality tells us that some conflicts are unmanageable” (Greenhalgh, 1986: 45-51). Robbins advises “don’t be lured into the naïve belief that a good manager can resolve every conflict effectively. Some aren’t worth the effort. Some are outside your realm of influence. Still others may be functional and, as such, are best left alone” (1997: 487).
Third is to ‘evaluate the conflict players’. If one chooses to manage a conflict situation, it is important to take time to get to know the players, what interest each party represent, what are the players’ values, personalities, feelings, and resources. The chances of success in managing a conflict will be greatly enhanced if the conflict situation is viewed through the eyes of the conflicting parties.

In view of the above, it is advisable to further assess the source of the conflict before attempting to manage it. This is because conflicts do not pop out of thin air. They have causes. Because the approach to resolving a conflict is likely to be determined largely by its causes, the sources of the conflict need to be determined. It is believed that after all the above four steps have been considered sufficiently and appropriately with then one has to decide on the management strategies or options to be called upon to manage the conflict (Robbins, 1997).

Behavioural scientists and practicing negotiators have suggested many tools or techniques for conflict management for their appropriate selection and use. The research shall attempt to review few of them starting with the Conventional Approaches. Plunkett and Attner are of the view that in managing conflict there could be an attempt to reduce the level of conflict or resolve the conflict and in special situations attempt may be made to increase the level of the conflict. The research duo, making reference to the approaches of Hogetts and Altman (1979) and Stoner (1986) have brought out the following strategies (1992: 440-443).

The first has to do with “Reducing the Level of Conflict”. This strategy is used in situations where there would be the need to cool down the level of conflict as a final solution or an immediate step to resolving the conflict. To implement this strategy, a superordinate goal (a goal that supersedes the individual goals of those in conflict) is provided the conflict parties. The idea is to get all those in the conflict situation to overlook or put aside individual differences and work towards a common goal (Hogetts & Altman, 1979: 353-355).
The second is “Resolving Conflict”. Under this, Plunkett/Attner list compromise, consensus, confrontation, superordinate goals as some of approaches employed by Stoner (1986: 354-357). Compromise, on the other hand is where each party is required to give up something of value and find a middle ground. This strategy works where there is no possibility of a win-lose outcome. Because the root cause of the problem has not been dealt with, this approach has the disadvantage of seeing the recurrence of the conflict. Robbins states that this approach is typically taken by management and labour in negotiating a new labour contract. He again says that compromise can be an optimum strategy when conflicting parties are equal in power, when it is desirable to achieve a temporary solution to a complex issue, or when time pressures demand an expedient solution (Robbins, 1997: 489). This techniques generally appeals to those living in a democracy. Proponents claim that everybody wins because it is based on negotiation, or give and take (Roger Fisher & William Ury, 1981; Traxler, 2003).

Consensus strategy focuses on mutual problem solving by the party involved (Stoner, 1986: 354-357; Song, et al. 2000). The conflicting partners are brought together with the idea of discussing the issues. The issue is to work towards a consensus by seeking a common agreement satisfactory to all in solving the problem at stake. In the confrontation process, the conflicting parties verbalise their positions and areas of disagreement. This is a more heavily stressful related setting but with the outcome hoped to find a reason for the conflict and resolve it. To be successful there must be a mediator with the sole task to force the parties into reaching a settlement. To get the desired outcome, a method of operation that consists of the six distinct, consecutive segments listed in Exhibit 2.5b have been suggested by Plunkett & Attner (1995: 441; Hendel, et al., 2005).

Plunnet and Attner have already noted the superordinated goal approach as conflict reduction technique. They still believe that it could be used to solve conflict if the lower-level goals of both parties are incorporated into the high-level goal. To Robbins (1974: 62), “superordinate goals are highly valued, unattainable by any one group or individual alone and commonly sought”. Superordinate goal resolve conflict by bringing the conflict
parties together to forget differences that brought the conflict situation in order to get the job done (Valentine, 2001: 69 & Klein, 1991).

In addition to the approaches employed to resolve conflict, other conflict management writers like Stephen P. Robbins has mentioned avoidance, accommodation, forcing, and collaboration (Robbins, 1997). Avoidance is used because according to Robbins not every conflict requires an assertive action. Avoidance is just withdrawing from or suppressing the conflict. It has been known to be the best solution. Avoidance is particularly a desirable strategy when conflict is trivial, when emotions are running high and time is needed to cool the conflicting partners down, or when the potential disruption from a more assertive action outweighs the benefits of resolution (Richardson, 1995: 19-25; Song, et al., 2000: 50-66; Zapf, 2001).

According to Swanepoel, accommodation style is minimally assertive, but highly co-operative and is in essence the reverse of the competitive style. In this case the individual/group neglects its own interests in order to satisfy the interests of other party (1999: 232). Accommodation is used to maintain harmonious relationship by placing another person’s needs and concerns above ones own (Balser & Stern, 1999: 1029 – 1053). That is yielding to another person’s position on an issue this option is most viable when the issue under dispute is not that important or when one wants to build credits for later issues.

Forcing is where one party attempts to satisfy ones own needs at the expense of the other party. In organisations this is most often illustrated by a manager’s using formal authority to resolve a dispute. Forcing works well when one needs a quick resolution on important issues, when unpopular actions must be taken, and when commitment by others to solutions are not critical. Forcing does not resolve the personal conflict and, may serve to compound it by hurting feelings and/ or fostering resentment and mistrust (Lin & Germain, 1998; Lam & Chin, 2004).
Collaboration is the ultimate win-win solution. All parties to the conflict seek to satisfy their interests. It is typically characterised by open and honest discussion among the parties, active listening to understand differences, and careful deliberation over a full range of alternatives to find a solution that is advantageous to all (Thomas & Killman, 1972 with further descriptions and analysis by Bonnie Burrell 2001: http://web.mit.edu/collaboration/mainsite/modules/module). Collaboration has been acclaimed as the best conflict option when the time pressures are minimal, when all parties seriously want a win-win solution, and when the issue is too important to be compromised (Xie, et al. 1998; Valentine, 2001).

Plunkett and Attner’s third view of managing conflict is by “Increasing the Level of Conflict”. As already indicated, presupposes that conflict is neither inherently positive nor negative. In view of this, there may be times when there could be a desire to increase the level of conflict and competition in a work environment. Stoner mentions the situations in which such actions might be initiated (1986: 353) as: First, when organisation members exhibit and accept minimal performance of peers.
Exhibit 2.2: Six Steps for Mediating a Confrontation Session

1. Begin the discussions with the disputing parties.
2. Accumulate, from dispute parties, all information that is relevant to the conflict. Provide each party the opportunity to present the problems, information, and factors from its own perspective.
3. Develop a step-by-step agenda for all future discussions. The agenda should reflect phases in an overall strategy to resolve the conflict.
4. Initiate movement towards reaching a settlement. This step occurs only when the entire strategy has been designed.
5. Evolve from meetings to separate sessions with each of the parties. In the individual sessions focus on solutions to the problem from an overall perspective.
6. Bring the parties back together to reach a mutual agreement that resolves the dispute.

Source: Adapted from Joseph B. Stulberg, “the Rewards of Conflict,” Success, June 1987: p. 34.

Second is when people appear to be afraid to do anything other than the norm. And third, is when people passively accept events or behaviour that should normally motivate action.

Some researchers who hold the behavioural and interactive view of conflict always talk about the other side of conflict management – situations that require stimulation or creating of conflict. Evidence demonstrates that there are situations in which an increase in conflict is constructive (Van de Vliert & de Dreu, 1994: 211-22).

Plunkett and Attner (1991: 442-3) have suggested the five strategies below as available to stimulate Hodgetts and Altman’s situations above:
The first is to *bring in outsiders*. There should be the presence of a person from outside the organization who does not have the same background, managerial styles, attitudes or values as those in the work group. Robbins believes that this method is used widely to shake up a stagnant unit or organisation (Miall – Berghof, 2003; Wall & Stark, 1996). This could be done by hiring from outside or by internal transfer.

The second one is to *change the rules*. In some instances, it is better to either involve people not ordinarily included or excluded others normally included (Feste 2004 [http://www.sgir.org/conference2004/papers/Feste](http://www.sgir.org/conference2004/papers/Feste); Pulhamus, 1991). This alteration of the “rules” or “order” can stimulate the environment. In attempting to open the environment, an informal leader could be asked to attend “management only” meetings as a full participant. The result is for both workers and management to gain new knowledge and change their actions.

Another strategy is to *change the organisation*. This approach calls for realignment of work groups and departments (Sugden & Strens, 1998). In this strategy, a change in reporting relationships and the composition of work teams is designed to encourage the interaction of individuals with different experiences and perceptions. Structural variables are a source of conflict. It is therefore only logical to look to structure as a conflict stimulation technique. Centralising decisions, realigning work groups, introducing teams into a highly individualistic culture, increasing formalisation, and increasing interdependencies between units are all structural devices that disrupt the status quo and can act to increase conflict levels.

*Changing managers* has also been suggested as a strategy. In some instances it is appropriate to insert a manager into a work group that can benefit from his her dominant style of leadership (Vivar, 2006: 201-206). In other situations, the practice of rotating managers of work teams on a normal schedule can stimulate a group (Song, et al. 2000).

A final approach may be to “*encourage competition between groups or individuals*” (Appelbaum, 1998; Easterbrook, 1991). This can be done by offering bonuses, travel,
time off, or certificates of merit. Schein (1970: 32-34) believes that if this method is chosen the below outcomes could be expected of the individuals or groups: increase in the cohesion within the group, and reduction in internal differences, focus on task accomplishment, become more organized and efficient.

Schein has observed further that if the situation is not managed correctly, the competition could produce negative consequences (as below) between groups (1970: 32-34). He mentioned some of these negative consequences as: the other group is seen as an enemy, communication between the groups can decrease or cease to exist, open hostility can develop between the groups and one group can sabotage the efforts of another group.

Apart from Plunkett/Attner and Hodgetts/Altman, Robbins further makes some preliminary suggestions that might be utilized in conflict stimulation situations. He suggests the following strategy:

*Change the organisation’s culture.* The initial step in stimulating conflict is to convey to subordinates the message, supported by actions, that conflict has its legitimate place. Individuals, who challenge the status quo, suggest innovative ideas, offer divergent opinions, and demonstrate original thinking need to be rewarded visibly with recognition, promotions, salary increases, and other positive reinforcements.

*Appoint a Devil’s Advocate.* A devil’s advocate is a person who purposely presents arguments that run counter to those proposed by the majority or against current practices. That person plays the role of the critic, even to the point of arguing against positions with which he or she actually agrees. Also, a devil’s advocate acts as a check against groupthink and practices that have no better justification than “that’s the way we’ve always done it around here”. When thoughtfully listened to, the advocate can improve the quality of group decision making. On the other hand, others in the group often view advocates as time wasters, and their appointment is almost certain to delay any decision process (Robbins, 1997: 491).
Use communication. Communication with the media could sometimes be used to stimulate conflict in political circles especially when an appointment is to be made. Senior officials “plant” possible decisions with the media through the infamous “reliable resource” route. For example, the name of a prominent judge is “leaked” as a possible Supreme Court appointment. If the candidate survives the public scrutiny, his or her appointment will be announced by the president. However, if the candidate is found lacking by the media and public, the president’s press secretary or other high official will make formal statement such as, “At no time was this candidate under consideration”. It is a very popular because of its handy escape mechanism. If the conflict level gets too high, the source can be denied and eliminated.

Ambiguous or threatening messages also encourage conflict. For example, information that has been given that a plant might close, that a department is likely to be eliminated, or that a layoff is imminent can reduce apathy, stimulates new ideas, and force re-evaluation-all positive outcomes that result from increased conflict. Another way communication can stimulate conflict is to draw attention to differences of opinion that individuals themselves did not previously recognise. People often cover up or sublimate potential differences are overtly addressed in order to “keep the peace”. When these differences are overtly addressed, parties are forced to confront conflicts.

Swanepoel, et al. (1999: 230-235) have outlined some methods of conflict resolution using the models of Flippo, Thomas-Kilmann, Gharajedaghi, Robbins and Van Uytrecht. These models would be discussed to see how they could each be used in managing conflict.
Flippo (1976), in theorising for conflict resolution, started on the premises that conflict between two or more persons primarily originates as a result of either the incompatibility of objectives and/or the independence of their activities. To him the reconciliation action can be approached in the seven ways (shown in Figure 2.1) discussed below:

*Win-lose approach*: in accordance with this one party forces the other to give in;

*Withdrawal* and *retirement* from the argument/problem have been defined as the “silence is golden” approach;

*Smoothing* or *playing down of the differences* is defined as the typical “we are one big happy family”;

Compromise or splitting the differences, is founded on negotiation and looking for mutually acceptable solution;

Mediation and arbitration, are ways in which a third party/outsider is involved in an effort to solve the dispute (this would be dealt with again into detail); and Problem solving has been described as a way of honest and open confrontation which results in win-win situation.

Figure 2.2: Garajedaghi’s conflict process


In Swanepoel, et al. Gharajedaghi (1985: 38), as well as Filley (1975: 4-7), indicate that conflict may have a positive outcome if correctly managed. Further to this Herald (1990: 12) comments as follows on Gharajedaghi’s conflict matrix (see Figure 2.2):
“His (Gharajedaghi’s) approach is simple and eloquent, ye multifaceted. In industrial dispute it is usually preferable to adhere to a strategic principle calculated to result in organised simplicity, rather than to allow the conflict to degenerate into a chaotic complexity and dysfunctional conflict. Agreement between contending parties upon a method of policing an area characterized by lawlessness may represent an example of publicity and the functional resolution of conflict. Disagreement between the contending parties on policing such an area could result in anarchy and a situation of chaotic complexity evolving”.

Van Uytrecht (1995: 33) proposes what he calls “an integrated model of conflict management”. The first part of his model concentrates on the sources of conflict. Unlike Robbins’s model, Van Uytrecht’s integrated model proposes that only factors which are truly cognitive and/or affective in nature should be considered as sources of conflict. Amongst these cognitive/affective factors are factors such as differing values/goals, dislike/prejudice and perceived inequity.

The second part of his integrated model indicates that the cognitive or affective elements are in turn “mediated” by various factors (modifiers). The effect of the modifiers is to modify the translation of perceptual experience into forms of behaviour. Some modifiers identified in the model are power, scarcity of resources, intra-group dynamics, structured factors and personal attributes. Depending on the effect of the modifiers on the cognition and affective processes, a range of forms of behaviour may be exhibited by parties in conflict.

At this stage it is important to discuss how the parties to conflict in industrial relations have come to know the need to manage conflict at the workplace. In an attempt to manage or prevent conflict, the employers of some organisations who uphold the classical economic viewpoint that the sole objective of a company in a market economy is the maximisation of profit and accumulation of capital for further growth, have imbibed the “autocratic unitary and union suppression” approach. These employers are of the belief that labour costs must be kept to a minimum. Knowing that there could be agitation for labour wage increases, they try to discourage
collective worker actions. They further see management control over the entire employment relationship as essential. Unionisation is often seen as an aggressive act by employees against management. Management’s conflict in labour relations strategy generally aims to suppress union development and operation and it is always coupled with an autocratic management style.

A number of environmental and organisational conditions appear to facilitate this strategy by employers (Kochan & Katz, 1988). Among the tactics to control conflict is the employment of unskilled workers with few alternative labour markets, an abundant supply of alternative labour, low recruitment and training costs, a low-profit but highly competitive industry, smaller firms and lack of personnel staff.

It has not only been economic factors which facilitated union suppression that had been used in the past to control conflict. Politics have also been used in this direction. Employers had portrayed unions as part of the total onslaught against capitalist system supported the policy of what is termed “union bashing” on a wide scale. Some of the tactics that have been used are employer’s promotion of internal committees and “sweetheart” to avoid the recognition of an independent union; the dismissal of union activities through constructive dismissal or retrenchment; the victimisation of shop stewards by demotion, or transfer to less satisfying work on the basis that their duties were too time-consuming; delay in recognition of a representative union by postponing meetings, following an excessively legalistic approach or treating worker representatives with disrespect; provocation of wild strikes and subsequent dismissal of employees for striking unlawfully; plant closure and relocation to a non-unionised geographical area or even setting up of new companies in the same area under different name; the use of informers and electronic bugging devices; collusion with police in the control of perceived agitators by organizing their arrest for so-called political reasons; and disregard for the effect of social and political problems on the workforce and dismissal of workers for participation in political stayaways (Finnemore & Van Rensburg, 2000).
It needs to be emphasised that, autocratic unitarist strategies frequently had to be abandoned where the union was able to overcome suppression by using its own powers resources such as legal, consumer or international support to fight back. Also, the public exposure of bugging devices and covert police support for sweetheart unions also discredited such tactics. Nevertheless, unitarist tactics still flourish in organisations where worker power is weak and unionism poorly established (Torres, 1995).

Some employers, in controlling conflict at the workplace, follow a more covert non-union unitarist strategy, i.e. the use of sophisticated paternalistic unitarism and union avoidance. Many employers regard a union-free environment as more conducive to efficiency and productivity, besides offering a much easier climate within which to manage an enterprise. Active union suppression is no strategy in societies professing to be free and democratic, but the difference between autocratic unitarism and a much more subtle approach of union avoidance is often a fine one.

Kochan and Katz (1988) point out that there are various distinctive factors which appear to be associated with the strategy of union avoidance that distinguish it from union suppression. Sophisticated human resource management approach are thus, used to undermine any potential union support in the organisation. Some of the strategies used to reduce the incentive to organise include wage higher than the market rate and more fringe benefits; considerable investment in training and career development of employees; extensive efforts to stabilise employment and avoid retrenchment; advanced system of communications and information sharing with a focus on the team aspect of company/employee relationships; informal mechanisms for participation in decision-making; an effective grievance procedure and high ratio of personnel staff to employees; location of new production facilities in rural areas which are sparsely unionized; promotion of an internal non-union council as a vehicle for consultation and conflict resolution; and the provision for considerable stakeholdings in profit sharing and employee shareholding schemes.
Of late, several employers, having acknowledged the reality of union power, have begun to consider alternative strategies to those based on the unitarist perspective in controlling workplace conflict. Some of the new strategies are the adversarial pluralism and collective bargaining. Thutley and Wood (1983) indicate that when companies are faced with the problems of change and their overall strategies are jeopardised, alternative industrial relations strategies are often sought as a matter of survival.

Fundamentally, from an employer perspective, pluralism entails an acceptance of and respect for freedom of association, that is employees are free to join the union of their choice; unions as a necessary opposing interest group in society and at the workplace; shop stewards as a means of communication with the workforce and perceived as a lubricant rather than an irritant; the right of unions to bargain collectively on wages and conditions of service; collective bargaining on a win-lose power basis as a means of achieving acceptable agreements; the right to strike and lock-out under defined conditions; workplace rules, procedures and agreements as an important regulator of conflict; and labour law as a means of ensuring that employees and unions follow procedures (Storey, 1981).

The adversarial form of pluralism with its emphasis on recognition and procedural agreements is frequently seen as the product of union/management co-operation and employee participation in many companies (Van der Merwe, 1984). Management/union co-operation has been necessary to develop effective workplace conflict management strategies (Horwitz, 1991: 20) by way collective bargaining, negotiation and employee involvement.

In trying to prevent or manage conflict, employers sometimes use some of the old tactics like lockout, layoff, injunction, yellow-dog contract and blacklisting (Jack Halloran, 1983: 480-481). In lockout, employees are not allowed to come into the plant until they accept the employer’s terms and conditions. Layoff on the other hand, is the situation where employees are released from employment for reason of lack of
work employees are allowed to collect unemployment, but would not be able to if they were fired.

Management may seek for a court order requiring certain action. A mandatory injunction requires performance of a specific act, such as requiring workers to return to work. A prohibitory injunction orders the other party to refrain from certain acts, ordering the union to stop mass picketing. Yellow-dog contract weapon strategy is where employers may as a condition of employment may request a prospective worker to agree not to join a union. In blacklisting a list of troublemakers is always made available to other companies to make sure that employment is not given to blacklisted union organisers.

Having known the part played by management in conflict management, it is important to discuss trade unions’ role on the subject. Trade unions play a major role in representing employee interests in regulating market relations and managerial relations with employers (Farnham & Pimlott, 1990: 105). According to the Webbs, a trade union ‘…is a continuous association of wage earners for the purpose of maintaining or improving the conditions of their working lives’ (Webb & Webb 1894, reprinted by Kelly 1965: 1). Bendix (1997: 164) thinks a better definition is that given by Salamon that a union is:

“…any organisation, whose membership consists of employees, which seeks to organise and represent their interests both in the workplace and society, and, in particular, seeks to regulate their employment relationship through the direct process of collective bargaining with management”.

Salamon’s definition highlights two other aspects of unionism. Firstly, trade unionism requires organisation since it does not merely happen. Secondly, a union also seeks to improve the position of its members in society at large. This may be done by the improvement of their general economic position, giving them job security and regulation, political reasons and rest, social needs and self-fulfilment (Salamon, 1987; Torres, 1995; Taylor, 1994; Wolmarans, 1992; Wheeler & Mc Clendon, 1991).
The two main participants in industrial relations are the employees and the employers. The employees are the weakest and most vulnerable in the relationship. In fact, employees and the unions are both the reactive and proactive participants in the relationship. Often as a result of employer behaviour, they initiate the action to which the employers or employers’ associations, and sometimes also the State react. Unions initially arose out of the desire on the part of employees to counter the power of employers, particularly on the economic front. Analysis of the traditional labour relationship has revealed that the power of an employer is best matched by a combination of workers who, by collective action obtain concessions which would not otherwise have been granted and, in doing so attempt to improve their position, both at the workplace and in a society as a whole (Ed Snape, et al. 2000: 205).

The recognition of the weakness of any individual worker to effect change and the desire to have a permanent organisation of knowledgeable, skilled and people with the necessary expertise to represent them, meet and deal with management on equal basis at all times and on all issues necessitated union formation. The rationale for unionisation is not only the need for power to defend their interests against management but also to help in the management of conflicts resulting from dismissal, poor physical environment and employment terms, insecurity of employment and income or retrenchment, cuts in pay and improving conditions such as wages and other conditions of service (Alan Anderson, 1994: 40-71).

In managing conflict on behalf of the employees, unions through collective action at the workplace may dictate and control the production power in the form of traditional strikes, stoppages, go-slows, overtime bans, work-to-rule decisions and various other forms of action which involve the withdrawal of labour (Alan Anderson, 1994: 40-71). Sometimes, in order to influence the harsh policies of management, employees and their unions may use their collective economic power by using the financial resources of their unions, sometimes in the form of provident funds to invest in the stock exchange and become shareholders in enterprises (Finnemore & Rensburg, 2000: 179).
Union may ask their members to use their vote to support political parties; they may contribute money and other resources directly to political parties; referendums may be called upon and campaign, such as stayaways etc. to promote their interests through political lobbying and participation in tripartite structures and legislations in favour of employees (Burck, 1981: 88; Fiore 1982: 17; Hayes 1981: 19-20). Legal action may be instituted by unions to protect their members’ interests. The threat of legal action either through the labour courts or the courts of adjudicature is a powerful deterrent to unfair practices by management or government which unions use to manage employee-management conflict (Finnemore & Rensburg, 2000: 179).

Unions use the expertise, skills, and experience of their shop stewards, negotiators, union organisers, and other officials and personnals as representatives on behalf of the employees to face management during negotiations, conciliations, mediations and arbitrations to make sure the best deal is gained for their clients (Delbridge & Lowe, 1998: 161-162). Local unions may seek for international support from trade unions in other countries to assist in the provision of funds, blacklisting of products, and may sometimes ask parent companies to put pressure on subsidiaries in other countries that are infringing workers’ rights (Finnemore & Rensburg, 2000: 179).

That “the state/government has indisputably become the third force in industrial relations” (Poole 1986) cannot be denied. The role of the government is visible in two main forms. Firstly, it is the government that sets the parameters in which the parties to conflict in industrial relations operate, bargain and reach agreements in order to promote acceptable and conflict-free working environment for socio-economic growth (Traxler, 1999: 55-85). The second role of the government in industrial relations is its role as the employer in many nations. The government does its first role by use of several techniques and strategies depending on the systems or policies in place. The choices of these techniques and strategies are, however, critically influenced by internal and external factors.
Governments may pursue a market economy that strongly promotes capital investment, economic growth and competitiveness by serving employers’ interests and their unitarist perspectives through suppressive policies that attempt to control unions, limit conflict in industrial relations and inhibit strike activity. Some of the strategies imposed generally by authoritarian governments include creation and maintenance of a cheap and docile labour force, suppression of labour unions and substitution with weak workplace structures, minimal labour regulation including no minimum wage legislation or support for very low minimum wages, provision of incentives to employers, including tax breaks and exemptions from any labour laws that hinder the efficient working of the market so that it may respond to price signals unhindered by union influence and distortion, and support for individual labour contracts with minimal worker right (Finnemore & Van Rensburg, 2000: 236).

Another strategy employed by the government in managing or preventing industrial conflict is to promote or allow pluralism in the economy. From this perspective, it is perceived that the government is regulating and restraining the competition between capital and labour interest groups. The government accomplishes this when it fosters collective bargaining within a framework of rules (Finnemore & Van Rensburg, 2000: 236). Government promotes this strategy by providing legislation that legitimises unionisation of workers and all its associated powers and freedom and also by facilitating freedom of association as a basic human right. The government also provides a framework of rules within which collective bargaining takes place. Control of power is normally introduced by government as a strategy of balancing power between the parties and to prevent abuses. For example, the establishment of Dispute Resolution Commissions and Industrial Courts in some countries are some of the control measures that the government normally put in place to check abuses. Another strategy that government employs to prevent or manage industrial conflict is the creation of societal corporatist institutions or tripartite co-operation.

Where pluralism implies competition between groups, societal corporatism emphasises coordination between previously competitive groups together with state involvement and direction. Public policy supportive of societal corporatist institutions and procedures results
from negotiation between the government and a few powerful interest groups with which the government chooses to, or has to deal. These groups normally include “peak” associations representing industry and trade unions (Hague & Harrop, 1987: 115).

This strategy is a shift away from the adversarial one to a more consensus-based labour relations system usually arising from pacts or agreements between unions, employers and the government. In this, employers, unions and the government enter into a social pact to emphasise the need for negotiation as a means of dispute resolution and the commitment to economic growth (Munck, 1993).

Societal corporatist institutions or tripartite co-operation in seeking solution to industrial conflict is based on the beliefs that consensus-building as opposed to adversarial relations is valued and centralised negotiations on basic issues, such as wages and working conditions remove the potential for numerous conflicts in workplaces. It also believes in the proposition that conflict is natural in employment relationships and it is best managed through centralised negotiations between strong union and employer organisations together with the government. There is the general belief and understanding that the parties may reach agreements that would not only satisfy the immediate needs of their own constituencies but would frequently take into account the needs of the broader society. Also it is advocated here that short-term gains that benefit a few ought to be often sacrificed in favour of long-term economic outcomes that are more beneficial to the industry or society as a whole (Hague & Harrop, 1987; Kjellberg, 1992).

As a third party to the labour relationship, the government will usually not play an active role in the collective bargaining process. It may, according the degree of voluntarism in a particular system, set parameters for collective bargaining by establishing bargaining institutions and limiting the freedom to a strike or lock-out. It may also demarcate bargaining units or determine the scope of registration of particular unions in order to ensure good working environment (Bendix, 1997: 272). Again, when the government desires cooperation on its economic or other policies from the parties concerned, it will trade off advantages, such as tax reductions for
employees, against agreements to freeze wages or prices or to maintain levels of employment (Clegg, 1976).

In the second role of government as an employer, it does play an active part in collective bargaining. By its own practices it sets an example to the other parties as far as both procedures and substantive issues are concerned (Herman, Edward & Kuhn, 1981). The practice of social dialogue towards consensus may take different forms in various countries. In some of these, for example Latin American countries and Ghana, institutional mechanisms have been established through permanent bodies in which government, workers and employers are represented. In other countries it is an informal process, but having some continuity. The social partners hold periodic talks with the government and reach agreements which aim at solving political and social problems such as the pressures of inflation, which are rampant in some countries (Alvarez, 1994).

However, Treblicock (1994) notes that tripartite corporatism in many developing countries has been very sporadic and subject to the pressures of party politics, often yielding temporary social pacts in terms of perceived crisis. The researcher is personally in agreement with Robbins that today’s managers are experimenting with a number of applications in order to increase their employees’ motivation (Robbins 1997: 406) in an attempt to reduce conflict and increase productivity. This they do by the use of strategies such as employee involvement, negotiation by use of collective bargaining and improvement in workplace communication.

Employee involvement has become a convenient catchall term to cover a variety of techniques (Cotton, 1993: 3, 14). For instance, it encompasses such popular ideas as employee participation or participative management, empowerment, workplace democracy, employee ownership and many more. Employees may also be invited to appointed representatives to sit on the board of the company and/or may extend beyond the organisation to inclusion of employee representatives generally through
trade union involvement in sectoral bargaining council or socio-economic fora at the national level.

Employee involvement is defined as a participative process that uses the entire capacity of employees and is designed to encourage increased commitment to the organisation’s success (Pierce & Furo, 1990: 32). Finnemore & Van Rensburg defines it as a process of interaction whereby employees directly or indirectly through their representatives are able to influence decision-making which affects their power, status, remuneration and working conditions. The underlying logic is that by involving workers directly or indirectly through their elected or appointed representatives in various activities, it would affect their autonomy and control over their work lives, motivate them, get them more committed to the organisation, reduce conflict and increase production (Anstey, 1997).

When conflict result in a stalemate of implementation it may render some state or employer initiative ineffective in the face of a hostile union or employee response. Also employee or union initiatives may equally receive a cool response from employers or the state. It is in these that the importance of employee involvement comes into play to resolve the impasse, restore and enhance human dignity which are at stake, promote productivity at the workplace, extend democracy to the workplace and to further promote economic development on a regional or national level.

Employee involvement may take many forms. It may involve direct involvement of employees or indirect participation of lower-level workers in decision making and the conduct of their jobs, with goal of improving performance (Daft 1991: 465). The processes of direct involvement include information sharing, participation in teams of various forms, financial participation, and exercising workers control through co-operatives. The processes of indirect participation by means of an elected representative include works councils and processes of consultation and joint decision-making over workplace issues, collective bargaining over wages and conditions of services. It also includes corporate decision-making by board of directors or participation in policy development on regional/national socio-economic
councils or other statutory bodies (Gates, 1998). Again, the form of indirect participation involves the exercise of power indirectly through representatives. The extent of power that can be wielded depend on factors such as the strength of elected representatives backed by the power of their constituencies as well as legal support (Jackson Lewis, 2003).

Collective bargaining on the other hand, is the most common form of employee participation in the world. The word “collective” refers to the fact employees join together in trade unions to enhance their power in bargaining with employers over wages and working conditions to promote a conflict-free work environment (Stoner, Freeman & Gilbert, 1995: 69). In addition to wages and benefits, collective bargaining is also used to negotiate procedures for administering pay, procedures for resolving grievances regarding compensation decisions, and methods used to determine the relative worth of jobs (Foulkes & Livermash, 1989). Collective bargaining is often discussed as simply negotiating a labour contract. It also involves resolving employee concern or grievances arising during the life of a contract (Bedelan, 1989: 343).

Many authors try to distinguish between the concepts “negotiation” and “collective bargaining” (for example, Salamon quoted by Bendix (1996: 429). “Collective bargaining” is regarded as just one of many different types or modes of negotiation and negotiation is defined as:

“Negotiation is a process of interaction between parties directed at reaching some form of agreement that will hold and which is based upon common interests, with the purpose of resolving conflict, despite widely dividing differences (Nieuwmeijer, 1988: 9 and Pienaar and Spoelstra, 1996: 3).

The aim of collective bargaining is through the process of negotiation to reach a perceived equitable settlement on matters of mutual interest. The terms of this settlement is recorded as collective agreement signed by the parties. The agreement is
applied uniformly across a specified group of employees. Employees, unions and their members are bound by terms of the agreement (Shear & Sirkhot, 1996: 18).

Collective bargaining takes place in various forums and at a variety of levels. In most countries it is structured through legislation or by agreement between unions and employers. The forums and the levels at which collective bargaining takes place, which should be acceptable by the parties may be permanent institutionalised structures or temporary arrangements to facilitate bargaining of the annual wage agreement in a specific enterprise.

The major objective of collective bargaining is the provision of institutionalised structures and processes whereby potential conflicts over matters of mutual interest e.g. wages and working conditions may channelled and resolved in a controlled manner in order to reduce unnecessary disputes (Sriyan de Silva, 1996 ILO ACT/EMP Publications and The ILO Right to Organize and Collective Bargaining Convention (No. 98), 1949).

Other objectives of collective bargaining are the creation of conformity and predictability through the development and commitment to collective agreements which establish common substantive conditions and procedural rules and the enhancement of democracy, labour peace and economic development at a national level (Blanpain, 2003).

One of the best managerial practices that has come to be accepted as an effective means to manage or prevent conflict in organisations is the institutionalisation of good internal communication system. The lack or mismanagement of communication is the single greatest direct and indirect contributing factor to dissatisfaction of employees in business organisations (Neiuwmeijer, 1997a, 1997b; Nieuwmeijer du Toit & Sebulela, 1997) that breeds conflicts. Employers normally manage fairly well external organisational communication with substantial part of the budget but treat internal organisational communication as a stepchild. Internal communication is
normally delegated to a staff magazine run by enthusiastic volunteers. Management has little understanding that it is in fact the communication with their employees that carries the most persuasive weight in perceptions of the corporate image (Nieuwmeijer, 1981).

In order to prevent conflict in industrial relations and be productive, committed members of an organisation’s employees need more, and better, information about their jobs, business conditions, customers and competitors (Swanepoel, et al. 1999). Timeous information concerning aspects that influence employees’ work lives is one of the most powerful managerial tools. The efficient and effective communication of information is necessary for the performance of operational tasks, the involvement and motivation of employees on all levels, and as a management tool to facilitate change and conflict management (Van Riel 1990; Koeleman, 1992).

It is true that management has come to recognise in theory, at least, the vital role of communication. Konikow & McElroy (1975: 518) put it as follows: “Human relations and communication are inseparable. In fact our communication with our expected audience can be no better than our relations with it, for human relations are feelings attached to communication.”

Koeleman (1992: 14-27), in listing the numerous advantages of good internal communication, among the lot, also points out that communication prevents costly strikes, high staff turnover and low morale. Business success today depends to an increasing extent on whether employees can be persuaded to support corporate goals rather than obstruct or actively oppose them (Godsell, 1988). Management can invite union participation in broad business problem-solving and in so doing could begin to develop labour/management partnership in organisations (Du Toit & Fourie, 1997). It has been noted that the absence of clear communication from managers intensifies and prompts speculation, rumour and fertile ground for conflict (Sutton & Calahan, 1987).
Even though we have had enough discussion on conflict management strategies in industrial relations, it is still important to elaborate third intervention in conflict management. A third party intervention is particularly important when there is the still considerable hostility and non-acceptance by the two sides of each other’s legitimate existence. Also when the two parties are in deadlock across the negotiation table, the third party intervention becomes very crucial. In the first instance, it is hoped the two sides will consider using some form of technical assistance and in the second instance, the parties should agree to call in the mediator or arbitrator.

Despite the fundamental reluctance of some governments to intervene directly in the regulation of collective bargaining between employers and trade unions, the historical realities of endemic industrial conflicts have compelled governments to provide a permanent system of third party intervention in industrial disputes (in especially Ghana, South Africa and Britain). This has included conciliation services, arbitration bodies, and facilities for courts of enquiry in industrial disputes. Third party intervention by government agencies, especially when apparently intractable industrial conflicts seem to threaten economic and sometimes social stability, has proved to be an effective way of resolving such issues. It is often the only body in which disputants feel that they can ultimately reach an honourable compromise.

It is a major principle of third party intervention that parties to an industrial dispute are first encouraged to apply their own formal machinery for the settlement of industrial conflict (Giebels & Huadong, 2005). This usually means exhausting the voluntarily agreed dispute procedure for resolving differences between parties which both sides are expected to use before engaging in either strikes or lock-outs. It is the intention of the parties that industrial action will only take place after all stages of the agreed disputes procedure have been formally observed and constitutionally applied. It is only when this final stage has been reached, and when the chances of a negotiated settlement are slender, that third party intervention is usually felt to be appropriate (Giebels & Huadong, 2005). Such intervention is generally successful because it is believed that the conciliators or arbitrators are as unbiased and impartial.
as human personality permits and that the political and external influences in settling the dispute is minimised (Colvin, 2003). It is the intention of third party intervention to obtain a settlement acceptable to both sides in the conflict, by bringing them together to resolve their differences, or by suggesting the basis for a settlement or, with the participants’ consent, by making an arbitration award (Ropers, 1997).

Conciliation may be defined as a direct intervention process whereby a third person, the conciliator, plays an active role as a go-between and assists parties who are in dispute to resolve their differences and reach their own mutually acceptable agreement (2005 http://www.iama.org.au/conciliation.htm). The conciliation process is generally triggered when a party voluntarily decides to refer a matter for conciliation. This is when it is recognised that a deadlock has arisen in the attempts to resolve the dispute. Disputes of rights or interests may be resolved by conciliation (Kaufman & Duncan, 1988)

Mediation may be described as the active intervention of a third party or third parties, for the purpose of including settlement (Henry Joyce, 2002). The mediator is a third party who is present at and pivotal to the conciliation process to attempt to bring at this stage settlement (Kydd, 2003: 59). To this end the mediator advises both sides and further acts as an intermediary and also suggests possible solutions. Mediation is intended to facilitate negotiation.

Arbitration is a direct intervention process whereby a third person, the arbitrator, plays a decisive role in resolving a dispute between two parties by conducting a fair hearing of argument and evidence, weighing it up and making a final decision (award) to which the parties have no other option than to adhere (2005 http://en.wikipedia.org/wiki/Arbitration). Arbitration process become important when a party voluntarily decides to refer a matter to an arbitrator for a final decision generally after conciliation or mediation has failed to resolve the dispute. Arbitration may be used to resolve both disputes of rights or interests but arbitration is a process considered generally most appropriate for resolving disputes of rights. Disputes
concerning unfair discipline or dismissal, organisational rights of unions, and interpretation of agreements are commonly referred to arbitration (Lewis ed. 1994 Annual Report 1993). In most countries arbitration is a process is prescribed as the best to be used to resolve disputes and it takes place outside the ambit of the courts. Arbitration awards are generally considered final and binding but provision is usually made in labour legislation for arbitration awards to be taken on review where an arbitrator has committed gross misconduct or an irregularity in his adjudication (Colagiovanni & Hartmann, 2005).

Positive as well as negative benefits of disputes in industrial relations have been examined in this chapter to challenge the notion that disputes are always dysfunctional and should be eliminated at all cost. The chapter nevertheless admits that, because of the potentially devastating consequences of some disputes, it always important to have effective interventions for dealing with them. The strategies to deal with disputes, the chapter asserts, will normally depend on the philosophical basis of those who involved in the management process. For example, there are some scholars who believe that, because dispute is unnecessary and harmful to organisations, its occurrence with all its evidences ought to be eliminated.

Some writers see dispute as inevitable. They explain this based on how human nature is and the problems associated with allocation of limited resources. To them, since disputes can be positive or negative, there should be attempts to manage them once it occurs. Another group of writers accept organisational disputes as a necessary occurrence for organisational health.

The chapter points out that negotiation between the disputants is advocated by many theorists as an appropriate form of conflict resolution but if that fails a third neutral party needs to be called to conciliate, mediate or arbitrate. The theories remind us, however, that disputes management could end in compromise, accommodation, consensus, confrontation, collaboration and so on. Employee involvement and
institutionalisation of good internal communication systems have been advanced by theorists as means of disputes management.

Governments of many countries have sometimes use legislation to manage industrial conflicts. They have, on many occasions, given legislative protection to unions at workplaces in an attempt to counter autocratic or suppressive strategies of management. Societal corporatist institutionalisation, or tripartite co-operation involving government, unions and employers of labour has also been used to manage conflict by building consensus against adversarial relationships. Governments sometimes set parameters for collective bargaining to limit disputes. Governments may also interfere directly to address industrial disputes by reducing taxes for employees, freezing wages or prices or maintaining levels of employment.
CHAPTER THREE

GHANA IN CONTEXT: POLITICAL, ECONOMIC AND SOCIO-CULTURAL ISSUES
This chapter offers a brief introduction to the geography, socio-cultural, economic and political history of Ghana in the period immediately before independence to the year 2004 with a view to highlighting how these institutions relate directly or indirectly to the industrial relations in the country in general and how they can spark off dispute in industrial relations in particular. This background information will further be helpful in understanding subsequent discussions since in most societies, dispute in industrial relations is highly dependent upon external factors such as the political, economic and the cultural environments (Damachi, 1979: 117). Indeed, the understanding of the causes of dispute in industrial relations is as a result of greater political consciousness, rapid economic development and industrialisation as well as socio-demographic factors. These are guided by such constraints as the inflation in the economy, the people and their culture, infrastructure and so forth. Therefore, our discussion of this topic will be made in the awareness that these major areas being discussed are, in the final analysis, inter-related so far as dispute in industrial relations is concerned.

Ghana, formerly a British colony called the Gold Coast, attained independence in 1957. The country has 10 regions and 132 districts with the national capital in Accra. It is a small low-income country in West Africa with a land area of 228,000 sq. kilometres. The country occupies a geographical area totaling approximately 238,537 sq km (92,100 sq miles). Half of the country lies less than 152 meters (500 ft.) above sea level, and the highest point is 883 meters (2,900 ft.). The 537-kilometer (334-miles) coastline is mostly a low, plain sandy shore with scrub and intersected by several rivers and streams, most of which are navigable only by canoe. A tropical rain forest belt, broken by heavily forested hills and many streams and rivers extends northward from the shore near the Cote d'Ivoire frontier. This area produces most of the country's cocoa, minerals, and timber. North of this belt, the country varies from 91 to 396 meters (300 ft.-1,300 ft.) above sea level and is covered by low bush, park-like savanna, and grassy plains (see Figure 3.1 in Appendix 1).

The climate is tropical. The eastern coastal belt is warm and comparatively dry; the southwest corner is also hot and humid. The north is hot and dry. There are two distinct
rainy seasons in the south-May-June and August-September; in the north, the rainy seasons tend to merge. A dry, northeasterly wind, the Harmattan, blows in January and February. Annual rainfall in the coastal zone averages 83 centimeters).

Volta Lake, the largest manmade lake in the world, extends from the Akosombo Dam in southeastern Ghana to the town of Yapei, 520 kilometers (325 mi.) to the north. The lake generates electricity, provides inland transportation, and is a valuable source of employment for the fishermen and crop farmers.

Most Ghanaians descended from migrating tribes that probably came down the Volta River valley at the beginning of the 13th Century (2003-www.stat-usa.gov). Ethnically, Ghana is divided into small groups speaking more than 100 languages and dialects (Ghana 2000 Census). Languages more closely reflect regionalisation (Ghana Network Herald, July 5). Among the more important linguistic groups are the Akans (49%), which include the Fantis along the coast and the Ashantis in the forest region north of the coast; the Guans (4%), on the plains of the Volta River; the Ga-Adangbe (8%) and Ewe-speaking peoples (13%) of the south and southeast; and the Moshi-Dagomba-speaking tribes (16%) of the Northern and Upper Regions and others (4%) (Ghana 2000 Census).

Ghana's first post-independence population census in 1960 counted about 6.7 million inhabitants. By 1970 the national census registered 8.5 million people, about a 27 percent increase, while the most recent official census in 1984 recorded a figure of 12.3 million--almost double the 1960 figure. The nation's population was estimated to have increased to about 15 million in 1990 and to an estimated 17.2 million in mid-1994. With an annual growth rate of 2.2 percent for the period between 1965 and 1980, a 3.4 percent growth rate for 1981 through 1989, and a 1992 growth rate of 3.2 percent (which is mainly due to natural increase), the country's population is projected to surpass 35 million by 2025 (2005: U.S. Library of Congress and U.S Bureau, http://countrystudies.us/ghana/33.htm, International Data Base).
Increasing population is reflected in other statistical representations as well. Between 1965 and 1989, a constant 45 percent of the nation's total female population was of childbearing age. The crude birth rate of 47 per 1,000 populations recorded for 1965 dropped to 44 per 1,000 populations in 1992. Also, the crude death rate of 18 per 1,000 populations in 1965 fell to 13 per 1,000 populations in 1992, while life expectancy rose from a 1970 to 1975 average of forty-two years for men and forty-five years for women to fifty-two and fifty-six years, respectively, in 1992. The 1965 infant mortality rate of 120 per 1,000 live births also improved to 86 per 1,000 live births in 1992. With the fertility rate averaging about seven children per adult female and expected to fall only to five children per adult female by the year 2000, the population projection of 35 million in 2025 becomes more credible. A number of factors, including improved vaccination against common diseases, and nutritional education through village and community health-care systems, contributed to the expanding population. The rise in the nation's population generated a corresponding rise in the demand for schools, health facilities, and urban housing (2005: U.S. Library of Congress and U.S Bureau, http://countrystudies.us/ghana/33.htm, International Data Base).

The gender ratio of the population, 97.3 males to 100 females, was reflected in the 1984 figures of 6,063,848 males to 6,232,233 females. This was slightly below the 1970 figure of 98 males to 100 females, but a reversal of the 1960 ratio of 102.2 males to 100 females. The fall in the proportion of males to females may be partly attributed to the fact that it is the men who mostly leave the country in pursuit of jobs (2005: http://www.iss.co.za/AF/profiles/Ghana/Population.htm).

The population density of 82/sq km. (212/sq mile) is concentrated along the coast and in the principal cities of Accra and Kumasi where most of the industries are located and economic activity is brisk. It is also in these areas that industrial relations activities are concentrated.

Also significant in the 1984 census figures was the national age distribution. About 58 percent of Ghana's population in between 1984 and 2003 was either under the age of
twenty or above sixty-five. Approximately 7 million people were represented in this category, about 4 million of them under the age of ten and, therefore, economically unproductive. The large population of young, economically unproductive individuals appeared to be growing rapidly. In the early 1990s, about half of Ghana's population was under age fifteen. If the under-twenty group and those above the age of sixty are regarded as a dependent group, the social, political, and economic implications for the 1990s and beyond are as grave for Ghana as they are for sub-Saharan Africa as a whole (U.S. Library of Congress and U.S Bureau, International Data Base).

What is more serious is the fact that chunks of the economically active population which make up the 58 per cent are unemployed who are either looking for job in government service or looking to government to create conditions which will increase employment. Also, the rise in the nation’s population which generates a corresponding rise in the demand for schools, health facilities, urban housing and utilities like electricity, water and telephone put pressure on government over-stretched budget. No wonder, about a third of Ghanaians live below the poverty line; majority of them are known to come from the rural areas where government activities are absent (http://www.worldfactsandfigures.com/countries/ghana.php).

Recorded wage employment has grown since the end of 1951 till now at a cumulative annual rate of 4.5%, below the fast rate of population growth which is 5.2 per cent (Botchie and Ahadzie 2004:3). The population is made of 51% females and 49% males and 4.1 million i.e. 48% forming the labour force and 82% of 15-64 years is in some gainful employment. Adult unemployment rate for Ghana is at 8.2% (Ghana, 2000 Census) and about 25% in 2005 (Teal 2001: 5). Of the workforce, Agriculture and fishing together account for 54.7%; industry, 18.7%; sales and clerical, 15.2%; services, transportation, and communications, 7.7%; and professional, 3.7% (Ghana 2000 Census).

The 54.7% of the workforce made up of agriculture and fishing are in the informal sector which has not, in fact, come within the sphere of organized industrial relations in the past. The TUC of Ghana realizing the possible repercussion has the challenged to
get it unionized (Ghana TUC Report 2003) but this will of course depend on whether or not they would not provoke a counter-offensive from the employers (Anyemedu, 2002: 295).

Rural population growth has mainly been due to natural increase whilst urban population growth can partly be attributed to rural-urban migration. The rural-urban migration has affected agriculture in the communal areas which has always formed a labour reserve for the urban economy. This also account for the male bias in the urban population.

Out-migration of Ghana’s professionals and active labour has had tremendous effects on the country’s labour relations. From pre-colonial times up to the late 1960s, Ghana enjoyed a relative economic prosperity and was as a result the destination of many migrants from the neighbouring West African countries (Anarfi 1982). Immigration data indicate that there were only about 100 Ghanaians in Canada (Owusu 2000). According to the 2001 census, 16,985 Ghanaians were living in Canada, while many believe non-official estimates reach as high as 300,000 were in the US in the same period (Bump 2006). The initial emigration of Ghanaians started after 1965. From that point Ghana experienced economic crisis of an unprecedented magnitude (Anarfi, Awusabo-Asare, et al. 2000). By the end of the decade many Ghanaians were travelling outside the country in search of jobs. There is an unofficial report that in the 1980s, an average of 300 Ghanaians left for Nigeria each day (Awusabo-Asare, et al. 2000).

By the mid 1990s, it was estimated that between two and four million Ghanaians, or 10 to 20 percent of Ghana's approximately 20 million people, were living abroad (see Figure 3.3 and Tables 3.2 and 3.3 in Appendices). Skilled workers and professionals dominated early flows from Ghana, but, by the 1980s, many semiskilled and unskilled workers chose to leave as well.

Ghana today is suffering from brain drain. Its doctors, nurses, teachers, engineers and other professionals have for many years packed up and left the shores of their homeland in search of greener pastures. The Ghanaian brain drain makes it very difficult for the
country to create a middle class consisting of doctors, engineers and other professionals (2005: http://www.taipeitimes.com/News/). A World Bank study on census and population, published in a book titled International Migration, Remittances and Brain Drain, that 47 percent of Ghana's college-educated citizens were living abroad (World Bank 2005).

It has been observed that at universities, lecturers, especially young faculty members, have been leaving in droves, leaving older instructors to shoulder the burden (2005: http://www.taipeitimes.com/News/). A study in Ghana found that with only six doctors for every 100,000 people, the country has lost three of every 10 doctors it has educated to the US, Britain, Canada and Australia (2005: http://www.taipeitimes.com/News/ and Newman 2006).

According to the country's 2000 census, the population of 19 million is composed of a mosaic of ethnic groups, virtually all of whom claim to have migrated to Ghana from other regions of Africa (Bump 2006). In 1960, roughly 100 linguistic and cultural groups were recorded (Ghana 1960 Census). The multi-language nature of the country sometimes brings about pronounced sensitivity and tribal affiliation and has often been responsible for suspicion and disunity. Ethnic rivalries of the pre-colonial era, variance in the impact of colonialism upon different regions of the country, and uneven distribution of the social and economic amenities in post-independence Ghana has all contributed to present-day ethnic tensions. For example, in February 1994, more than 1,000 persons were killed and 150,000 others displaced in the northeastern part of Ghana in a fight between Konkomba on one side and Nanumba, Dagomba, and Gonja on the other. The clashes resulted from longstanding grievances over land ownership and the prerogatives of chiefs. Honourable Koi Larbi, a member of parliament for Akropong constituency in an open letter to His Excellency the President of Ghana said:

“The chiefs in Ghana represent different ethnic groups and therefore, any attempt by any Government to promote any particular chief will necessarily lead to allegations of tribalism’. He continued, ‘Every government is under a moral and political obligation to
Religions are many and diverse, but the four major religious groupings are the Christians (69%), Muslims (15.6%), the traditionalists (8.5%), and others (6.9%) (Ghana, Population Census, 2000). Religion, too, has had a significant impact on social and economic development in Ghana. For example, Christianity was the vanguard of Western education in the country, particularly in the south. In contrast, the Islamic religion, which also has several other sects, as practiced in the northern part of the country, appears to have been a major stumbling block to the spread of western civilization, the consequence of which has been a significant educational gap between the south and the north. What is instructive from this discussion is that these discrepancies have, at one time or another, added fuel to the problems of disunity and suspicion (www.ghanaweb.com, GNA News, September 5 and 20, 2004).

Even though there is no known recorded industrial conflict sparked by tribal or ethnic sentiments, it is not a gainsaying that, tribal and ethnic biases have penetrated labour-management relationships. According to Abigail Oduro this has been particularly prevalent in the context of discrimination in employment and wage determination and as well as handling of labour-management disputes (see 1999 "Ethnicity and Wage Determination in Ghana," Policy Research Working Paper Series 2506, The World Bank). In some cases these organisational disputes become personal with charges of tribalism and ethnicity flowing both ways from management and labour (Barr & Oduro 1999).

Also tribalism and nepotism have exacerbated the political and industrial relations problems such that “of the tribes who lack access to power, many are poorer today than at independence despite the billions of dollars spent in their name” (Cordelia Salter-Nour, 2002: 2). “In Ghana, one does not find Ghanaians; one finds Asante, Ewe, Ga, and Dagomba” (Cordelia Salter-Nour, 2002: 1). Despite the best efforts of nationalists
and pan-Africanists, nation-state identities have not taken root. Ghanaians hearts beat to a tribal rhythm more than any other thing.

Education has been given high priority since independence. English, the official and commercial language, is taught in all the schools. Ghana has literacy rate of 72.6% (Ghana 2000 census). Primary and junior secondary school education is tuition-free and mandatory (The 4th Republican Constitution of Ghana). The Government of Ghana's support for basic education is unequivocal. Article 39 of the constitution mandates the major tenets of the free, compulsory, universal basic education (FCUBE) initiative. Launched in 1996, it is one of the most ambitious pre-tertiary education programs in West Africa. Since 1987, the Government of Ghana has increased its education budget by 700%. Basic education's share has grown from 45% to 60% of that total (The Bureau of Public Affairs, US Department of State). Students begin their 6-year primary education at age six. Under educational reforms implemented in 1987, they pass into a junior secondary school system for 3 years of academic training combined with technical and vocational training. Those who further their education move into the 3-year senior secondary school program. Entrance into one of the five government universities is by examination following completion of senior secondary school. School enrollment totals almost 3 million.

Health has been one of the central pillars in Government’s human development agenda and indeed an underlying condition for Government’s overall strategy for accelerated growth in the country since independence in 1957. Various Governments have been therefore committed to improving the health status of all Ghanaians. In line with this commitment, the health sector has continued to attract increasing attention from central Government. Specifically, funding for the sector has been increasing in the last ten years. The health sector has also been protected against budgetary cuts in the face of major resource constraints in the country. Yet, progress in health status and health service indicators has been mixed. Infant and Under Five mortality rates have stagnated after a period of sustained improvements since independence in 1957. Guinea worm eradication stalled and access to clinical care has stagnated.
Mass exodus of Ghana’s health professionals has been a major problem facing the industry. In 1998, the United Kingdom (UK) enacted the National Health Service (NHS) Plan, which included the recruitment of foreign health care workers. Part of the plan consists of a website set up to recruit nurses from countries outside the United Kingdom. It is believed that as of May 2003, 2,468 Ghanaian nurses had sought verification for the programme (www.nursinguk.nhs.uk). In addition to the nurses, the Ghanaian Health Service estimates that there are 300 Ghanaian-trained doctors working in the UK alone.

The United Kingdom's recruitment scheme has been controversial because it poses serious challenges for health care provision in the migrants' home countries. In light of the controversy, NHS has made a commitment that developing countries will not be targeted for recruitment, unless there is an explicit government-to-government agreement with the UK to support recruitment activities. However, such plans do little to stop individuals from seeking out work opportunities. The Ghanaian government and medical associations have responded to overseas pull factors in the health care sector by instituting incentive programs for Ghanaian-trained health care professionals to stay in their home country. Such programs have had limited success thus far.

One often quoted statistic first produced by economist Douglas Rimmer in his 1993 publication *Staying poor: Ghana's political economy* shows that between 1975 and 1981, Ghana lost approximately 14,000 teachers trained in its institutions. Table 3.4 in the Appendix 1 shows the high percentages of Ghanaian-trained health care professionals who since 1995 have opted to leave the country in search of work abroad.

The factors contributing to the flight of trained medical personnel from Ghana include low salary and remuneration, poor long-term career prospects, the low respect/value placed in health workers by Ghana's medical system, poor management of the health
system, and bleak prospects for saving enough money for retirement. (Dovlo & Nyonator, 2005; Owusu, 2001)

At the same time, demand for doctors and nurses has increased in countries that do not produce enough of their own medical professionals. The UK accounts for three-fourths of Ghana's verification requests, a process in which a potential employer or government agency checks the academic background of a job applicant not educated in the country of employment.

The exodus of skilled medical professionals has challenged the Ghanaian Ministry of Health, as well as its semiautonomous sub-department, the Ghanaian Health Service (see Tables 3.5 and 6 in Appendix 1). While these factors increase the difficulty of stemming brain drain, the Ghanaian government has taken some action to address its effects. Since 2000, the government has attempted to provide incentives to health care professionals to stay and work in Ghana. One program, called the Additional Duty Hours Allowance, paid doctors and nurses for hours worked above their normal schedules. This program was said to be initially successful with doctors but not with nurses because nurse salaries were so low. Another government programme procured cars for medical professional with membership in the Ghana Medical Association. This plan has done little to slow the flight of nurses, however, because very few cars were made available to them. Both the Ministry of Health and the Ghana Health Service produced strategic five-year human resource plans in 2002 and 2003, but these plans have been criticized because they only project how many medical professionals will be needed in coming years and offer no solutions for curbing worker flight.

The Medical and Dental Council of Ghana now requires doctors and dentists who are educated at Ghanaian institutions but do not complete their residencies in Ghana to sit for an examination before being allowed to register with the council. Registration is important because the Medical and Dental Council of Ghana is involved in the approval
process of verification requests from foreign countries. The goal of the policy is to encourage young doctors and dentists to stay at least a minimal amount of time in their home country. Ghana's Nurses and Midwives Council has taken the policy a step further by preventing council-registered nurses who want verification from abroad from obtaining their certificate until they work for at least two years in Ghana. Despite these efforts, analysts believe the residency requirements have largely failed because of poor compliance on both sides.

Well endowed with natural resources, Ghana has twice the per capita output of the poorer countries in West Africa (Boateng, 2006; Watson & LeJeune, 2002: 7). Even so, Ghana remains heavily dependent on international financial and technical assistance. Gold, timber, and cocoa production are major sources of foreign exchange. The domestic economy continues to revolve around subsistence agriculture, which accounts for 36% of GDP and employs 60% of the work force, mainly small landholders (See Table 3.7 and Figure 3.4 in Appendix 1).

Ghana is a small low-income country with a Gross National Product (GNP) of $6.6 billion in 1997 and a per capita GNP of $370 the same year (Jose, 2002: 283). In 2002 Ghana recorded GDP of $5.9 billion with a per capita GDP of $298 and a real GDP growth rate of 5.2% in 2003. The inflation rate stood at 23.6% in 2002 (The Bureau of Public Affairs, US Department of State and also Selected Economic and Financial Indicators 1999-2003 in Table 3.8 of Appendix 1)

The analysis of Ghana post-independent industrial relations has shown that a major cause of strike and other industrial actions have involved attempts by workers to offset the negative effects of inflation (See the trends of inflation in Ghana from Figure 3.5 as compare to similar trend of inflation rate in Ghana, Figure 3.6: Consumer Price Index, 1965-2003 all in the Appendix 1). In spite of the complex causes and roles of inflation in Ghana, Sowa (1996) has stated that, “inflation appears to be the macro-problem in Ghana for which no antidote has been found. It is possible that either a wrong diagnosis
has been made of the problem or that certain unidentifiable factors within the economy or created by external influences are preventing inflation from staying within target level” (http://ideas.repec.org/p/fth/afrirc/43.html; changing rates of inflation also depend on complex interactions between variables such as food prices, climate and the terms of trade).

According to David Felix (1978: 278-280) inflation reduces the purchasing power of workers. The higher the level of inflation in the country the less the amount of goods and services a worker can obtain from his or her earnings even if nominal earnings remain constant (Todaro, 1985). It has also been generally agreed that excessive money supply was the single most important cause of the high inflation in Ghana during the 1980s and 1990s (2004: 13 in http://www.gpn.org). The Provisional National Defence Council (PNDC) Government never met its own money supply targets announced in its annual budgets. For example, money supply growth targets for 1996 and 1997 were 25 percent and 8 percent respectively but the money supply growth during the period averaged over 40 percent (Baah, 2001). This was attributed to the fiscal indiscipline on the part of the government. Thus monetary factors played a very important role in the failure to control inflation in Ghana during the 1980s and 1990s (2004: 13 in http://www.gpn.org).

A more important non-monetary source of high inflation in Ghana has been the poor performance of the agricultural sector. Between 1990 and 1994 food crop/livestock sub-sector grew by only 1.1 percent while the agricultural sector as a whole grew by 2.1 percent compared to the annual population growth rate of 2.6 percent. Between 1995 and 1999 agriculture grew by 4.4 percent. But it dropped again to 1.1 percent between 1999 and 2000. This resulted in high food prices across all regions in the country. The expenditure on food alone accounts for over half (52%) of the average household expenditure in Ghana (Ghana Statistical Service, 2000). Therefore, any increase in the weight for food and beverages subgroup in the Consumer Price Index Numbers is 51.9 percent as compared to Alcohol and Tobacco (3.55%), Clothing and Footwear (9.58%), Housing and Utilities (9.24%) (Ghana Living Standards Survey Report, 2000: 3 & 4).
Food prices have had a very significant impact on inflation in Ghana due to the disproportionate (but appropriate) weight attached to the food sub-group in the Consumer Price Index (CPI). This has always been worsened by the intermittent petroleum price hike. Such price hikes translate directly into higher inflation via the transport and utilities subgroups in the CPI and indirectly into higher food prices which then fuel inflation (ISSER, 2000). Any attempt to reduce inflation in Ghana will fail unless food security is achieved through sustainable growth in the food crop sector in particular and agricultural sector as a whole (See the effect of CPI on Inflation rate in Ghana, Consumer Price Index, 1965-2003 in Figure 3.6 in Appendix 1).

Various governments of Ghana have realised the need to tackle inflation especially if industrial conflict is to be addressed. The capacity to address industrial conflict for economic reasons need to take into consideration productivity in both the manufacturing and in agricultural products, monetary, fiscal and exchange rate. Unfortunately, average real earnings particularly for low skilled workers in Ghana have not been encouraging due to government’s wage policies.

Since independence, following the advice of the International Monetary Fund (IMF) and World Bank, governments of Ghana agreed to freeze wages and maintain them at relatively low levels as a means of reducing budget deficit and attracting investors into the country (See Table 3.9 in Appendix 1 for Minimum Wage, Inflation and Exchange Rate in Ghana, 1983-2002). According to a World Bank report, “Ghana’s low wages and competitive unit labour costs provide an additional advantage for the development of labour-intensive manufacturing industries” (World Bank 2001, Report No. 22421-GH). Government was, therefore, advised by the international financial institutions not to allow public sector wages to exceed 5 percent of GDP. Since the public sector is still the largest employer in the formal sector (See Table 3.10 in Appendices for Formal/Private Sector Employment 1960-1991 (‘000), such a policy has had significant
rippling effects on earnings in the entire labour market. This arguably had negative implications for industrial relations.

Apart from the above which have seriously affected the performance of Ghana’s economy, the rapid depreciation of the cedi (Ghana’s local currency) has also caused significant reduction in the real value of earnings especially since the structural adjustment period of 1983. Since then flexible exchange rate and trade liberalisation policies have been vigorously pursued. The Cedi has depreciated from $2.75 per US$1 in 1983 to almost $9000 per US$1 in 2003 (see Figure 3.7 and Figure 3.8 Index of the real effective exchange rate for Ghana, 1984-2003 in Appendix 1).

The impact of depreciation of the cedi has had a positively related elasticity of demand for imported goods. For example, it has been recorded that whereas in 2003 Ghana’s exports stood at US$2,297.2 million in 2002 her imports was US$2.83bn (2005: http://www.ghanaweb.com/GhanaHomePage/economy/statistics). This trend has been creating total volume of trade deficit which has further been illustrated in Figure 3.9 in the Appendices. Import expenditure, which is approximately $2.2 billion, is made up of petroleum $533 million, food, industrial raw materials, machinery, equipment and so on (National Trade Data Bank, NTDB). The high import expenditure over exports, which is made up of petroleum and food, makes it difficult for the government of Ghana to invest in industrialization to provide the much-needed employment. The major trading partners are U.K., Germany, Nigeria, Togo, France, Netherlands, and Spain (See Figure 3.10 Pie Chart showing Ghana’s trade partners in Appendix 1).

Employment growth in Ghana appears to lag behind its economic growth. While the economy recorded an annual average growth of 4.8% between 1984 and 2000, employment growth over the same period averaged 3.1%. Obviously, the slow growth of the economy coupled with the low investment rate meant a relatively slower growth in overall labour demand. With 5.8% annual growth of the labour force coupled with the limited absorption capacity of the economy particularly in the 1990s it is not surprising that the economy has been recording an increasing unemployment rates since
1989. The agricultural sector remains the major employer even though its share has declined from 61% in 1984 to 51% in 2000 due to its sluggish growth performance over the period. Between 1984 and 2000, employment in the agricultural sector grew by 1.6% annually (Baah-Boateng, 2004) as against 5.5% in the service and 5.6% in the industrial sector particularly in the small-scale sub-sector. Over the same period the agricultural sector recorded average annual growth of 3% as against 6.5% and 6.2% in the service and the industrial sector respectively. Consequently, the share of employment in both the service and industrial sectors has risen appreciably as shown in Table 3.14 in the Appendix 1.

Formal sector employment, which incidentally has been most remunerative, increased substantially between 1960 and 1984 owing to the faster employment growth in the formal sector than the growth of the labour force. However, employment performance of the formal sector took a nosedive declining averagely by 3.7% annually between 1985 and 1991. At the same time, labour force grew at an average of 3.2% per annum.

Formal sector employment seems to have picked up after 1992 with the declining share of informal sector. The overall public sector employment rose by 39.4% between 1992 and 2000 partly as a result of government’s policy of meeting the education and health needs of the ever-increasing population with the establishment of many schools and health facilities. It is also argued in certain quarters that some of the retrenched workers found their way back into the public sector by getting appointment in different ministries, departments or regions defeating the purpose of the exercise. The private formal sector continues to remain the most attractive sector and has therefore has experienced some marginal improvement in employment. This emanated from the Free Zones project, investment projects under Ghana Investment Promotion Council (GIPC) and improved performance of some divested State Owned Enterprises (SOEs). The success story of some six divested SOEs has created about 3,053 new jobs since divestiture in the early 1990s although admittedly, some few divested enterprises have collapsed. The number of enterprises registered in the Free Zones enclave between 1996 and 2003 has generated direct employment for about 13,760 people while a total
of 1,654 projects registered by GIPC between September 1994 and December 2003 have been projected to create employment for about 87,369 people.

One fundamental feature of the Ghanaian labour market is the presence of about 230,000 new job seekers annually with the formal sector capable of absorbing just about 2% of these new entrants. The low absorption capacity of the economy as a consequence of sluggish growth rate over the years suggests a low absorption rate creating excess labour in the economy. The average growth rate of about 4.8% recorded since 1984 has not been sufficient to absorb the 5.8% annual growth of the labour force. The situation has been exacerbated by the declining formal sector employment due to privatisation and public sector retrenchment. The increasing globalisation with its attendant unfair trade practices and rapid depreciation of the cedi coupled with high lending rate has led to the collapse of many local enterprises and this has thrown out many people into a state of joblessness.

The economy has consistently experienced increasing adult unemployment rate since 1988/89 from 0.8% to 10.1% in 2000. This was mainly due to the public sector retrenchment exercise, which contributed to about 89% of the loss of about 235,000 formal sector jobs between 1985 and 1990, and low level of direct productive investments, which has contributed to the slow growth of the economy. The redeployment exercise contributed to the loss of jobs for about 45,000 people most of whom were cleaners, drivers, cooks and messengers among others who lacked the skills that could make them readily employable in the private sector. The declining unemployment rate from 2.8% in 1984 to 0.8% in 1989 is a reflection of the remarkable growth experienced over the period in response to the ERP besides a possible limitation associated with the data. The Ghanaian economy recorded an impressive growth performance during the phase of the Economic Recovery Programme/Structural Adjustment Programme (ERP/ SAP) with an average annual growth rate of 5.7%. However, the growth performance of the economy deteriorated after 1989 due to the negative effects of the adjustment programme including persistent exchange rate depreciation, exposure of infant domestic enterprise to unfavourable external
competition and rising interest rates as well as removal of agricultural subsidies. This to a large extent crippled many industrial enterprises and indigenous farmers, throwing many people out of jobs. The average annual growth rate of the economy plateaued at 4.4% after 1989. The unimpressive growth performance of the economy in the 1990s was partly translated into increasing adult unemployment rates as shown in Figure 3.4 in the Appendix 1. GoG (2002) observes that the basic factor affecting the capacity of the economy to generate jobs for the growing number of people coming out of various institutions is the relative slowness of economic growth.

The unemployment rate is currently 20.3 per cent (2005 estimate, Ghana Census). There is generally a major gap between active labour force that is unemployed and availability of jobs. Apart from the government of the first republic who made conscious efforts to create jobs, successive governments’ actions have not been keen and proactive enough.

Between 1980 and 1987, the formal private sector employment grew by about 71 percent from 46,200 to 79,000 indicating an average increase of about 9 percent per annum. This was largely due to the improved raw materials and spare parts on account of the reduced foreign exchange pressures as a direct consequence of foreign exchange reforms. However as a result of trade liberalisation coupled with high domestic production cost private sector employment dropped from the 1987 level to an all time low of 26,000 in 1991 representing a 67 percent decrease over the period or 13 percent annual average decline. In spite of the decline in employment in the private sector, the share of private sector in total formal sector employment increased from 14.5 percent in 1985 to 17.5 percent in 1990 as a result of the drastic decline in public sector employment over the period (see Tables 3.11 in Appendix 1).

The employment performance of the private sector improved between 1992 and 2000 by about 85.6 percent. This was as a result of improved performance of some divested State-Owned Enterprises (SOEs), free zones project and investment programme of the Ghana Investment Promotion Centre (GIPC). Over 1,400 projects registered by GIPC
between September 1994 and December 2003 were projected to create employment for about 87,369 people (Table 3.12 in Appendices). Six divested SOEs alone created about 3,050 new jobs since divestiture in the early 1990s (Table 3.13 in Appendix 1) although admittedly, some few divested enterprises have collapsed. The number of enterprises registered in the Free Zones enclave between 1996 and 1999 has created direct employment for about 5,523 people.

The informal sector remains the main source of employment for the working population with agricultural and rural sector constituting a greater proportion. Informal sector employment rose by 46.4 percent or 2.7 percent annual average between 1984 and 2000. The importance of the informal sector jobs increased heavily between 1984 and 1992 when the share in total employment rose from about 84 percent to 88 percent. During the same period formal sector employment suffered a major decline due to public sector downsizing and import liberalisation. Formal sector employment dropped from 450,800 in 1984 to 186,300 in 1991 accounting for an increase in informal sector from about 4.5 million to 7.1 million between 1984 and 1992. Most of those redeployed found refuge as self-employed in the informal sector. The number of people in self-employment increased from 3.8 million in 1984 to an estimated level of 5.2 million in 1992 representing about a 36.8 percent increase. This underscores the crucial role of the informal sector as a provider of alternative employment opportunities in alleviating the negative consequences of the SAP. The sector’s employment role suffered a marginal decline after 1992 (Figure 3.11 in Appendix 1) due partly to the possible re-entry into the formal sector of some of the informal sector workers who could not continue to bear the heat and nuisance of the informal sector while some obviously joined the army of jobless people as reflected in the increasing unemployment rate in the 1990s (Figure 3.12 in Appendix 1).

By West African standards, Ghana has a diverse and rich resource base. The country is mainly agricultural with a majority of its workers engaged in subsistence farming (70%) with such characteristics as seasonal production, lack of modern agricultural implements, low capital, all of which certainly inhibit mass and extensive cultivation.
Pragmatic efforts on the part of the governments of Ghana to modernise agriculture and to generate employment deserve mention even though they have failed. Cocoa which is the main cash crop fetches about $437 million of the country’s export earnings and cocoa products, which typically provide about two-thirds (approximately 70% the $1.6 billion) of export revenues, timber products, coconuts and other palm products, shea nuts, which produce an edible fat, and coffee. Ghana also has established a successful program of non-traditional agricultural products for export, including pineapples, cashews, and pepper.

The large percentage of the labour force in agriculture (concentrated in the central, western, eastern and northern part of the country) which has not been unionised affects the strength of industrial relations in Ghana. This poses great challenge to the labour union and government who want to avoid the abuses and exploitations in the sector. Another implication is that it makes the impact of the union activity only felt in the southern part of the country where the government activities, mining and manufacturing industries are concentrated.

Minerals, principally gold, diamonds, manganese ore, and bauxite are produced and exported. The only commercial oil well has been closed after producing 3.5 million barrels over its 7-year life (2004 www.stat-usa.gov), but exploration continues for other oil and gas resources.

Despite efforts to increase private capital participation in the Ghanaian economy since the early 1990s by past and present governments of Ghana, foreign direct investments (FDI) continues to be sparse and unpredictable (see 2005 http://www.photius.com/countries/ghana/economy/ghana_economy_foreign_investments. It could be mentioned that foreign investments in the mining sector have assumed a significant proportion, in spite of the indigenisation policy (Barning, 2005). The role of foreign investors in any developing country, and in Ghana in particular, has a significant bearing on the industrial relations system, and public labour policy needs to
reflect or take into account the influx of foreign managers whose industrial relations experience has been influenced by the prevailing social and cultural patterns in their respective countries. Failure to recognize these differences in the social setting of industry could cause difficult labour relations problems.

Similarly, the increasing emphasis on the indigenisation of the economy is aimed partly at transferring business ownership through a gradual but effective transition to Ghanaians, and partly to concentrate the wealth of the nation within the country so as to provide for greater co-ordination and planning. Its effect on industrial relations, nevertheless, can be equally enormous. First, it will certainly lead to a reorientation of the practice of labour relations hitherto generally in the hands of expatriates, and by so doing it could affect the form which industrial harmony or strife takes. Second, the influence on labour-management relationship in Ghana and the concomitant implications of the institutional forces on the growth of unions, employment and the reaction of the government with respect to the shaping of the national labour policy cannot be overlooked.

The distinctive features of the industrial distribution of recorded wage-earning employment in Ghana, as compared with that of most advanced economies, are, of course, as a result of the relatively absence from Ghana of private enterprises in manufacturing and service industries. While private enterprises and public authorities account for nearly almost equal proportion of the total of recorded employment, there is no substantial over-lapping between the two types of employer in the various fields of employment considered separately, except in building and construction. Private enterprises provide all the recorded employment in mining (gold, diamonds, manganese, bauxite), in distributive trade, and in logging, and most of the recorded employment in manufacturing (where sawmilling is the largest single industry). Public authorities provide all the recorded employment in agricultural services (such as cutting out of diseased cocoa tress, pest control, spraying, agricultural extension works, etc.), in electricity and water supply and sanitation, in railway transport, and in tele-
communications. Public authorities also account for most of the recorded employment in services (principally public administration and educational and health services).

Some characteristic features of labour market in Ghana which affect industrial relations directly need to be mentioned again. The central government of Ghana is the largest single employer (37 percent of recorded employment) (Rimmer, 1961:2), and as already noticed, public authorities together account for half of recorded employment.

It is important now to look at the history and the politics of Ghana. The history of the Gold Coast (Ghana’s name before independence) before the last quarter of the 15th century is derived primarily from oral tradition that refers to migrations from the ancient kingdoms of the western *Soudan* (the area of Mauritania and Mali). The name Gold Coast was changed to Ghana during independence in 1957 because of indications that present-day inhabitants descended from migrants who moved south from the ancient kingdom of Ghana.

The first contact between Europe and the Gold Coast dates from 1470, when a party of Portuguese landed. In 1482, the Portuguese built Elmina Castle (which is currently a good tourist attraction center) as a permanent trading base. In 1553, Thomas Windham became the first Englishman to make the first recorded English trading voyage to the coast. Three centuries after, the English, Danes, Dutch, Germans, and Portuguese controlled various parts of the coastal areas. In 1821, the British Government took control of the British trading forts on the Gold Coast. In 1844, the chiefs of the Fanti in the area signed an agreement with the British that became the legal steppingstone to colonial status for the coastal area.

From 1826 to 1900, the British fought a series of campaigns against the Ashantis, whose kingdom was located inland. In 1902, they succeeded in establishing firm control over the Ashanti region and made the northern territories a protectorate. British Togoland, the fourth territorial element eventually to form the nation, was part of a former German colony administered by the United Kingdom from Accra as a League of
Nations mandate after 1922. In December 1946, British Togoland became a UN Trust Territory, and in 1957, following a 1956 plebiscite, the United Nations agreed that the territory would become part of Ghana when the Gold Coast achieved independence.

The four territorial divisions were administered separately until 1946, when the British Government ruled them as a single unit. In 1951, a constitution was promulgated that called for an enlarged legislature composed principally of members elected by popular vote directly or indirectly. An executive council was responsible for formulating policy, with most African members drawn from the legislature and including three ex officio members appointed by the governor. A new constitution, approved on April 29, 1954, established cabinet comprising African ministers drawn from an all-African legislature chosen by direct election. In the elections that followed, the Convention People's Party (CPP), led by Kwame Nkrumah, with an overwhelming support from the Ghana Trade Union Congress (TUC) won the majority of seats in the new Legislative Assembly. In May 1956, Prime Minister Nkrumah's Gold Coast government issued a white paper containing proposals for Gold Coast independence. The nationalist leader enlisted the help of the trade union using a successful general strike to protest on high cost of living in his struggle for independence (Damachi 1979: 115). The British Government stated it would agree to a firm date for independence if a reasonable majority for such a step were obtained in the Gold Coast Legislative Assembly after a general election. This election, held in 1956, returned the CPP to power with 71 of the 104 seats in the Legislative Assembly. Ghana became an independent state on March 6, 1957, when the United Kingdom relinquished its control over the Colony of the Gold Coast and Ashanti, the Northern Territories Protectorate (NTP) and British Togoland.

In subsequent re-organisation, the country was divided into 10 regions, which currently are subdivided into 110 districts. The original Gold Coast Colony now comprises the Western, Central, Eastern, and Greater Accra Regions, with a small portion at the mouth of the Volta River assigned to the Volta Region; the Ashanti area was divided into the Ashanti and Brong-Ahafo Regions; the Northern Territories into the Northern,
Upper East, and Upper West Regions; and British Togoland essentially is the same area as the Volta Region.

The political history of Ghana since independence has been dominated by frequent military interventions in government, with successful military coups in 1966, 1972, 1979, and 1981 (Jose 2002: 283); a palace coup in 1978 and numerous unsuccessful attempts to overthrow the government, whether it was in civilian or military hands. Between independence, 1957 and now, 2006 multi-party system has ruled for 19 years, military governments have been in power for 21 years and one party system for 6 years (www.ghanaweb.com/economy/statistics).

The breakdown is very important because the attempts by the respective governments to restructure the economy to meet the challenges they were facing have in each period brought about different economic measures the effects of some of them have had a tremendous effect on Ghana’s industrial relations history a special way (Damachi 1979: 17, 117), which would be discussed later. Again, political instability has been the principal cause of the deteriorating economic fortunes of the country (Jose 2002: 283), which was considered as a middle-income country at the time of independence, and had a standard of living, which was high for an African country (2004 www.stat-usa.gov).

The CPP government under Nkrumah sought to restructure the economy and to develop Ghana as a modern, semi-industrialised, and unitary socialist state to meet the challenges of independence (Damachi, 1979: 116). The government emphasized political and economic organization, endeavoring to increase stability and productivity through labour, youth, farmers, cooperatives, and other organizations integrated with the CPP. The government, according to Nkrumah, acted only as "the agent of the CPP" in seeking to accomplish these goals and referred to the nation as a great ‘tree’ with the CPP as the roots and the trade unions and other organisation constituting the branches (Nyerere, 1961).
While the commentators differ as to the political nature of the Ghana TUC prior to independence, there is a considerable evidence of lively union support for Nkrumah’s effort in spite of misunderstandings that sometimes ensued between the two (Damachi, 1979: 4). The CPP’s control was challenged and criticized, and Prime Minister Nkrumah used the Preventive Detention Act (PDA) (1958), which provided for detention without trial for up to 5 years (later extended to 10 years). On July 1, 1960, a new constitution was adopted, changing Ghana from a parliamentary system with a prime minister to a republican form of government headed by a powerful president. In August 1960, Nkrumah was given authority to scrutinize newspapers and other publications before publication. This political evolution continued into early 1964, when a constitutional referendum changed the country to a one-party state. On February 24, 1966, the Ghanaian Army and police overthrew Nkrumah's regime. Nkrumah and all his ministers were dismissed, the CPP and National Assembly were dissolved, and the constitution was suspended. The new regime cited Nkrumah's flagrant abuse of individual rights and liberties, his regime's corrupt, oppressive, and dictatorial practices, and the rapidly deteriorating economy as the principal reasons for its action (Twumasi, 1968; Asante, 2002).

The leaders of the February 24, 1966 coup established the new government around the National Liberation Council (NLC) and pledged an early return to a duly constituted civilian government. Members of the judiciary and civil service remained at their posts and committees of civil servants were established to handle the administration of the country (Price, 1971, Boafo-Arthur, 1999, Tordoff, 2002). Ghana's Government returned to civilian authority under the Second Republic in October 1969 after a parliamentary election in which the Progress Party (PP), led by Kofi Abrefa Busia, won 105 of the 140 seats (Twumasi, 1968; Asante and Gyimah-Boadi, 2004). Until mid-1970, a presidential commission led by Brigadier A.A. Afrifa held the powers of the chief of state. In a special election on August 31, 1970, former Chief Justice Edward Akufo-Addo was chosen President, and Dr. Busia became Prime Minister (Adu-Boahen, 1992; Gyimah-Boadi, 1997; Dzogbor, 2001).
Two early measures initiated by the Busia government were the expulsion of large numbers of non-citizens from the country and a companion measure to limit foreign involvement in small businesses. The moves were aimed at relieving the unemployment created by the country's precarious economic situation. The policies were popular because they forced out of the retail sector of the economy those foreigners, especially Lebanese, Asians, and Nigerians, who were perceived as unfairly monopolising trade to the disadvantage of Ghanaians. Many other Busia moves, however, were not popular. Busia's decision to introduce a loan program for university students, who had hitherto received free education, was challenged because it was interpreted as introducing a class system into the country's highest institutions of learning. Some observers even saw Busia's devaluation of the national currency and his encouragement of foreign investment in the industrial sector of the economy as conservative ideas that could undermine Ghana's sovereignty (Peil, 1971; Williams-Minerva, 1974; Younger, 1992; Fosu, 1992).

Faced with mounting economic problems, Prime Minister Busia's government undertook austerity measures and a drastic devaluation of the currency in December 1971. Austerity measures imposed by the Busia administration alienated influential farmers, who until then had been PP supporters. These measures were part of Busia's economic structural adjustment efforts to put the country on a sounder financial base. The austerity programs had been recommended by the International Monetary Fund (Pinkney, 1977). The recovery measures also severely affected the middle class and the salaried work force, both of which faced wage freezes, tax increases, currency devaluations, and rising import prices (Decalo, 1973; Bienen and Gersovitz, 1985). These measures precipitated protests from the Trade Union Congress (Gockel, Vormawor, 2004). In response, the government sent the army to occupy the trade union headquarters and to block strike actions—a situation that some perceived as negating the government's claim to be operating democratically (Hansen, Collins, 1980, Boafo-Arthur, 1999).

The army troops and officers upon whom Busia relied for support were themselves affected, both in their personal lives and in the tightening of the defense budget, by
these same austerity measures. As the leader of the anti-Busia coup declared on January 13, 1972, even those amenities enjoyed by the army during the Nkrumah regime were no longer available. Knowing that austerity had alienated the officers, the Busia government began to change the leadership of the army's combat elements. This, however, was the last straw. Lieutenant Colonel Ignatius Kutu Acheampong, temporarily commanding the First Brigade around Accra, led a bloodless coup that ended the Second Republic (Goldsworthy, 1973).

The coup leaders, led by Col. I.K. Acheampong, formed the National Redemption Council (NRC) to which they admitted other officers, the head of the police, and one civilian. The NRC promised improvements in the quality of life for all Ghanaians and based its programmes on nationalism, economic development, and self-reliance. In 1975, government reorganisation resulted in the NRC's replacement by the Supreme Military Council (SMC), headed now by General Acheampong (Marshall, 1981; Agyemang-Duah, 1987; Frimpong-Ansah, 1992).

Unable to deliver on its promises, the NRC/SMC became increasingly marked by mismanagement and rampant corruption. In 1977, General Acheampong brought forward the concept of Union Government (UNIGOV), which would make Ghana a non-party state. Perceiving this as a ploy by Acheampong to retain power, professional groups and students launched political strikes and demonstrations against the government in 1977 and 1978. The steady erosion in Acheampong's power led to his arrest in July 1978 by his chief of staff, Lt. Gen. Frederick Akuffo, who replaced him as head of state and leader of what became known as the SMC-2 (US Department of State Background Notes, 2004, National Overview-Ghana, 2003).

Akuffo abandoned UNIGOV and established a plan to return to constitutional and democratic government (Tsikata, 1999). A Constitutional Assembly was established, and political party activity was revived. Akuffo was unable to solve Ghana's economic problems, however, or to reduce the rampant corruption in which senior military officers played a major role. On June 4, 1979, his government was deposed in a violent
coup by a group of junior and noncommissioned officers—Armed Forces Revolutionary Council (AFRC)—with Flt. Lt. Jerry John Rawlings as its chairman (Saaka, 1994; Bush, 1980; Adedeji, 2001 and Agyemang-Duah, 1987).

The AFRC executed eight senior military officers, including former chiefs of state Acheampong and Akuffo (Hansen & Collins, 1980); established Special Tribunals that, secretly and without due process, tried dozens of military officers, other government officials, and private individuals for corruption, sentencing them to long prison terms and confiscating their property; and, through a combination of force and exhortation, attempted to rid Ghanaian society of corruption and profiteering. At the same time, the AFRC accepted, with a few amendments, the draft constitution that had been submitted, permitted the scheduled presidential and parliamentary elections to take place in June and July, promulgated the constitution, and handed over power to the newly elected President and Parliament of the Third Republic on September 24, 1979 (Gyimah-Boadi & Rothchild, 1982; Agyemang-Duah, 1987; Gocking, 1996).

The 1979 constitution was modeled on those of Western democracies. It provided for the separation of powers between an elected president and a unicameral Parliament, an independent judiciary headed by a Supreme Court, which protected individual rights, and other autonomous institutions, such as the Electoral Commissioner and the Ombudsman. The new President, Dr. Hilla Limann, was a career diplomat from the north and the candidate of the People's National Party (PNP), the political heir of Nkrumah's CPP. Of the 140 members of Parliament, 71 were PNP. The PNP government established the constitutional institutions and generally respected democracy and individual human rights. It failed, however, to halt the continuing decline in the economy; corruption flourished, and the gap between rich and poor widened. On December 31, 1981, Flight Lt. Rawlings and a small group of enlisted and former soldiers launched a coup that succeeded against little opposition in toppling President Limann.
Rawlings and his supporters suspended the 1979 constitution, dismissed the President and his cabinet, dissolved the Parliament, and proscribed existing political parties. They established the Provisional National Defence Council (PNDC), initially composed of seven members with Rawlings as chairman, to exercise executive and legislative powers. The existing judicial system was preserved, but alongside it the PNDC created the National Investigation Committee to root out corruption and other economic offences, the anonymous Citizens' Vetting Committee to punish tax evasion, and the Public Tribunals to try various crimes. The PNDC proclaimed its intent to allow the people to exercise political power through defense committees to be established in communities, workplaces, and in units of the armed forces and police. Under the PNDC, Ghana remained a unitary government (Agyemang-Duah, 1987; Le Vine, 1997, Sandbrook, Jay Oelbaum, 1997; Oquaye, 1995).

In December 1982, the PNDC announced a plan to decentralize government from Accra to the regions, the districts, and local communities, but it maintained overall control by appointing regional and district secretaries who exercised executive powers and also chaired regional and district councils. Local councils, however, were expected progressively to take over the payment of salaries, with regions and districts assuming more powers from the national government. In 1984, the PNDC created a National Appeals Tribunal to hear appeals from the public tribunals, changed the Citizens' Vetting Committee (CVC) into the Office of Revenue Collection, and replaced the system of defense committees with Committees for the Defense of the Revolution (CDR) (Jeffries, 1996; Crawford, 2004).

In 1984, the PNDC also created a National Commission on Democracy (NCD) to study ways to establish participatory democracy in Ghana. The commission issued a "Blue Book" in July 1987 outlining modalities for district-level elections, which were held in late 1988 and early 1989, for newly created district assemblies. The government appointed one-third of the assembly members (Owusu, 1996; Hutchful, 1997).
Under international and domestic pressure for a return to democracy, the PNDC allowed the establishment of a 258-member Consultative Assembly made up of members representing geographic districts as well as established civic or business organizations. The assembly was charged to draw up a draft constitution to establish a Fourth Republic, using PNDC proposals (Oquaye, 1995; Owusu, 1996; Aryee, 1996; Ogbondah, 2004). The PNDC accepted the final product without revision, and it was put to a national referendum on April 28, 1992, in which it received 92% approval. On May 18, 1992, the ban on party politics was lifted in preparation for multi-party elections. The PNDC and its supporters formed a new party, the National Democratic Congress (NDC), to contest the elections. Presidential elections were held on November 3 and parliamentary elections on December 29, 1992. Members of the opposition boycotted the parliamentary elections, however, which resulted in a 200-seat Parliament with only 17 opposition party members and two independents (Gyimah-Boadi, 2001; Oquaye, 1995; Adu-Boahen, 1995).

The constitution entered into force on January 7, 1993, to found the Fourth Republic. On that day, Flt. Lt. Jerry John Rawlings was inaugurated as President and members of Parliament swore their oaths of office. In 1996, the opposition fully contested the presidential and parliamentary elections, which were described as peaceful, free, and transparent by domestic and international observers. In that election, President Rawlings was re-elected with 57% of the popular vote. In addition, Rawlings' NDC party won 133 of the Parliament's 200 seats, just one seat short of the two-thirds majority needed to amend the constitution, although the election returns of two parliamentary seats faced legal challenges (Lyons, 1997, Gyimah-Boadi, 2001).

The December 2000 elections ushered in the first democratic presidential change of power in Ghana's history when John Agyekum Kufuor of the New Patriotic Party (NPP) defeated the NDC's John Atta Mills who was Rawling's Vice President and hand-picked successor. Kufuor defeated Mills by winning 56.73% of the vote, while the NPP picked up 100 of 200 seats in Parliament. The elections were declared free and fair by a large contingent of domestic and international monitors. After several by-elections
were held to fill vacated seats, the NPP majority stands at 103 of the 200 seats in Parliament, while the NDC holds 89 and independent and small party members hold eight. Presidential and parliamentary elections are slated for December 2004 (van Walraven, 2002, Asante, 2004)

The 1993 constitution that established the Fourth Republic provided a basic charter for republican democratic government. It declares Ghana to be a unitary republic with sovereignty residing in the Ghanaian people. Intended to prevent future coups, dictatorial government, and one-party states, it is designed to establish the concept of power sharing. The document reflects lessons learned from the abrogated constitutions of 1957, 1960, 1969, and 1979, and incorporates provisions and institutions drawn from British and American constitutional models. One controversial provision of the constitution indemnifies members and appointees of the PNDC from liability for any official act or omission during the years of PNDC rule. The constitution calls for a system of checks and balances, with power shared between a president, a unicameral parliament, advisory Council of State, and an independent judiciary.

Executive authority is established in the Office of the Presidency, together with his Council of State. The president is head of state, head of government, and commander in chief of the armed forces. He also appoints the vice president. According to the constitution, more than half of the president’s appointed ministers of state must be appointed from among members of Parliament.

Legislative functions are vested in Parliament, which consists of a unicameral 200-member body plus the speaker. To become law, legislation must have the assent of the president, who has a qualified veto over all bills except those to which a vote of urgency is attached. Members of Parliament are popularly elected by universal adult suffrage for terms of 4 years, except in wartime, when terms may be extended for not more than 12 months at a time beyond the 4 years.
The structure and the power of the judiciary are independent of the two other branches of government. The Supreme Court has broad powers of judicial review. It is authorized by the constitution to rule on the constitutionality of any legislation or executive action at the request of any aggrieved citizen. The hierarchy of courts derives largely from British juridical forms. The hierarchy, called the Superior Court of Judicature, is composed of the Supreme Court of Ghana, the Court of Appeal, the High Court of Justice, regional tribunals, and such lower courts or tribunals as Parliament may establish. The courts have jurisdiction over all civil and criminal matters.

Ghana’s relationship with the outside world, especially World Bank and IMF has been cordial since independence. This cordial relationship has had both positive and negative effects on the political, social, and economic and industrial relations Ghana. Ghana is active in the United Nations and many of its specialized agencies, the World Trade Organization, the Nonaligned Movement, the African Union (AU), and the Economic Community of West African States (ECOWAS). Generally, it follows the consensus of the Nonaligned Movement and the AU on economic and political issues not directly affecting its own interests. Ghana plays an increasingly active role in sub regional affairs. In February 2002, its former Deputy Foreign Minister, Mohammed Ibn Chambas, assumed the office of ECOWAS Executive Secretary. Then in February 2003, President Kufuor became the Chairperson of ECOWAS heads of state, taking on a strong role in the Cote d'Ivoire and Liberian peace and reconciliation process. He was reelected to a second year in December 2003. Ghana has been extremely active in international peacekeeping activities under UN auspices in Lebanon, Afghanistan, Rwanda, the Balkans, and Pakistan, in addition to an 8-year sub regional initiative with its ECOWAS partners to develop and then enforce a cease-fire in Liberia. In January 2003, Ghana sent a company of troops to Cote d'Ivoire as part of the ECOWAS stabilization force, and another contingent to Liberia in July of 2003; the United States provided logistical assistance to Ghana in these efforts. Ghana maintains friendly relations with all states, regardless of ideology.
Ghana has enjoyed good foreign relations especially with the United States of America at the non-official i.e. personal level since Ghana's independence. Thousands of Ghanaians have been educated in the United States. Close relations are maintained between educational and scientific institutions, and cultural links, particularly between Ghanaians and African-Americans, are strong.

After a period of strained relations in the mid-1980s, U.S.-Ghanaian official relations are stronger than at any other time in recent memory. Ghanaian parliamentarians and other government officials have through the U.S. International Visitor Program acquainted themselves with U.S. congressional and state legislative practices and participated in programs designed to address other issues of interest. The U.S. and Ghanaian militaries have cooperated in numerous joint training exercises, culminating with Ghanaian participation in the African Crisis Response Initiative (ACRI), an international activity in which the U.S. is facilitating the development of an interoperable peacekeeping capacity among African nations. U.S.-Ghanaian military cooperation continues under the new African Contingency Operations Training and Assistance (ACOTA) programme; Ghana was one of the first militaries to receive ACOTA training in early 2003. In addition, there is an active bilateral International Military Education and Training program. The Office of the President of Ghana worked closely with the U.S. Embassy in Accra to establish an American Chamber of Commerce to continue to develop closer economic ties in the private sector.

The United States is among Ghana's principal trading partners. The American privately owned Volta Aluminium Company Limited (VALCO), aluminum smelter imported many of its supplies from, and exported almost all the aluminum ingots to, Europe and the United States. U.S. investments in Ghana form one of the largest stocks of foreign capital, with a replacement value of more than $600 million. Valco-90% owned by Kaiser, and 10% by Reynolds--has been by far the biggest investment. Recently the Government of Ghana agreed to purchase VALCO from Kaiser Aluminum after protracted negotiations over power tariffs.
Other important U.S. companies operating in the country include ACS, Exxon Mobil, Coca Cola, S.C. Johnson, Ralston Purina, Star-Kist, A.H. Robins, Sterling, Pfizer, IBM, Carson Products, 3M, Pioneer Gold, Motorola, Stewart & Stevenson, Price Waterhouse Coopers, Great Lakes Shipping, and National Cash Register (NCR). Several U.S. firms recently made or are considering investments in Ghana, primarily in gold mining, wood products, and petroleum—for example, U.S. mining giant Newmont is entering Ghana’s mining field with a $700 million investment. In late 1997, Nuevo Petroleum concluded an oil exploration agreement accounting for the last of Ghana's offshore mineral rights zones. Several other U.S. oil companies also are engaged in offshore exploration, but thus far have turned up little. U.S. development assistance to Ghana in fiscal year 2003 totaled more than $50 million, divided between small business enterprise, health, education, and democracy/governance programs. Ghana was the first country in the world to accept Peace Corps volunteers, and the program remains one of the largest. Currently, there are more than 150 volunteers in Ghana. Almost half work in education, and the others in various fields such as agro-forestry, small business development, health education, and water sanitation, as well as youth development.

At independence, Ghana had a substantial physical and social infrastructure and $481 million in foreign reserves (Damachi, 1979). The Nkrumah government (Convention Peoples Party-CPP) further developed the infrastructure and made important public investments in the industrial sector with the view of providing employment, making Ghana self sufficient in food and raw material production (National Trade Data Bank). With assistance from the United States, the World Bank, and the United Kingdom, construction of the Akosombo Dam, the biggest man-made lake in the world was completed on the Volta River in 1966. Two U.S. companies built Volta Aluminum Company Limited (VALCO), Africa's largest aluminum smelter, to use power generated at the dam. Aluminum exports from VALCO used to be a major source of employment and foreign exchange for Ghana. The plant has been closed for production since May 2003 (www.stat-usa.gov).
The National Liberation Council (NLC), a military junta that came and overthrew the CPP government abandoned what they termed unprofitable projects. Some state-owned enterprises were sold to private investors. This action triggered off conflict in the labour front since a lot of people were thrown out of job, thus reducing the numerical strength and for that matter the expected revenue of the Trade Union Congress (TUC).

On three occasions under the NLC regime, Ghana's creditors agreed to reschedule repayments due on Nkrumah-era supplier credits. Led by the United States, foreign donors provided import loans to enable the foreign exchange-strapped government to import “essential commodities”. NLC handed over power to the Progress Party (PP) led by Prime Minister Busia.

The Busia government (1969-72) liberalised controls to attract foreign investment and to encourage domestic entrepreneurship. Investors were cautious, however, and cocoa prices began declining again while imports surged. This precipitated a serious trade deficit. Despite considerable foreign assistance and some debt relief, the Busia regime also was unable to overcome the inherited restraints on growth posed by the debt burden. During the period, the balance-of-payments imbalances, foreign exchange shortages, unemployment and mismanagement continued to increase.

Although foreign aid helped to prevent economic collapse and was responsible for subsequent improvements in many sectors, the economy stagnated in the 10-year period preceding the NRC takeover in coup d’tat in 1972. Population growth offset the modest increase in gross domestic product, and real earnings declined for many Ghanaians. To restructure the economy, the NRC, under General Acheampong (1972-78), undertook an austerity programme that emphasised self-reliance, particularly in food production. These plans were not realised, primarily because of post-1973 oil price increases and a drought in 1975-77 that particularly affected northern Ghana. The NRC, which had inherited foreign debts of almost $1 billion, abrogated existing rescheduling arrangements for some debts and rejected other repayments (2004 www.stat-usa.gov). After creditors objected to this unilateral action, a 1974 agreement rescheduled the
medium-term debt on liberal terms. The NRC also imposed the Investment Policy Decree of 1975—effective on January 1977—that required 51% Ghanaian equity participation in most foreign firms, but the government took 40% in specified industries. Many shares were sold directly to the public. This action constricted investment and a lot of industries lay off some of their workers whilst some collapsed creating serious industrial unrest.

Continued mismanagement of the economy increased inflation (to more than 100% in 1977). Increasing corruption, notably at the highest political levels led to growing dissatisfaction. The post-July 1978 military regime led by General Akuffo attempted to deal with Ghana's economic problems by making small changes in the overvalued cedi and by restraining government spending and monetary growth. Under a one-year standby agreement with the International Monetary Fund (IMF) in January 1979, the government promised to undertake economic reforms, including a reduction of the budget deficit, in return for a $68 million IMF support program and $27 million in IMF Trust Fund loans. The agreement became operative, however, on the June 4 coup Flight Lieutenant Rawlings and the AFRC came to power for 4 months.

In September 1979, the civilian government of Hilla Limann inherited declining per capita income; stagnant industrial and agricultural production due to inadequate imported supplies; shortages of imported and locally produced goods; a sizeable budget deficit (almost 40% of expenditures in 1979); high inflation, "moderating" to 54% in 1979; an increasingly overvalued cedi; flourishing smuggling and other black-market activities; unemployment and underemployment, particularly among urban youth; deterioration in the transport network; and continued foreign exchange constraints. Limann's PNP government announced yet another (2-year) reconstruction program, emphasizing increased food production and productivity, exports, and transport improvements. Import austerity was imposed and external payments arrears cut. However, declining cocoa production combined with falling cocoa prices, while oil prices soared. No effective measures were taken to reduce rampant corruption and black marketing.
When Rawlings again seized power at the end of 1981, cocoa output had fallen to half the 1970-71 levels and its world price to one-third the 1975 level. By 1982, oil would constitute half of Ghana's imports, while overall trade contracted greatly. Internal transport had slowed to a crawl, and inflation remained high. During Rawlings' first year, the economy was stagnant. Industry ran at about 10% of capacity due to the chronic shortage of foreign exchange to cover the importation of required raw materials and replacement parts. Economic conditions deteriorated further in early 1983 when Nigeria expelled an estimated 1 million Ghanaians who had to be absorbed by Ghana.

In April 1983, in coordination with the IMF, the Rawlings’ PNDC launched an economic recovery program, perhaps the most stringent and consistent of its day in Africa, aimed at reopening infrastructure bottlenecks and reviving moribund productive sectors-agriculture, mining, and timber. The largely distorted exchange rate and prices were realigned to encourage production and exports. Increased fiscal and monetary discipline was imposed to curb inflation and to focus on priorities. Through November 1987, the cedi was devalued by more than 6,300%, and widespread direct price controls were substantially reduced.

The economy's response to these reforms was initially hampered by the absorption of 1 million returnees from Nigeria, the onset of the worst drought since independence, which brought on widespread bushfires and forced closure of the aluminum smelter and severe power cuts for industry and decline in foreign aid. In 1985, the country absorbed an additional 100,000 expellees from Nigeria. In 1987, cocoa prices began declining again; however, initial infrastructure repairs, improved weather, and producer incentives and support revived output in the early 1990s. During 1984-88 the economy experienced solid growth for the first time since 1978. Renewed exports, aid inflows, and a foreign exchange auction eased hard currency constraints.

Since an initial August 1983 IMF standby agreement, the economic recovery program has been supported by three IMF standbys and two other credits totaling $611 million,
$1.1 billion from the World Bank, and hundreds of millions of dollars more from other donors. In November 1987, the IMF approved a $318-million, 3-year extended fund facility. The second phase (1987-90) of the recovery program concentrated on economic restructuring and revitalizing social services. The third phase, focused on financial transparency and macroeconomic stability, began in March 1998.

Ghana intends to achieve its goals of accelerated economic growth, improved quality of life for all Ghanaians, and reduced poverty through macroeconomic stability, higher private investment, broad-based social and rural development, as well as direct poverty-alleviation efforts. These plans are fully supported by the international donor community and have been forcefully reiterated in the 1995 government report, "Ghana: Vision 2020." Privatization of state-owned enterprises continues, with about two-thirds of 300 parastatal enterprises sold to private owners. Other reforms adopted under the government's structural adjustment program include the elimination of exchange rate controls and the lifting of virtually all restrictions on imports. The establishment of an interbank foreign exchange market has greatly expanded access to foreign exchange. The government repealed a 17% Value-Added Tax (VAT) shortly after its introduction in 1995, which resulted in widespread public protests. The government reverted to several previously imposed taxes, including a sales tax. The government reintroduced a 10% VAT in 1998 after an extensive public education campaign. The VAT was raised to 12.5% in 2000. The government has added another 2.5% in its 2003 budget, but this is not yet being collected.

We shall examine the socio-economic impact of some of the foreign policies such as Economic Recovery Programme (ERP), Structural Adjustment Programme (SAP) and Highly Indebted Poor Country’s Initiatives (HIPC) on the industrial relations of Ghana by first looking at the macro-economic background, the nature of the economy, its decline, and the consequences of the decline, the adjustment measures proposed, and the effects of the adjustment on the development of industrial relations.
The 1980s was a time of severe economic depression for most developing countries, and above all for sub-Saharan Africa. Ghana was among those countries where the decline was so drastic, even cataclysmic, that it made international headlines. Ghana’s per capita income at independence stood at a comparable level to that of Mexico or South Korea, and was classified as a medium-income country. Growth slowed in the following two decades, with Gross Domestic Product (GDP) per capita increasing at a rate of only 2.2 per cent per annum in the 1960s and declining by 0.5 per cent per annum in the 1970s (Sowa 1993: 7). By the beginning of the 1980s, Ghana’s economy was in crisis.

Desperately finding an antidote, in April 1983, the Provisional National Defense Council (PNDC), under Flt Lt Jerry John Rawlings, accepted an International Monetary Fund (IMF) programmes for economic recovery and structural adjustment. Measures aimed principally at eliminating market distortions that prevented price mechanisms from allocating resources efficiently. They were also to reorganise the productive structure through price incentives. A range of monetary, fiscal, incomes, and exchange-rate policies were utilized to achieve the objectives.

Two years later, Ghana’s economic recovery was hailed as a world showpiece mainly owing to the country’s macro-level performance during the initial years of the programme. Considerable success was achieved in increasing Ghana’s integration into the world economy. Exports grew from about $450 million in 1983 to about $2,090 million in 1998 (Anyemedu, 2002: 288). The trade intensity index (the sum of exports and imports as share of GDP) increased from 20 per cent in 1984 to 59 percent in 1997. Large volume of foreign investment was attracted into the country.

Real GDP has grown at an average annual rate of about 5 per cent since 1984. This contrasts with an average annual rate of –2.4 per cent over the pre-reform years of 1978-1983 (Anyemedu, 2002: 288). The recorded figures, based on a survey of establishments, show that employment rose steadily from 280,000 in 1982 to 464,000
in 1985, and then began to fall, dropping to 186,000 in 1991. The declined occurred in both the private and public sectors (Anyemedu, 2002: 288).

The social consequences of the adjustment policies were rather serious. Figures from the 1984 population census and the 1987 Ghana Living Standards Survey (GLSS) indicate that the unemployment as a percentage of labour force dropped from 2.8 per cent in 1984 to 1.9 percent in 1987. Retrenchment and redeployment measures in the public sector were intended to prune the government payroll by the end of the 1989. The Ghana Cocoa Marketing Board (COCOBOD) and the Ghana education Service have been the units most affected. The COCOBOD lay off 100,000 workers from the mid-1980s to the early 1990s (Anyemedu 2002: 288). An estimated 73,000 workers were retrenched from 1987 onwards under the Civil Service Reform Programme. More than 6,000 were laid off by the education service alone in 1988 (Sowa, 1993: 15). Other civil service sectors have been similarly shorn.

These lay-offs affected urban workers the most and caused considerable hardships in many households. The layoffs caused insecurity among workers about their future employment prospects. With respect to incomes, it is a fact that wage restraint has been a constant feature of the reform programme. Analysis of the figures shows that “real monthly incomes in 1989 were about double their level in 1980 but declined by more than ten percentage points between 1989 and 1991” (Boateng 1998).

There are indications that real wages have continued to decline since the adjustment. A survey of manufacturing firms over the period 1992-94 under the Regional Programme on Enterprise Development (RPED) showed that, for the enterprises survey, real wages has declined by 9 per cent over the period of the survey. The survey also revealed a widening gap between low-paid and higher-paid jobs.

The government had counted on the retrenched workers being absorbed into the private workforce, as occurred after the 1983 repatriation from Nigeria and that most will move into agriculture. Unfortunately, with the exception of cocoa, few incentives have been
provided to encourage such employment. Moreover, private manufacturing in Ghana is not developed enough to absorb those retrenched from the public sector.

The Adjustment also brought about vertical and horizontal shifts in the labour market. It has been observed that “the ERP’s reliance on market signals as means of achieving structural adjustment has been probably helped by a labour market sensitive to profitable opportunities’ (Beaudry & Sowa, 1990). Evidence from the Ghana Living Standard Survey (GLSS) suggests that people have indeed moved into agriculture since adjustment began. This may be a direct result of incentives provided to the cocoa sector through increases in producer prices, or a consequence of public-sector retrenchment, or both.

Prior to adjustment, migration was directed toward the urban areas, and especially toward Accra. After adjustment, the pattern reversed itself and Accra became a net source of out-migrants (Beaudry & Sowa, 1990).

Shifts in household earnings owing to adjustment measures have also affected employment. While living costs have increased, the nominal wage has remained abysmally low. The minimum nominal wage rate was doubled in 1985 from ¢35 per day to ¢70 per day, and there have been occasional further increases since then, but these have failed to maintain real wages at realistic levels. Indeed, estimates show that the average low-income family in Accra spends the equivalent of more than eight times the minimum earnings.

It has been observed that the adjustment process by its very nature inflicts severe short-run hardships on certain vulnerable groups (Kanbur, 1987). Ghana’s experience has been no exception. Despite impressive macro-level growth statistics, both the absolute and relative levels of poverty increased between both the rural populations during the adjustment period.
An Institute for African Development (IAD) special mission report estimated that the proportion of rural poor increased from 43 per cent in 1970 to 54 percent in 1986. Other rough estimates showed that the number of urban dwellers below the poverty line increased from an average of 30-35 per cent in the late 1970s to between 45 and 50 per cent in the mid-1980s. The same study showed rural poverty to have increased from 60-65 per cent in the late 1970s to 67-72 percent in the mid1980s (Green 1988). Thirty per cent and 10 per cent of the population, respectively, fall below the lines set by the World Bank of €31,552 per capita per year for ‘poor’ and €18,562 per capita per year for ‘very poor’. The latter group has been termed as the ‘hard core poor’ (Boateng, et al. 1990). GLSS data indicate that about 19.2 per cent of the latter live in urban areas while 65.8 per cent live in rural, and the ratio is essentially the same for the ordinary poor.

It can be said that the changes brought about by the reform have not been particularly friendly to the workers represented by the TUC. In a speech delivered at a the launching of the TUC/ICFTU “New Approach to Structural Adjustment in Africa” in Accra on 9 July 1998, the Secretary General of the TUC declared: “(The) standard of living of the average worker and for that matter the average Ghanaian has fallen during the last fifteen years of adjustment. Unemployment has been high, real incomes have reduced drastically…”

Under the current administration, President Kuffour of the New Patriotic Party (NPP) in an attempt to seek debt relief opted for the Heavily Indebted Poor Country (HIPC) Programme in March 2001 and reached decision point in February 2002. Even though the decision to go HIPC was opposed by the TUC and other stakeholders of the country for the fear that the after effects would be too much for the average Ghanaian worker, the government was rather recalcitrant and defiant in the face of the overwhelming opposition to the policy.

Under the HIPC Programme, Ghana, the International Monetary Fund (IMF) and the World Bank Group's, International Development Association (IDA), agreed in
February 2002 to support a comprehensive debt reduction package for Ghana under the enhanced HIPC Initiative. Total relief from all of Ghana's creditors is worth approximately $2.18 billion. HIPC debt relief will be delivered over a 20-year period and will cover on average 67% of debt-service obligations to multilateral lending institutions and bilateral creditors. The Government of Ghana, working with multilateral lending institutions, developed a detailed plan for the use of funds made available through debt relief under the enhanced HIPC Initiative. The plan directs HIPC Initiative relief toward increased expenditures on education, health, programs to improve services and infrastructure in the rural sector, and improved governance. A portion of the relief will be used to reduce further the heavy burden of domestic public debt.

In spite of the benefits that Ghana is enjoying from HIPC, the workers unions have not been happy with the hardships that it has brought on their livelihoods. For example, as part of the agreed-upon plan on the HIPC, Ghana since 2002 has been raising electricity, fuel and municipal water rates to market prices, and has taken additional revenue-enhancing measures (i.e., more taxes) to stabilize its fiscal position. Also part of the conditionality some public enterprises like Ghana Water and Sewage Company, Ghana Commercial Bank, Ashanti Goldfield Company (AGC) and many others have been divested. TUC strongly opposed this for the obvious reason of creating worker redundancy.

Currently, the spate of industrial actions of all forms have become so visible and unbearable that Coleman Casely has described February 2006 to June 2006 as the “season of strikes” in Ghana’s industrial relations history under the NPP government (2006: http://www.ghanaweb.com/GhanaHomePage/features/). This is because the period saw almost all public sectors of the economy, including those providing “Essential Services”, in protracted strikes. This Coleman and other writers believes has been as a result of uncontrolled economic hardships, high unemployment lack of jobs and job insecurity, insufficient and low wage rate, inflation, instability of the local currency and high corruption in high places.
Chapter Three discusses the geographical, economic, political and socio-cultural conditions in Ghana and tries to identify instances of how they together or individually impact on disputes in Ghana. This chapter has argued that Ghana’s industrial disputes are as a result of lack of political consciousness, excessive foreign influence on the administration of the economic policies of the country, slow economic development, lack of rapid development of the industrial sector, too much dependence on the public sector for job creation as well as numerous socio-demographic factors.

The evidence suggests that political instability (just nine years after independence), mismanagement, corruption in high places and many other vices, have plunged the Ghanaian economy deeply into low per capita income, lack of job creation and job insecurity, adult unemployment, insurmountable budget deficits, depreciation of the local currency, deterioration of well-being, human dignity and livelihoods and over-dependence on public sector employment and wages.

Chapter Three further argues that the above problems have led to excessive out-migration of the country’s professionals and youths which has affected the country’s overall productivity. It has revealed again that, because of the poor performance of the agricultural sector which employs more than 54 per cent of the country’s labour force, there is constant food insecurity in the country. Food has to be imported annually to supplement the local production. This coupled with the high taste of Ghanaians for foreign goods and constant increases in prices of petroleum products and capital equipment put the balance of payment position in perpetual danger every fiscal year.

The sum of the above, and lack of foreign direct investment, globalization and interference from external institutions such as the World Bank and the International Monetary Fund (IMF) with their stringent lending conditionality, have all been known to impact negatively on the economy.
The direct victims of all these pressures have been the working populations and their families. They have responded by often demanding higher wages and better conditions of service to improve their well-being. Scarcity of resources and the often incompatible nature of the aspirations and expectations of the parties to industrial relations have produced frequent upheavals at the industrial front.
CHAPTER FOUR

DEVELOPMENT OF INDUSTRIAL RELATIONS IN GHANA
Industrial relations scholars argue over the exact date at which “modern” industrial relations emerged in Ghana and other countries in Africa (Damach, 1979: 106; Obeng-Fosu, 2001: 4). Some period after the advent of the colonial masters, certain important characteristics which erupted in the economy significantly affected the development of industrial relations. According to Damachi, the major areas of wage employment from the years of colonialism were in the public service, mining and commerce, and increasingly agricultural labourers on cocoa farms. On cocoa farms alone there were an estimated 200,000 people in the early 1950s (1979: 109) and this was about 50 percent of the employed labour.

The two main occupations before independence were unskilled labourers and clerks who were both working for the government and commercial establishments. Of these, the largest employers were the mining companies and the Government. The gold mines employed most of the workers, and given the fixed price of for the gold there was strong tendency to hold down wages, which the Government supported.

Unlike the 1970 census, the 1958 and 1960 could not give a clear idea of Africans employed as labourers and in clerical positions in government and commerce. Rimmer (1962), when he was commenting on the employment figures in the Table 4.1 in the Appendix 2 stated that the number of unskilled labourers was difficult to estimate, it arguably accounted for well over 50 per cent of the wage-employed through the 1950s. The Labour Department data on wages suggests that 44 per cent of the enumerated workers were unskilled in 1953-54 (not including wage labour on private farms).

The largest government employers since the time of the colonial administration (to date) have been the Civil Service, Public Works Department (PWD), Railway, Posts and telecommunication, and, after the need developed to cut diseased cocoa trees in the 1930s, the agricultural department; in addition, the large municipalities-Accra (the capital), Sekondi-Takoradi (the port and rail terminal), and Kumasi (in Ashanti) employed increasingly large staffs. Imperatively, formal industrial relations
arrangement first developed among these departments (mines and government departments).

The gigantic public sector has had a lasting effect on the role of industrial relations and the politics of unions in Ghana. Throughout Ghana’s industrial relations, from the colonial to the present time, government has remained the largest employer of wage labour. For example, in the peak of public sector growth in the 1970s, the government employed 70% of wage labour (Panford, 1996). The government of Ghana has therefore become super-sensitive to trade unionism.

In the Gold Coast, there were significant numbers of independent skilled workers who were artisans and craftsmen. The period could not see organised workers who could discuss their grievances effectively with employers. Damachi attributed this partly to the inability of the workers to speak English (1979). Another significant characteristic is that before the 1950s, much of the non-agricultural wage labour was concentrated in the southern colony area, except for the gold mines in Ashanti. A great deal of this was in Sekondi-Takoradi, the major port after the 1920s, and in Accra. Hence, all the unions were founded in the Colony, and many of the oldest and largest were based in Sekondi-Takoradi, or with the mines, at Tarkwa. Also, a great number of the wage labour was composed of migrant labour drawn from the Northern Territories (NTs) and surrounding French colonies. In 1913, 70 per cent of the mineworkers were from Gold Coast and the NTs, 1915 61 per cent, by 1939 about 52 per cent (Roper 1958 and Gold Coast, Mines Department, Report(s), 1913, 1915). In the 1950s more than half of the mineworkers were from the NTs or outside the country (Damachi, 1979).

The short-term nature of much of the migrant employment in the mines compounded the difficulties in establishing a union organisation. In 1948 the overall turnover of the mine labour was about 80 per cent and among the underground workers over 90 per cent. By 1954-55 turnovers in the gold mines varied between 30-68 per cent resigning or dismissed (Gold Coast, Report of the Gold Coast Mines Board of
Enquiry 1956: 36). Roper estimates that in 1950, 39 per cent of the forestry workers and 37 per cent of the construction workers were from the NTs or other countries and that non-mining labour turnover varied from 10-50 per cent, the lowest being in government services (Roper, 1958: 33, 39 and Rimmer, 1961).

Finally, quite a large percentage of remunerated wage employment (establishment with ten or more employees) was in the public sector - 48 percent in 1953 and 52 per cent in 1956. It was primarily these larger establishments that were susceptible to unionisation in the 1940s and 1950s (Damachi, 1979: 111). The earliest organisations of workers were composed of skilled artisans (goldsmiths, carpenters, masons), called guilds, and observed by the 1911 Census Officer to be ‘not dissimilar in objects and methods to a modern trade union’. Among their aims were ‘to regulate wages, to make laws concerning apprentices, to guard against unfair competition, and to settle disputes’ (Report on the Census 1911: 60).

It has also been recorded that a number of strikes and protests took place during the inter-war period, including serious one in the gold mines in 1930 (Greenstreet, 1972: 30-40). But Roper observes that repressive measures (which shall be discussed later) prevented any organisation since ‘agitators’ were quickly fired. Unions and associations during the inter-war years therefore existed only intermittently (Roper, 1958).

It is also believed that in 1931, The Motor Drivers’ Union was formed to maintain and regulate services and also to deal with the activities of the police who were tightening up road transport regulations (Damachi, 1979: 112; Obeng-Fosu, 2001: 4). As there was no common employer, and as employers and employees were enrolled in the same organisation, the Motor Drivers Union cannot strictly claim to be the first in trade unionism in Ghana.

There is, however, the general belief that there were organisations akin to present-day unions that existed to organise workers into a strong body capable of taking strike
actions before trade unionism was seriously conceived of in the late twenties and early thirties (Census 1921: 60). Unfortunately, as is often the case with workers, the efforts of those of the Gold Coast are largely unrecorded by history, so very little is known about their organisation. However, there are records of several dozens strike between 1918 and 1939.

Price increases during the First World War caused workers to spontaneously act collectively. There was a brief strike among railway men in Sekondi in 1918. Railway artisans in 1919 demanded that their jobs be made pensionable, while other railway workers wanted uniforms provided and more rice (Roper, 1958: 53). The Government provided a small increase in wages to the railway men, as it had provided a more significant ‘war bonus’ to civil servant clerks who protested its size and threatened to ‘clog the wheels of administrative machinery’ (Kimble, 1963: 102-3). Workers of the then Public Works Department collectively staged industrial action against the delay in the payment of their wages in February 1919. Mine workers did similar thing in the same year (Obeng-Fosu, 2001). In April 1921, artisans in Accra spearheaded by the Artisans’ and Labourers’ Union went on strike. Also during the period of depression when the administration wanted to reduce wages, Railway employees and Public Works Department workers joined the strike (Report on the Labour Department, 1939-40, p. 4). Again, when the Prince of Wales was paying a visit to the Gold Coast in 1925, the fishermen demanded one hundred per cent increase in wages before they would ferry the boat to bring the Prince of Wales and his entourage from the ship to the shore (Obeng-Fosu, 2001). They succeeded in their demand. These strike actions were the result of poor working conditions in the early colonial days.

The depression after 1929 saw the springing up of trade or craft unions like the Motor Drivers’ Association in 1928, Carpenters’ association in 1929, and Motor Transport Union of Ashanti in 1931 (Report on the Labour Department, 1939-40: 4). However, these types of unions were haphazardly organised and not structured.
It is also on record that in the absence of industrial relations machinery for dispute settlement, the Colonial Governor settled the strikes during the period with the assistance of native chiefs and other agents (Report on the Labour Department 1939-40).

Trade union organisation started around 1939 when a growing number of wage or salary workers in Ghana (the Gold Coast until 1957) saw the need to augment their collective capacity to acquire a larger share of the resources they create and to participate in decisions affecting the political economy (Kraus, 1979: 106 and Report on the Labour Department, 1940-41).

It is important to comment that the deeply entrenched set of beliefs and practices of the colonial administration regarding African labour which did not easily permit a smooth development of industrial relations in the Gold Coast was one of the characteristics of the economy which significantly affected the development of industrial relations. Among the beliefs and practices was firstly, the need to ensure political control by ‘indirect rule’ through chiefs and agents whose authority was anxiously safeguarded and reinforced and a ‘culture of domination’ exhibited by the colonial leadership. It has been observed by Jon Kraus that the latter was meant to reinforce political rule and bolster relatively low capabilities for coercion (1979: 107). This culture, it was believed gave rise to set of values and relationships: ruler and ruled, employer and employed, a white progressive civilization versus backward tribes with a preference for leisure (Kraus, 1979).

The other perception was to ensure there was enough revenue to pay for colonial expenses and also to fulfil Britain’s needs for raw materials and markets. The impulse for economic activity focused on agricultural exports and an adequate labour supply for colonial administration, its public works, timber industry and gold mines. The major source of this labour was unutilized labour in the forest belt (Szerezewski, 1965: 75-77); some were migrant workers from the Northern Territories (NTs), as farmers became large employers of workers as sharecroppers or cash and kind (Polly,
1956). There was a corresponding increase in labour output which was an indication that Gold Coast workers were responsive to remunerative economic opportunities as against negative beliefs already held on them that they were lazy and target workers (Kraus, 1979: 108; Berg, 1961).

In spite of the labour supply from the NTs and the forest belt there was constant shortage of unskilled workers to meet the demands in the railway and road construction, porterage, mines and cocoa. To solve the shortage of labour problem, from the 1890s chiefs were forced to organize their people to maintain roads and telegraph lines (Kraus, 1979: 108). Since this could not solve the labour shortage problem, the colonial administration in 1895 passed the temporary Compulsory Labour Ordinance. Apart from its harsh penal sanctions, the Ordinance required chiefs to provide workers when the Government demanded (Kimble, 1963: 466). The gold mining companies regularly requested labour for the unpopular underground work (Roger, 1973: 93) to which the Government tended to be responsive because of the perception that ‘the African people did not really want to work, were lazy (in European terms)’ (Kraus, 1979: 108) and that increased wages would not attract more labour but less, since it was believed (with only partial justice) that Africans were target workers, that once they had earned enough for what they wanted they would quit (Berg, 1961). During 1908-24 the colonial government responded with the intermittent practice of forced labourers (Roger, 1973: 82-86) who were recruited by colonial officers through reluctant chiefs. It was finally stopped because of the high death rate in the mines (see Preliminary Report by Sir W. J. Simpson, Sessional Paper IV, 1925-26).

Another colonial perception was African inferiority reflecting in the appalling working and living conditions to which Africans were routinely subjected (Kraus, 1979: 108). Other way in which the African inferiority reflected were in employer-employee relations which at best was paternalistic (Kimble, 1963: 93-105), the exclusion of Africans from the colonial senior service after 1900, and the failure to
pursue Governor Guggisberg’s 1921 plan for advancing Africans into the senior service (Kimble, 1963: 105-24).

The last major colonial domination which did not allow industrial relations to take off early in Ghana according to Jon Kraus, was the attempt frequently made by the colonial masters to ensure that labour had no leverage. Illiteracy, the position and lack of resources of the African workers afforded them meagre opportunities for articulating or acting on their grievances. They had no one to represent them or to call attention to any injustice from which they may be suffering (Dickerson, 1938-39: 16). Workers who quit their jobs in protest could be prosecuted under the Master and Servants Ordinance (Roper, 1958: 52). Employers could fine workers a day’s wages or more for minor breaches of discipline, ‘a system which works very well and which is seldom abused’ and cheerfully observed by the new Chief Inspector of Labour in 1938 (‘Labour Conditions’, Report on the Labour Department 1938-39). There were no proper systems of work relations since there were differences in the treatment between government and private employees (Kraus, 1979: 109). Public Works Department (PWD) employees in 1919 might protest against delays in pay and find the Government responsive (Roper, 1958: 52-53).

Later, labour unrest and strike threats in the inflationary years of 1919-21 prompted the Government to pass a ‘Regulation of Employment’ Ordinance with a broad provision against the ‘strike agitators’ and another making ‘desertion’ (breach of unwritten contract) a penal offence, as mines had advocated (see Gold Coast, Legislative Council ‘Report of a Select Committee of the Legislative Council to Consider the Provisions of the regulation of Employment Bill’ Sessional Paper II 1920-21: 4). In 1921 Artisans’ and Labourers’ Union in Accra who went on strike were fined heavily in a Native Authority Court (Roper, 1958: 54-55). Since ‘agitators’ were fired, Mine strikes became mysteriously leaderless.

There were several suggestions from London in 1930 that trade unions be legally recognized but they were fought against and delayed for years (Kraus, 1979: 9).
Continuous pressure from the British Government, headquarters which was responsible to changes in the colonial empire, the British Labour Party, the various British colonial governments in West Africa and elsewhere and the local workers made the British Labour Government send a dispatch to all colonies in 1930 urging the legal recognition of trade unions (Damachi, 1979: 113).

Apart from the above reasons, it is also clear that the development of labour unrest in the late 1930s in many parts of the British Empire made the colonial office in 1938 decree that labour departments, union legislation, and industrial disputes procedures should be established (Damachi, 1979: 113). Also, the dramatic rise in prices of goods and services in the early war years caused a significant increase in the number of strikes and union organizing during 1939-41 (‘Labour Conditions’, Report on Labour Department, 1938-39: 12). The events above coupled with those abroad (Britain) stimulated the passage of legislation providing legal recognition to unions and the creation of a Labour Department in the Gold Coast.

To establish Labour department in the colony, the colonial government requested a British trade unionist, Captain J. R. Dickson M.C. to undertake a preliminary survey of the labour conditions in the country and to develop, control and direct labour (Obeng-Fosu, 2001: 5). Based on his report the Government decided to establish a Labour Department. A Labour Department was created in 1938 in the Gold Coast, but implementation of other measures was delayed on the advice of new Chief Inspector of Labour who observed in his 1938 report that:

It would be unsound politically to encourage the growth of any organisation, which might become hostile to the native Authority (the ‘indirect rule’) chiefs and their councillors… Although I think that Trade Unionism, in my view if our present system of Native Administration, is not a particularly urgent matter, it is one which should be seriously considered. It is much better to recognize a reputable and responsible organisation through which workers can voice their grievances than to allow those grievances to remain unventilated. If such recognition is made there will be less danger from the agitators and secret societies. Where possible, however, before Government recognizes Unions they

The drafting of the trade unions bill, invariably took several years (Damachi, 1979: 113). In order to enforce its drafting, The (British) Colonial Development and Welfare Act of 1940 made it a prerequisite of receiving aid by any colony the legal recognition of union right (Rimmer, 1961:200). Notwithstanding union legislation was not simply a decree from the centre. It rather emanated from the number of strikes during 1938-41 in the Gold Coast that put pressure on the British Labour Party in the colonial centre (Rimmer, 1961: 209).

The Gold Coast Labour Department, which was formally inaugurated on the 1st April 1938 in Kumasi, as an agency of government was given the legal right to deal with all labour issues. Captain Dickson, the British trade unionist that was requested by the colonial Government to undertake a preliminary survey of labour conditions in the Gold Coast was appointed as the first Head of the Department, ostensibly to implement the recommendations he had made to the Government. He was designated the Chief Inspector of Labour and was later made the Commissioner of Labour and later again to Chief Labour Officer. An African Mr. S. O. Gaisie, who was the second Division Clerk, assisted him in his duties (Obeng-Fosu, 2001: 5).

Obeng-Fosu outlines the new Labour Department functions assigned to it by the colonial government as follows:

i. Promoting Employer-Employee relationship.

ii. Inspection and examination of labour conditions generally and suggestions relating to labour.

iii. Surveying of legislation relating to labour.

iv. Reporting on developments in trade union formation, conduct and tendencies among trade unions and their relations with employers.

v. Examination of the position of lowly paid workers.
vi. Supervision and examination of conditions of housing of labour and the sanitary and hospital arrangements provided for it.

vii. Dealing with questions of provision of transport for workers who came from distant places.

viii. Examination of the position as regards the local application of various international conventions relating to the employment of women and children and the minimum age of employment in industry.

ix. Undertaking intensive study of local labour conditions and problems and steps which should be adopted for their supervision.

Kraus sees the roles of the new labour department to be in three distinct and contradictory forms that were directly orchestrated to undercut the support that it provided to the new union movement. First, as the major labour adviser to the Government, the largest employer, Kraus thinks the labour department was supposed to report on the unions (their conduct and tendencies), socialize union leaders to stay clear of politics and stick to government issues, attempt to prevent strikes and other labour protests from occurring and to help end them quickly, give no encouragement to demands on the Government for higher wages and benefits, and lastly, with the police Special Branch build up informers within the unions in order to keep the Government well aware of union activities. Colonial Special Branch reports provided fantastically detailed information on closed union meeting and strike plans. These were control functions; during 1939-49 neither labour nor other colonial officials believed in the possibility or desirability of a rapid drive for independence (Damachi, 1979: 114).

Another role, according to Kraus, was for the new labour department to act as a neutral organisation conducting enquiries on labour conditions, including mines and factory inspections, enforcing labour laws and suggesting new ones, and performing mediation and conciliation in labour disputes between employers and employees. Private employers regarded this role with great hostility. To avoid these, the mine management, during disputes, would try to keep Labour Department Officials off the
mines or restrict their movements to consulting management only (Ghana Department of Labour file, DC5449).

In performing their assigned roles, the labour Department, according to Kraus, attracted employer hostility especially when the British trade unionist (one such persons was I. G. Jones, a secretary of the South Wales Miners’ Federation) seconded to the Department to assist the trade unions. The employers were not interested in the single-minded emphasis on the importance of free voluntary collective bargaining between them and employee as against their creation of wage boards that could set minimum wages in sectors without bargaining power (Report on Labour Department 1949-50: 8). In addition, the Department denounced the unions’ political supportive activities of the nationalist CPP and profoundly suspected militant union leaders. It considered as one of the less desirable developments the agitation by unions against the criminal charges brought against a union leader in 1948 (for writing a political flyer threatening a strike on behalf of imprisoned nationalists) and the detention of these political leaders (Damachi, 1979: 116).

Undoubtedly, the Labour Department’s advocacy of the limited independence in trade unionism made many union leaders conscious of the advantages of union autonomy. Also, the labour officers’ roles in mediation and conciliation cannot be glossed over. It was generally more effective in curbing labour abuses (in labour recruitment, health conditions on mines, employers withholding of pay) than in assisting unions (Damachi, 1979: 117).

It needs to be emphasised that the Trade Union Ordinance (1941) further sped up the need for the establishment of trade unions in the colonies. Under the Ordinance, any five workers can form a trade union. The Government during the colonial days sponsored organised labour. Officials of the Labour department helped in the structuring of the unions and gave them the necessary advice that they needed.
The registration of the trade unions under the 1941 Trade Unions Ordinance did not confer bargaining rights on the trade unions. This meant that negotiations fostered by the Chief Inspector of Labour could either be accepted or rejected by employers. Furthermore, there were no laws empowering the labour officers to conciliate. Under the Ordinance, strikes were illegal but workers usually gave twenty-one days’ notices of their intention to strike. The Ordinance permitted trade unionism, required that they register with and submit annual financial reports to the Registrar of Trade Unions, provided the normal legal exemptions, and also compelled union registration with the provincial assemblies of chiefs ‘so that there should be no danger now of subversive organisation being established’ (Report on the Labour Department, 1940-41: 5).

It could be argued that the freedoms thus sanctioned were in fact hedged. Government workers were prevented to form unions or register except in the case specific legislative exemptions; the key among them was the Railway Employees Union (Damachi, 1979: 114). Only one additional union of government employees was registered before 1946. It was not until 1948 that a law was passed which permitted all government employees to form and belong to unions.

In 1941-45 a series of ordinances and orders were put in place to create dispute procedures designed with the intention to render strikes illegitimate. For example, the Conspiracy and Protection of Property Ordinance (1941) provided that strikes by government employees in so-called essential services were illegal and criminal offence and declared all strikes or lockouts illegal if they were not in furtherance of a trade dispute (e.g., political strikes) or were designed to coerce government (Reports on the Labour Department, 1941-42, 1942-43; Ghana Information on Labour Matters, Ghana (1962: 6, 12). Strong strikes by government employees could be readily deemed coercive.

On May 1942, the Head Office of the Labour Department was moved from Kumasi to Accra, perhaps for the Labour Department to be close to the seat of government for
easy consultations. In the first four years of its existence, the Department confined itself to industrial relations. In January 1948, however, the Statistical and Labour Registration Branch was established, thus widening the scope of the duties of the Department.

Records held by the Labour Department show that the union holding the first Registration Number is the Western Province Motor Drivers’ Union, which was registered on 9th November 1942, with paid-up membership of 37 as at 31st March 1948. Report on the Labour Department for the year 1947-48 shows that there were a total of 28 unions. Nine of these unions had membership of below 50; ten had membership ranging between 50 and 250; five had membership of between 1000 and 5000, while two others had membership of over 5000 workers. The union with the smallest membership was the Kumasi Washermen’s Union with eight members and was registered on 13th July, 1946, while the union with the highest membership was The Gold Coast Mines Employees Union with 15,000 paid-up membership registered on 1st September, 1945.

Most of the unions in the country then were house or company unions rather than trade or craft unions. The Labour Department’s report for the year 1949-50 stated that the Registrar of Trade Unions had registered 64 unions. Five of them later on amalgamated with other unions, while two others were dissolved, probably due to lack of both membership and funds to operate effectively. Records show that as at 31st March 1959, out of a total of 145 unions, which had been registered, 86 were active (The Labour Department’s Report 1959).

The rapid socio-economic development coupled with the expansion of the wage labour force in Ghana made the development of the trade union movement possible. For example, there was an increase in government expenditure in 1938-39 from £3.5 million to £14.1 million in 1949-50, £25 million in 1951-52 (the first year of African government), to £60.5 million by 1956-57 (Ghana, 1961 Statistical Yearbook (1962: 127). It is again recorded that starting from 1950-51, government expenditures triple.
By independence in 1957, it had multiplied; six times by 1960, and ten times by 1965. Exports rose from £9.4 million in 1938 to 56 million in 1948, to £90 million in 1953 and to £114 million in 1960. Cocoa, gold and timber increased the export expansion but it reached a plateau in the 1960s. Gross National Product increased rapidly during the 1950s but showed a stop-start pattern and relatively low real increases in the 1960s. Population rose from 4.18 million in 1948 to 6.7 million in 1960, to 8.6 million in 1970. By 1960 over a quarter of Ghana’s population was living in over 5000 town (Legon Institute of Statistical and Economic Research, 1971: 17).

Recorded wage labour employment indicated only those in establishments of ten or more persons. The limited statistics in the Table 4.2 in the Appendix 1 shows that wage labour employment shot up drastically in Ghana from 130,930 in 1949 to 217,000 in 1951, to 261,849 in 1956, to 326,000 in 1960 and 387,643 in 1965. Table 2 shows how large a role public sector employment has come to play; from 39 per cent in 1949 to 71 in 1965. There was a significant growth in the civil service up to 1961 (37 per cent of the total employed) since then a decline.

In the above, local government employed about 12 per cent of the total, while public corporations increased from 3.8 per cent of employment in 1956 to 9.6 in 1960 and 33.8 in 1965. The increase reflects the Nkrumah government’s desire to expand rapidly a direct state role in production and commerce.

In 1960 about 20 per cent of Ghana’s labour force was in wage/salary employment. The shift in sectors of recorded wage employment illustrated the changes in Ghana’s economic structure and the areas of union growth. Wage employment in the primary sector (agriculture, forestry, mines, excluding cocoa farm labour) fell from 35 per cent in 1950 to 28.4 in 1955, 20.5 in 1964, to 17.6 in 1969; secondary sector employment increased from 19.7 per cent in 1949 to 24.7 in 1950, to 29.7 in 1964, and 32.3 in 1969, manufacturing rose from 1.9 per cent in 1949 to 12.6 in 1969 and construction varied in these years between 15.5 and 21 per cent; tertiary sector employment (commerce, transport, public services) varied between 40 and 50 per
cent in 1969 (Reports on the Labour Department, 1949-50: 12, 1950-51: 12; 1961 Statistical Yearbook; Ghana, Economic Survey, annuals, 1959, 65, 69). In the period, a large majority of Ghanaians continued to be self-employed as food and cocoa farmers (the latter a large employer of wage labour), but by 1960 there was no sector of the population outside the market exchange economy (Damachi, 1979: 120).

The descriptions above only tell the nature of, and structured inequality in Ghana’s political economy and the role of wage labour in it. One could easily see gross differentials in power and economic resources between the workers and unions on the one hand, and large and medium-size companies and the government on the other hand.

In the 1940s and 1950s the private sector of the economy was dominated by the large expatriate mining, timber, construction, commercial and commodity (cocoa)-export companies, and banking, shipping and insurance were also controlled by foreign firms. Many of these companies were subsidiaries of large British corporations and multi-nationals: in gold, manganese and diamonds (Consolidated African Selection Trust); in construction (Parkinson-Howard; Taylor Woodrow; Thompson, Moir & Galloway); in timber (Anglo-African Timber, Mim Timber Company and the Danish R.T. Briscoe); commerce (United African Company (UAC), subsidiary of Uniliver, John Holt, Union Trading Company, plus the French SCOA and CFAO). Many of these companies had limited discretion in dealing with the unions on wage and benefit claims and had to consult their distant home offices on every occasion, which compounded the normal delays and social distance between capital and labour. Indian and Lebanese firms played a strong middle role in the import, wholesale and retail trade. There were some small and medium-size African firms in construction, timber, and commerce (which sought to avoid unionization). Africans dominated cash crop agriculture and much retail and petty-trading (partly through a credit system run by the European commercial houses). Cocoa brokerage and the prices offered to cocoa farmers were also dominated until the 1950s by Europeans firms; in the 1950s the
African marketing cooperatives and a para-statal company increased their share of marketing, and the state controlled price-setting.

There are some major Characteristics of Trade Union Movement in Ghana before independence in 1957 that need to be discussed at this stage. For example, it has been noted that apart from the Mines Employees’ Union (MEU), unions were tended to organise around single companies (house unions) or government units. In 1954, for instance, one could count at least twelve unions for commercial workers, six among municipal employees, ten in forestry, and six in construction (Gold Coast, Report(s) on Labour Department and TUC, Report on the Activities of TUC to the 2nd Biennial Congress 1968: 5).

A large number of the unions had very small membership. In 1952 eight unions, or 13 per cent of the total, had less than 50 members, while 68 per cent had less than 250 members, as did 62 per cent in 1956 and 52 per cent still in 1959. Only seven unions in 1952, nine in 1956, fifteen in 1959 and over 1000 members, but in those years they had 65, 77 and 51 percent of the total union membership respectively.

While unions were gradually increasing in size, many remained small in dues-paying membership (TUC, Extraordinary Congress, 1966: Comprehensive Report (TUC, Mimeo) p. 56). Some were so poor that they could not afford to hire full-time leaders. Even the largest union in 1953, the MEU, had great difficulty in collecting union dues from members; full payments would have brought in £2,200, but the MEU’s 1953 income was only £822 (TUC, Extraordinary Congress, 1966: 56 Comprehensive Report (TUC, Mimeo).

It is believed that by conventional standards, many of the unions were poorly managed, with low levels of member activity. This was especially so with those unions that was small and had to rely wholly on part-time energies of interested workers, some of whom were victimized for their union activities. Such unions often became inactive. Also union leadership was poor and weak. However, there is more
than enough evidence to suggest that many of mostly the white-collar workers who became union leaders were quite capable of presenting strong cases for their members (Gold Coast, Sessional Paper No. VIII of 1947: 1-10). In the mid-1950s Roper thought that the unions had evolved in a form ‘unsuited to effective negotiations’ and so they preferred legal action and compulsory arbitration (Roper, 1958: 83).

The weakness and the unfavourable behaviour of the union leaders were that the Government who had become the wage leader kept on dragging it heels at increases, and the private sector showed little inclination to engage in collective bargaining and a strong determination to not exceed government rates (Davidson 1954). Davidson observed in 1954 that ‘in the Gold Coast the majority, probably the vast majority, of managers vary in their attitude toward trade unions, from a grudging tolerance to an open hostility’ and showed a ‘somewhat pained bewilderment that workers are not completely satisfied’ (Davidson, 1954: 152). Confrontations with recalcitrant employers through long strikes were difficult. This was because the unskilled nature of labour and clerks in the 1950s meant that striking workers could be replaced with new ones (Davidson, 1954: 159) and unions, of course, had no strike funds.

The colonial government’s vision of development and labour relations, which was constrained by the political economy’s structured inequality, was what seemed to be bestowed on the pre-independence CPP Government. Even though the CPP as nationalist party and government had a rather different attitude towards both development and unions, as the possessor of national power, it had strong budgetary and fiscal interests which induced it to constrain public sector wages except when pushed by the unions. It therefore prevented the trade unions from acquiring too much economic and organisational power to contest the government.

The Nkrumah era trade union movement on some occasions showed union-government co-operation and on other occasion reflected union-government conflicts. Some of Nkrumah government’s policies conflicted with the role of unions, how
unions were expected to help in solving the problems, union’s response to those policies and unions’ own expectations.

In the period of parliamentary democracy (1957-60), the Trade Union Congress (TUC) poised to avert the problems of financial insolvency and structural weakness that had characterised the unions under the British colonial rule. After Nkrumah, succeeded in using the unions to wrestle political power from the British Colonial Government, he wanted use them further to push through his development programmes. He therefore enacted the Industrial Relations Act of 1958 to centralise the unions in a closely related structure and gave it a legal recognition. In order to protect the interest of the union members who were allies of his party (Convention Peoples Party (CPP)) against their foreign and private employers, the Act made collective bargaining mandatory. It also stipulated procedures for negotiation, conciliation and arbitration for settling workers’ grievances—something that was non-existent during the Colonial regime. With such a procedure and a pro-labour government, the trade unions became increasingly involved in fighting to improve the wages and working conditions of their members employed in foreign owned firms (Damachi, 1974). The concern of Government with how union members sought to protect their job interests in the private sector was, however, not extended to the public sector, as witnessed by the fact that Industrial Relations Act of 1958, which legalised trade unionism and collective bargaining, strictly abhorred strikes by workers in the public employment. In view of this, most of the strikes and workplace actions were aimed directly at foreign employers (Rimmer, 1962). The repercussions of such job actions by union members were of little concern to the government. The Government had no problem with inflation, and the sizeable foreign reserves eased any of the pressures generated by the capital accumulation needed for development. Also, the 300 million US dollars in foreign reserves inherited from the British colonial Government (Kaplan, et al. 1971) was enough to cushion her.

Before Nkrumah could end the period of parliamentary democracy in 1960, law had been promulgated to change the structure of the trade union. Union membership had
become compulsory. The trade union movement was in effect taken over by CPP Government and as a result effective accommodation was reached between the CPP Government and the trade unions.

The arguably lavish and unguarded expenditure of Nkrumah, especially on his Pan-African vision, which diverted his attention to freeing other African States from colonial rule, soon eroded the country’s wealth and its foreign exchange reserves. Consequently, the country was plunged into a state of acute inflation coupled with a lack of capital to finance development projects. During the one-party phase (1961-66), a period marked by arbitrary and totalitarian rule, the used of coercive power and devastating economic deterioration (Damachi, 1973), the Government’s policy of creating manufacturing industries was carried out without adequate consideration of the supply of raw materials, demand and economies of scale and other costs factors. The inevitable result was incurring of a heavy debt burden.

In spite of the virtual takeover of the trade union movement by the Government, relations between the former and the latter nevertheless became strained by conflicts of interest engendered by inflation. The workers being one of inflation’s chief victims, the TUC reacted to continuing inflation by demanding wage increases that seemed utterly unrealistic to the Government. Proposals for wage increases of 20, 30, or even 40 per cent were not uncommon: for example, the dock and railway workers who organised the Takoradi strike of 1961 demanded 45 per cent wage increase (Damachi, 1973: 48-50). The TUC executives made it clear to the Government that such high increases were necessary if wages were merely to keep abreast of prices as inflation progressed.

The Nkrumah Government, bent on curbing inflation and considering high wage demands unreasonable, decided to crack down on labour. It placed stringent controls on union leadership. For example John Tettegah, a CPP activist who had become Secretary-General of the TUC, switched from promoting government policies to
representing the job interests of union members, and he was therefore replaced by another party leader, Ampah, as Secretary-General of the TUC.

Moreover, the Government drastically curtailed union participation in national development planning, a role which it had granted the trade unions, in part, to compensate them for the loss of most of their bargaining role. The workers, who protested that their wages had not shown any marked improvement over those in the colonial era, were disgruntled, and their leaders began to question the wisdom and benefit of Nkrumah’s costly Pan-African policies. Since there was no immediate response from the Government, in spite of the presence of a party leader (Ampah) at the head of the labour movement, these union leaders began to fight for what they considered to be more worthwhile objectives. These objectives included the following (Damachi, 1973: 57):

1. To achieve a democratisation of the economic life of the country and to avoid social tensions created by insufficient information and training; consequently the unions demanded the extension of participation to the plant level based on the German model of co-determination;
2. To extend and broaden the field of collective bargaining;
3. To have the workers share in the fruits of increased productivity acquired as part of a general effort to increase national wealth;
4. To obtain more exact understanding of the real possibilities of the national economy, thus leading to a better adjustment of their claims and demands;
5. To avoid all wastage of the resources used by the nation for its development.

Some of these union objectives were drastically opposed to Nkrumah’s political and national economic objectives and he had limited option at this stage but to resort to repressive measures against the unions. As a result, union participation in the development process began to diminish rapidly.
Nevertheless, Nkrumah still needed the TUC to serve as a transmission belt between the government and the masses. He therefore took to imposing party activist leaders on the TUC. To placate the union leaders, while enlisting their co-operation, his government provided social benefits by enacting the Social Security Act of 1965, the Insurance Act of 1965 and the Workmen’s Compensation Act of 1963. But most significantly, the Government amended the controversial Industrial Relations Act of 1958, by creating the Industrial Relations Act of 1965. The International Labour Organisation Office and the International Confederation of Free Trade Unions had both criticized the 1958 Act. The latter removed many of the restrictions of the 1958 Act, which had interfered with union activity. Freedom to unionise voluntarily was now reinstated, but the TUC, which by this time was an integral wing of the CPP, remained the only labour body.

After Nkrumah, with heavy debt obligations and very limited funds, the National Liberation Council (NLC), (1966-69), which ousted the Nkrumah regime in a military coup inherited an entire range of state enterprises and projects that either had to be rendered productive, usually under mixed private and state ownership, or gradually phased out. Progress on the implementation of new policies during the era of NLC was therefore slow and painful. To ease the problem, the military regime enlisted the co-operation of the TUC. But the TUC would not readily offer its co-operation without a definite commitment from the Government guaranteeing protection of its interests.

The NLC Government was conscious of the damaging effects resulting from the relations between the Nkrumah regime and the TUC. It was therefore anxious not to repeat Nkrumah’s mistakes. The NLC sought to normalize the situation by asking the TUC to reconstitute itself along free and democratic lines. For the first time, the TUC felt politically free to organize and pursue its objectives. It was once more given representation on the national decision-making boards that formulated labour policies. It could now adequately represent the job interest of its rank-and-file members, contribute its fair share to development by socialising the workers into developing a
trained cadre of trade union activists and officers to take on increasing responsibilities. Indeed, this period signalled the restoration of a tidier co-operative and accommodative relation between the Government and the TUC.

After the period of economic retrenchment from 1966 to 1969, a new civilian Government under Kofi Abrefa Busia resolved to return to a policy of expansion. The balance of payments position remained a serious restraint on development expenditure and growth, however, and, along with external debt service charges, unemployment and inflation, constituted one of the principal problems confronting the Government. According to the then Ghana Ministry of Labour and National Employment Service, 1971, about 220,630 persons were reported unemployed—a total of about 25 per cent of the wage and salary labour force in the modern sector.

With the problem of inflation and unemployment still unresolved, the Busia Government (1970-72) proposed to redouble its efforts to correct some of the structural problems in the economy. It relied on private foreign investment, both for reviving flagging industries and for creating new ones. The investors also provided such-needed expertise.

However, the Government was fairly resolved that such foreign participation should be to the benefit of Ghana, for it wanted the new foreign investment to be self-supportive in time. The Government was to participate in most projects on an equal basis with the foreign investors, so as to safeguard the national interests. There was accordingly, a provision in most of the agreements that ensured that the Ghanaian personnel would be employed in both labour and managerial positions whenever available (Kaplan, et al. 1971: 297).

The new Busia Government also took steps to liquidate a large part of the public sector, which had been built up under the Nkrumah regime. The return of large state farms to private owners and a similar transfer of other production property were introduced to stimulate the lagging economy. One immediate effect, however, was reduction in
employment, which aroused the opposition of the TUC. More important in leading to a new estrangement between union and Government leaders was the apparent support of the Prime Minister, Busia, for a rival candidate for the position of Secretary-General of the TUC itself. Though this effort was defeated, a new serious cleavage between the TUC and the Busia Government developed.

With its new found freedom dating from the 1966-69 period, the TUC and its leaders were no longer prepared to lose their gains to any future political leader or party. In the face of such union attitudes, Busia found it increasingly difficult to coax the TUC into partnership with his Progress Party (PP). The TUC was resolute on being politically neutral, for at this stage of its development it was more concerned with representing the workers’ job interests (higher wages and better conditions of work) than participating in politics. The Busia government considered such union intransigence an impediment to the success of its economic policies. Since the TUC would not guarantee its participation in a way acceptable to Government, it was totally excluded from participating in any government policy making. This estrangement only hastened a collapse of the fragile accommodation that existed between it and the Government.

The Government reacted promptly. Since it now considered the TUC non-functional, it decided to dissolve it by enacting the Industrial Relations Act of 1971. The minister responsible for labour was to appoint a board of receivers to discharge all the liabilities and assets of the TUC. Union membership was now voluntary, a reversal of the 1958 Act and its amendment, which had made membership compulsory. The Act protected the individual worker from both his employer and the union. As a result, the worker began to doubt the usefulness of union membership, since neither the union nor the employer was concerned with protecting his job interest (Kaplan, et al. 1973). On the whole the Act gave complete control over the union since the national union was now accountable to the Government. This was a situation the unions regarded as violating Busia’s promises to promote free and democratic trade unionism (Busia, 1969).
The new structure of the labour movement that the Busia government envisaged was the amorphous colonial type marked by financial insolvency, political subservience and a lack of direction (Damachi, 1978: 24). The Government considered such a structure necessary so that it could supervise the activities of the unions and use them as instruments for national and political development. One thing, however, was certain by the time the government was ousted in 1972; the effective accommodation that had initially existed between it and the TUC had given way to open conflict. Between 1969 a total of 196 strikes with 93,134 of workers and man-days lost of 390,693 was recorded as against only 109 strikes with 30,822 workers and 62,693 man-days lost in the first two years after independence which were against private employers.

With the overthrow of the Busia government, the military, under the leadership of Colonel Ignatius Acheampong set up the new Government of the National Redemption Council (NRC) in 1972 with himself as its chairman. The NRC Government, in an effort to stabilize the economy, revalued the cedi by 42 per cent, that is, it was now worth us$0.78 instead of us$0.55. The expensive 180-day credit system, which had inflated the cost of imports of consumer goods and industrial raw materials, was abolished (Damachi, et al. (eds.), 1976: 53).

More significantly, the Government adopted a pro-labour policy, which aimed at enlisting the co-operation of the TUC. Consequently, it abolished the IRA in 1972 by a decree, re-established the TUC, and gave it back its right to function freely and democratically. This labour policy was acclaimed by workers all over the country, which set the stage for the enthusiastic welcome of the government “Operation Feed Yourself”, a widely publicized campaign launched by the NRC Government to increase food production and thus cut down the cost of living.

The trade union reacted very favourably to “Operation Feed Yourself” (OFY); for they voluntarily resolved to work for their respective employers on Saturdays without claiming overtime pay. Some unions organized themselves on communal basis to clean the streets and gutters of towns and villages. Others participated in the digging of
channels for irrigation. All these efforts were aimed at making Ghana self-sufficient in local food such as yams, cassava and corn.

In response to the massive support, which the NRC Government received from the trade unions, it decided to write off the cost the TUC hall. This building was put up on loan for the TUC by the Nkrumah regime and the Congress was still repaying the loan when the NRC took over the Government in 1972. The trade unions were enthusiastic at such generous government financial policies toward them. They soon discovered a new strength and consciousness, which made them more committed to co-operating with the Government to promote national development. This co-operative or accommodative relation with the government led to peaceful industrial relations during the initial phase of the NRC regime. There was therefore an immediate lull in the strikes and other industrial action that had been characteristic of the unions during the Busia regime. In 1972, the first year of the NRC Government, there were only 8 strikes compared with 71 in 1971, when the Busia regime was still in power.

With their newfound strength and consciousness, the union leaders were out to play their primary role of representing the job interests of the rank-and-file members. This, in effect, meant fighting for increased wages and good conditions for work. The union demands met with resistance by the management and naturally the trade unions resorted to strikes to press their demands.

The union leaders found more justification for strikes when, in 1973, the NRC Government increased the wages and salaries of the public sector without urging private employers to adjust their wages and salaries accordingly. Instead, the Government left it to the employers to negotiate new rates with their employers through collective bargaining. The trade unions regarded this as carte blanche to proceed with their demands (Ghana, Labour Department, and Strike Statistics).

To complicate matters, in 1974 the Government further increased the minimum wage from 1.33 to 2.00 Cedi per day. Indeed, very generous increases were announced for all
categories in the civil service and once again the private sector was advised to determine its own increases through collective bargaining. This led to more union demands and more resistance by management to rushing through collective agreements. The result of all this was an increase in strikes (as noted above, Ghana, Labour Department, Strike Statistics).

The first appearance of Flight Lieutenant Jerry John Rawlings (and his Armed Forces Revolutionary Council, AFRC) into the political history of Ghana through coup d’etat was very brief and so very little industrial relations experience could be established. It could, however, be said that Trade Union members were one of the organised associations that spoke against the coup. Their argument was that it was untimely since it was left with less than five weeks for constitutional elections when Rawlings staged his coup on May 15, 1979.

At the time, AFRC sent the unambiguous message across the length and breadth of the country that "people dealing with the public, in whatever capacity, are subject to popular supervision and must abide by fundamental notions of probity, and have an obligation to put the good of the community above personal objective". The AFRC position was that the nation's political leaders, at least those from within the military, had not been accountable to the people. Rawlings supervised the election and handed over power to Dr. Hilla Limann’s Peoples National Party who won elections democratically.

The administration of Dr. Hilla Limann, which was inaugurated on September 24, 1979, to begin the Third Republic, was thus expected to measure up to the new standard advocated by the AFRC. During this period, the economy still continued its decline. The first Limann budget, for fiscal year 1981, estimated the Ghanaian inflation rate at 70 percent for that year, with a budget deficit equal to 30 percent of the gross national product. The Trade Union Congress claimed that its workers were no longer earning enough to pay for food, let alone anything else. A rash of strikes, many considered illegal by the government, resulted. In September, the government announced that all
striking public workers would be dismissed. These factors rapidly eroded the limited support the Limann government enjoyed among civilians and soldiers. The government fell on December 31, 1981, in another Rawlings-led coup.

The second coming of Rawlings on 31 December 1981 as the Chairman of the Provisional National Defense Council (PNDC) was the eighth government in the fifteen years since the fall of Nkrumah in a coup staged in 1966. In a radio broadcast on January 5, 1982, Rawlings presented a detailed statement explaining the factors that had necessitated termination of the Third Republic. He declared, "I wanted a chance for the people, farmers, workers, soldiers, the rich and the poor, to be part of the decision-making process." He described the two years since the AFRC had handed over power to a civilian government as a period of regression during which political parties attempted to divide the people in order to rule them. The ultimate purpose for the return of Rawlings was, therefore, to "restore human dignity to Ghanaians." In the chairman's words, the dedication of the PNDC to achieving its goals was different from any the country had ever known. It was for that reason that the takeover was not a military coup, but rather a "holy war" that would involve the people in the transformation of the socio-economic structure of the society. The PNDC also served notice to friends and foes alike that any interference in the PNDC agenda by any individual or group of persons would be "fiercely resisted" (Federal Research Division http://www.ghanaweb.com/GhanaHomePage/history/1982)

Oppositions to the PNDC administration developed nonetheless in different sectors of the national spectrum. The most obvious groups opposing the government were former PNP and PFP members. They argued that the Third Republic had not been given time to prove itself and that the PNDC administration was unconstitutional. Further opposition came from the Ghana Bar Association (GBA), which criticized the government's use of people's tribunals in the administration of justice. Members of the Trade Union Congress were also angered when the PNDC ordered them to withdraw demands for increased wages. The National Union of Ghanaian Students (NUGS) went even farther, calling on the government to hand over power to the attorney general, who would supervise new elections.
What deepened the rift between the TUC and the PNDC was the latter’s formation of governing coalitions and institutions that incorporated the populace at large into the machinery of the national government. These were the Workers' Defence Committees (WDCs), People's Defence Committees (PDCs) and Citizens' Vetting Committees (CVCs), which were all created at national, regional, district and community levels in all work places. These PNDC structures were meant to ensure that those at the bottom of society were given the opportunity to participate in the decision-making process. These committees were to be involved in community projects and community decisions, and individual members were expected to expose corruption and "anti-social" activities. The TUC criticized the WDCs established in all enterprises, big or small, that they were becoming too strong and uncooperative (Tayo Fashoyin, 1992: 17 and Damachi, 1979: 125,). The aggressiveness and arrogance of certain WDCs made them to interfere with some of branches of the TUC and management's (Damachi, 1979: 134) ability to make the bold decisions needed for the recovery of the national economy. With regard to public boards and statutory corporations, excluding banks and financial institutions, Joint Consultative Committees (JCCs) that acted as advisory bodies to managing directors were created.

In 1982 the WDC created very serious problems in the TUC. For example, Workers in Accra-Tema metropolitan area who have been regarded as the most militant in the country were prominent in the revolution that toppled the Government of the Third Republic. A group of them thought the leadership of the unions were corrupt, inefficient and ineffective. This group felt the union leadership had not aligned them with the leadership of the revolution and so were anti-revolutionists. The workers called themselves the Association of Local Unions (ALU). The ALU stormed the Hall of Trade Unions on 29 April 1982, and pronounced the dismissal of the Secretary-General of the congress as well as the General Secretaries of the seventeen affiliated national unions of the Trades Union Congress. They formed an interim management committee (IMC) for the running of the Congress. All the seventeen national unions also formed IMCs with their respective Chairmen performing the duties of the various dismissed General Secretaries (Obeng-Fosu, 2001: 16).
These revolutionary trade unionists were in the forefront of the revolution and consequently could be seen to have favour with the revolutionary Government of the Provisional National Defence Council (PNDC). The PNDC had, however, earlier denied an allegation that they prompted the leaders of ALU to embark on their action of the 29 April 1982.

These revolutionary trade unionists announced that they would organize the workers to be alive to their duties as workers of a revolutionary Ghana and then would hold elections to elect officers who would be able to cope with the tempo of the revolutionary changes. True to its promise, the ALU organized elections for all the seventeen national unions under the supervision of officials of the Labour Department as returning officers to elect General Secretaries, Chairmen and other officers. The final election for the unions was that of the Congress itself, which was held on 16 December 1983, at the University of Science and Technology, Kumasi, where the Secretary General and the Chairman of the Executive Board of the Congress were elected.

By December 1981, when the PNDC came to power, the inflation rate topped 200 percent, while real GDP had declined by 3 percent per annum for seven years. Not only cocoa production but even diamonds and timber exports had dropped dramatically. Gold production had also fallen to half its pre-independence level (Government of Ghana, 1987; World Bank, 1993 see Kwame Boafo-Arthur, West Africa 1999).

At the end of its first year in power, the PNDC announced a four-year program of economic austerity and sacrifice, which was to be the first phase of an Economic Recovery Program (ERP). If the economy were to improve significantly, there was need for a large injection of capital—a resource that could only be obtained from international financial institutions of the West. There were those on the PNDC's ideological left, however, who rejected consultation with such agencies because these institutions were blamed in part for the nation's predicament. Precisely because some members of the government also held such views, the PNDC secretary for finance and economic planning, Kwesi Botchwey, felt the need to justify assistance to Ghana in 1983:
It would be naïve and unrealistic for certain sections of the Ghanaian society to think that the request for economic assistance from the World Bank and its affiliates means a sell-out of the aims and objectives of the Ghanaian revolution to the international community. It does not make sense for the country to become a member of the World Bank and the IMF and continue to pay its dues only to decline to utilize the resources of these two institutions.

The magnitude of the crisis was made worse by widespread bush fires that devastated crop production in 1983-84 and by the return of more than one million Ghanaians who had been expelled from Nigeria in 1983. These unfortunate developments intensified the unemployment situation and hence a called for monetary assistance from institutions with bigger financial chests.

Phase one of the ERP began in 1983. Its goal was economic stability. In broad terms, the government wanted to reduce inflation and to create confidence in the nation's ability to recover. By 1987 progress was clearly evident. The rate of inflation had dropped from the 1981 figure of 200 percent to 20 percent, and between 1983 and 1987, Ghana's economy reportedly grew at 6 percent per year. According to Anyemedu, exports grew from about $450 million in 1983 to about $2,090 million in 1998, while imports increased from about $500 million in 1983 to about $2,900 million in 1998. Trade intensity index (the sum of exports and imports as a share of GDP) increased from 20 per cent in 1984 to 59 per cent in 1997. Official assistance from donor countries to Ghana's recovery program averaged US$430 million in 1987; more than double that of the preceding years. The PNDC administration also made a remarkable payment of more than US$500 million in loan arrears dating to before 1966. In recognition of these achievements, international agencies had pledged more than US$575 million to the country's future programs by May 1987.

The reform increased real GDP since 1983 at annual average rate of about 5 per cent. This contrasts with an average annual rate of –2.4 per cent over the pre-reform years of 1978-1983. With these accomplishments in place, the PNDC inaugurated Phase Two of the ERP, which envisioned privatisation of state-owned assets, currency devaluation, and increased savings and investment, and which was to continue until 1990.
Notwithstanding the successes of Phase One of the ERP, many problems remained, and
the TUC and other foes and friends of the PNDC as well were quick to point them out.
Anyemedu maintains that, “the changes brought about by the reforms have not been
particularly friendly to workers represented by the TUC” (2002: 288). He shares the
same sentiments with the TUC in the speech that the latter delivered at the launching of
the TUC/ICFTU “New Approach to Structural Adjustment Africa” in Accra on 9 July
1988, when the Secretary General of the TUC declared: “(The) standard of living of the
average worker and for that matter the average Ghanaian has fallen during the last
fifteen years of the adjustment and that unemployment has been high, real incomes
have reduced drastically…”.

Accordingly, the TUC reacted to what it perceived as an unfavourable environment.
First, the TUC has attempted to influence the (policy) environment to make it less
unfriendly and secondly, it has attempted to adjust to the changed environment as far as
possible. Anyemedu thinks that the second reaction though very necessary has involved
shifts in organisational focus action (2002: 290). In order to influence the policy
direction of the new reform, the TUC constantly submitted memoranda, conference
resolutions, attended seminars and workshops, sent representations on bodies dealing
with the implementation of specific policies and measures. In 1993, in the tenth year of
the economic reforms, the TUC and the ICFTU organised a Conference on the Social
Dimensions of the Structural Adjustment Programme.

This meeting deliberated extensively on the performance of the Economic Recovery
Programme/Structural Adjustment Programme in Ghana, made observations and
recommendations on privatization, trade liberalization, external debt, agriculture, small
businesses and the informal sector, consultation and participation (Anyemedu, 2002:
290). Again, the TUC had made its views known on government policies, highlighting
what it observed as the negative effects on workers and society generally, and
proposing remedial measures. In May 1986, the TUC issued a statement setting out its
views on economic, social and political affairs. Reference was made to a
comprehensive position paper on the national situation presented to the government in
February 1985, as well as other memoranda on the economic and social issues submitted in the previous two years. Expressing regret that these representations to the government and its agencies “have hardly even received acknowledgement”, the statement expressed in forthright terms the dissatisfaction of the TUC with the prevailing economic conditions:

The situation that we face today is one in which harsh sacrifices are exacted from the mass of the working people in the name of economic recovery at the same time that their interests are overlooked. In the name of the efficient utilization of resources, the basic health, education, and housing needs of the people, as well as access to utility services like water and electricity are all continually undermined through increasing fees and prices. In the meantime, self-reliance and genuine mobilization of the resources of the nation in which the people play a central role has been abandoned for reliance on foreign aid and loans (TUC, 1986).

The TUC thus took the position quite early that the opening of the economy to foreign capital, and reliance on development strategies imposed from outside were related to the situation in which the interests of the working people were overlooked. This theme was taken up again at the quadrennial congress of the TUC held in March 1988, which addressed among other issues the national economy. The congress came to the conclusion that “the current worsening economic situation in the country, the brunt of which is being borne by the working people, is attributable in the main to the conditionalities imposed on the economy by the multilateral lending agencies, namely the IMF and the World Bank”. The congress called for condemnation of the strict adherence by the government to the IMF/World Bank conditions.

The quadrennial congress thus launched a fundamental and frontal attack on the whole reform programme. It requested the government to “discontinue forthwith” the major elements of the liberal reform agenda: currency devaluation, import liberalization, privatization, expansion of exports, decontrol of prices, etc. All these, were denounced as not favourable to the working people of the country. The congress, of course, also noted the increasing burden of the external debt servicing payments.
The 1988 Christmas and New Year message of the Secretary-General of the TUC continued this trenchant criticism of the reforms and the prevailing economic situation, detailing the negative effects of the reforms on organized labour:

The year 1988 has been a difficult year for the working people in the country. Workers have had to put in a lot to survive the intolerable hardship. It is five years now since the inception of the nation’s Economic Recovery Programme (ERP), but although the policies of the ERP affect the various social classes one can say without equivocation that as workers we have felt the brunt of the policies despite the great sacrifices made by us under the programme. The year 1988 has not been different from the four previous years of the ERP. As workers we have had to work under severe constraints with the hope that things would be better for us to enjoy the fruits of our sweat and toil, but after five years we are yet to see the light of the hope at the end of the tunnel. Rather, things are getting worse from all indications.

Employment in the public sector has ceased to grow. In fact, it has declined due to the retrenchment exercise going on. Workers are becoming redundant because several local industries, which have been subjected competition from outside under the liberalization programme, have folded up. The army of unemployed is now being urged to seek refuge in the so-called informal sector and this has brought about a massive increase in casual work. Men, women, young people and even children are driven to seek insecure, inadequate, and even dangerous jobs on the fringes of the society just to survive.

Those of the working population in gainful employment have also been hard hit by the effects of ERP/SAP and they having to fight to protect their jobs because they are the first victims of the retrenchment exercises.

During the 1990s the TUC continued to comment on government policies and the national economic situation, but the criticisms were muted. With the SAP firmly entrenched, and the prospects for reversal virtually non-existent, recommendations to the government to discontinue the entrenched policies “forthwith” would probably be futile. In view of this the TUC has had to accommodate itself to what appears to be the only viable development path. The TUC has concentrated its attention in more recent years on ensuring that the process of policy formulation and implementation is as
inclusive as possible in the hope that this will raise the quality of policies and improve the prospects of their being implemented efficiently and with fairness.

In 1993, the National Democratic Congress succeeded the Rawlings-led PNDC, this time through a democratic election. The government was still under the presidency of Flight Lieutenant John Jerry Rawlings. Unfavourable economic conditions did not equally spare the workers of the country under the rule of the NDC. With the continued devaluation of the Cedi to the US Dollar and other convertible currencies, real wages which had been falling from the 1980’s, in spite of the ERP and SAP had continued. This made life difficult for the Ghanaian worker to make ends meet. As a result, the spate of strikes and threats of strikes in Ghana became cataclysmic. During the period, Obeng-Fosu asserted that:

"if ever there was any period in the country’s labour history when a spate of street demonstrations of various forms in which workers from various sections of organised labour in both the public and private sectors took place, then it was the period between 1992 and 1995" (2001: 28).

 Strikes occurred so rampantly in 1995 that track was even lost of their counting. The strikers included workers of certified trade unions and other workers from the civil and public services not affiliated to the Trades Union Congress. In one instance, the Minister of Education, Mr. Harry Sawyerr, in reaction to a strike action, announced the sacking of all the country’s university lecturers with effect from 1 May 1995. He further ordered them to vacate their official residences by May 15, 1995. However, a meeting of some members of the Cabinet and Members of Parliament asked the Minister of Education to suspend the eviction order while efforts were made by the University Councils to resolve the impasse.

In the wake of persistent demonstrations the premises of the Ministry of Finance, the Minister, Dr. Kwesi Botchwey, ordered the closure of the Ministry on 9 May, 1995, until the spate of demonstrations stopped. The Acting to that effect signed a circular. Chief Director, Mr. I.B. Eshun, and copied to the Government Statistician who share the same premises with the Ministry. Notwithstanding the order, the Executives of the
Greater Accra Region Branch of the Civil Servants’ Association intimated that the demonstrations would continue every morning until their demand for 60 to 70 per cent increase in wages is met. The Government had earlier given the Civil Servants 26.5 per cent increase, which the Association had rejected. A deadlock was reached when the Consultative Forum settles for 45 per cent and the Government, 30 per cent from January to June 1995, and 35 per cent from July to December 1995, to be paid in January 1996. The dispute was referred to arbitration. The Arbitrator’s award was 35 per cent effective, 1 January 1995.

The TUC, just as it did with the PNDC foster Joint Standing Committee with the National Democratic Congress to discuss economic and other national interest at regular intervals. Nevertheless, the TUC, whenever it is expedient in its own estimation, does not hesitate to seek redress in other alternative forums and ways. Obeng-Fosu (2001: 24, 25), for instance, gave an account of the situation where the TUC in its letters Reference Numbers ID/D.1/Vol.7/116 and ID/d.1/Vol.7/117 both dated 1st September, 1993, lodged complaints with the Director-General of the International Labour Organization (ILO), Geneva, against the Government of Ghana for violating trade union rights as enshrined in Convention 98 of 1949, which was ratified by Ghana on 2 July, 1959. The complaints were in respect of:

a) Government’s Circular No. B2/93, which was regarded to have frozen wages and salaries negotiations; and

b) PNDC Law 125, which is seen as outlawing collective bargaining within the Ghana Cocoa Board.

In its response to the ILO, the Government of Ghana gave the assurance that it was taking steps to withdraw the letter in respect of (a) and also to repeal the law in the case of (b). Government and TUC have since met at its Joint Standing Committee to discuss how best to resolve the issues in order to have the complaints withdrawn from the ILO.
Again, based on the earlier decision to be part of process of policy formulation and implementation of the government, the TUC was one of the institutions that pressed for the National Economic Forum which took place in September 1997 with the theme “Achieving a National Consensus on Policy Measure for Accelerated Growth within the Framework of Ghana –Vision 2020”. The TUC took an active part in planning the forum as well as in its deliberations. The Secretary-General of the TUC chaired the syndicate group, which discussed the theme Increasing Employment Opportunities and Promoting Human Development.

The TUC has also accepted, and indeed sought, representation on bodies charged with policy implementation because it believes it can better protect the interests of workers in this way. Thus, although the TUC was critical of the divestiture programme, it nevertheless agreed to serve on the Divestiture Implementation Committee (DIC). This made it possible for the TUC to fight for compensation for workers laid off in the process of divestiture. The TUC is also represented on other implementation bodies such as the Export Processing Zone (EPZ) Board and the Public Utilities Regulatory Commission (PURC), which is responsible for approving the tariffs charged by public utilities.

However, one wonders how that small number of the TUC representatives is able to influence the decision taken and if the TUC participation would not instead reduce its moral right to criticize the decisions if they are unfavourable to workers. The dominant view of the TUC is that it is better to ensure that the concerns and interests of labour are taken into account when decisions are being taken, because very little can be done later (Anyemedu, 2002: 293). Anyemedu observes that the TUC still reserves the right to criticize decisions taken by bodies on which it has representation (2002: 293).

The return to constitutional rule in early 1993 under the presidency of Flight Lieutenant Jerry John Rawlings meant that the attempt to influence requires not only memoranda and comments on executive actions or participating in policy implementation. It also requires lobbying Parliament to ensure that legislation takes account of the interests of
workers. In 1994, the TUC appointed a parliamentary liaison officer as a means of establishing a formal and continuous relationship between the labour movement and parliament. The officer has been formally introduced to parliament and is recognized by the House.

A very serious occurrence in the history of the TUC in 1994 cannot pass without comments. Parliament, on December 1, 1994, passed the Value Added Tax (VAT) Act, (Act 486) under certificate of emergency. The VAT Act was given assent on 22 December 1994. Before the passage of the Act, the TUC on June 8, 1994 sent a memorandum to Parliament in which it cautioned against the hasty introduction of the VAT, which the TUC said could have devastating effect on local industries and for that matter the average worker. The Congress cautioned Parliament specifically about the high probability of VAT reducing the purchasing power of the citizenry and, thus, diminishing the size of the domestic market for industry. The TUC appeal was not heeded by Parliament but, instead, Parliament went ahead to enact the Act.

The implementation of VAT on first March 1995 sent prices of goods and services to astronomical levels, which many people found difficult to cope with. This provoked a nationwide outcry against the VAT; a development, which the TUC said, clearly vindicated the stance it took. While the demonstrations by workers continued, an organization, which called itself the Alliance for Change, also organized a mammoth demonstration in Accra on Thursday, 11 May 1995, against the VAT and general high cost of living. Some lives were lost while others were injured during the demonstration. The organization also organized similar demonstrations in other parts of the country. The TUC, therefore, issued a press release signed by its Deputy Secretary-General, Mr. Dennis Vormawor, on 18 May 1995, and called for the immediate withdrawal of the VAT. The VAT Act was repealed on 13 June 1995, and a Sales and Service Tax Act was enacted to replace it.

The current administration led by President Kuffour of the New Patriotic Party (NPP) came after the Rawlings government of the National Democratic Congress. Still
confronted with the rising level of inflation, unemployment, demand for wages and continuous government balance of payments deficits in seeking for debt relief from the IMF and the World Bank opted for the Heavily Indebted Poor Country (HIPC) Programme in March 2001 and reached decision point in February 2002. This decision by the new government to go HIPC was opposed by the TUC and all the other stakeholders of the Ghanaian economy. They feared that the consequences would be like the ERPs and the SAPs which brought untold hardships to the average Ghanaian worker.

Under the HIPC Programme, Ghana, the International Monetary Fund (IMF) and the World Bank Group's, International Development Association (IDA), agreed in February 2002 to support a comprehensive debt reduction package for Ghana under the enhanced HIPC Initiative. Total relief from all of Ghana's creditors is worth approximately $2.18 billion. HIPC debt relief will be delivered over a 20-year period and will cover on average 67% of debt-service obligations to multilateral lending institutions and bilateral creditors. The Government of Ghana, working with multilateral lending institutions, developed a detailed plan for the use of funds made available through debt relief under the enhanced HIPC Initiative. The plan directs HIPC Initiative relief toward increased expenditures on education, health, programs to improve services and infrastructure in the rural sector, and improved governance. A portion of the relief will be used to reduce further the heavy burden of domestic public debt.

In spite of the benefits that Ghana is enjoying from HIPC, the workers unions have not been happy with the hardships that it has brought on their livelihoods. For example, as part of the agreed-upon plan on the HIPC, Ghana since 2002 has been raising electricity, fuel and municipal water rates to market prices, and has taken additional revenue-enhancing measures (i.e., more taxes) to stabilize its fiscal position. Also part of the conditionality some public enterprises like Ghana Water and Sewage Company, Ghana Commercial Bank, Ashanti Goldfield Company and many others have been
divested. TUC strongly opposed this for the obvious reason of creating worker redundancy.

Currently, the spate of both legal and illegal industrial actions of all forms by both private and government workers have become so visible and unbearable that Coleman Casely described February 2006 to June 2006 as the “season of strikes” in Ghana’s industrial relations history under the NPP government (2006: http://www.ghanaweb.com/GhanaHomePage/features/artikel.php?ID=105855). This is because the period saw almost all public sectors of the economy, including those providing “Essential Services”, in protracted strikes. This Coleman and other writers believes has been as a result of uncontrolled economic hardships, high unemployment lack of jobs and job insecurity, insufficient and low wage rate, inflation, instability of the local currency and high corruption in high places.

Ghana trade union was formed based on the Trade Unions Ordinance, 1941 (Cap 41). The Government during the colonial days sponsored organised trade unions. In 1943, the Railway Union with the encouragement and guidance of the Labour Department took the initiative to form the Gold Coast Trade Union Congress. The Trades Union Congress (TUC) of Ghana is now the main umbrella organisation for trade union activities in Ghana. Since 1966-67 there have been seventeen national unions affiliated to the TUC. The seventeen national industrial unions in the country are as follows:

1. Construction and Building Materials Workers’ Union (CBMWU)
2. Industrial and Commercial Workers’ Union (ICU)
3. General Agricultural Workers’ Union (GAWU)
4. Health Services Workers’ Union (HSWU)
5. Local Government Workers’ Union (LGWU)
6. Railway Workers’ Union (RWU)
7. Communication Workers’ Union (CWU)
8. Public Services Workers’ Union (PSWU)
9. Ghana Mine Workers’ Union (GMWU)
10. Teachers and Educational Workers’ Union (TEWU)
11. Railway Enginemen’s Union (REU)
12. Maritime and Dockworkers’ Union (MDU)
13. National Union of Seamen (NUS)
14. General Transport, Petroleum and Chemical Workers’ Union (GTPCWU)
15. Ghana Private Road Transport Union (GPRTU)
16. Timber and Woodworkers’ Union (TWU)
17. Public Utility Workers’ Union (PUWU)

In September 1993, the Registrar of Trade Unions under the Trade Unions Ordinance of 1941 registered a new union, the Textile, Garment and Leather Union (TGLEU), whose members were formerly with the Industrial and Commercial Workers’ Union (ICU) of the TUC. As required by the Industrial Relations Act of 1965, the new union, though not affiliated to the TUC, applied through the TUC for a collective bargaining certificate, which was duly granted by the Registrar in October 1993. Thus since 1993, there has been an eighteenth trade union operating under the Industrial Relations Act of 1965, but not affiliated to the TUC. In addition, there are a number of workers’ associations representing public sector employees, which are not certified to operate under the Industrial Relations Act of 1965. These are the Civil Servants Association of Ghana (CSAG), the Ghana National Association of Teachers (GNAT), the Ghana Registered Nurses Association (GRNA), and the Judicial Service Staff Association of Ghana (JSAG).

Since December 1992 these associations have had a form of negotiating power with their employer (the government) under the Public Services (negotiating Committee) Law. Strictly, however, only unions, which hold a collective bargaining certificates, can call a legal strike, as only they fulfil the conditions laid down by ACT 299 to make a strike legal. These associations and TUC came together in August 1985 to establish a National Consultative Forum of Ghana Labour (NCFGL). The forum does not negotiate on behalf of its constituent members, but creates a cordial atmosphere for negotiations. The public sector workers’ associations have constituted a Joint Consultative Forum.
These associations are represented on the National Advisory Committee on Labour, which advises the Minister responsible for Labour. At the Tripartite Committee on Salaries and Wages Guidelines, they participate under the umbrella of the TUC.

In 1998, a new labour centre, the Ghana Federation of Labour, was established by the Ghana national association of Teachers, the Ghana Registered Nurses Association, Textiles, Garment and Leather Employees Union, the Lotto Receivers union, the Cooperative Transport Association, and the Tailors and Dressmakers Association. The latter three associations/unions are made up of self-employed operators in the informal sector. Subsequently, the Civil Servants Association and the Ghana National Association of Teachers withdrew from the new labour centre.

Of the seventeen union members, eight are composed of government or state corporation employees, one from the private sector only, while another eight have some members from both the public and private sectors. The breakdown is as follows:

Public Sector only:
1. Railway & Port Workers’ Union (RWU)
2. Railway Enginemen’s Union (REU)
3. Health Services Workers’ Union (HSWU)
4. Local Government Workers’ Union (LGWU)
5. Teachers and Educational Workers’ Union (TEWU)
6. Public Utility Workers’ Union (PUWU)
7. Communication Workers’ Union (CWU)
8. Public Services Workers’ Union (PSWU)

Public and Private Sector:
1. Construction and Building Materials Workers’ Union (CBMWU)
2. Industrial and Commercial Workers’ Union (ICU)
3. General Agricultural Workers’ Union (GAWU)
4. Ghana Mine Workers’ Union (GMWU)
5. Maritime and Dockworkers’ Union (MDU)
6. National Union of Seamen (NUS)
7. General Transport, Petroleum and Chemical Workers’ Union (GTPCWU)
8. Timber and Woodworkers’ Union (TWU)

Private Sector only:
1. Ghana Private Road Transport Union (GPRTU)

Of the above unions, the largest unions are the Industrial and Commercial Workers’ Union (ICU) (with 120,000 members in 1985 and 106,000 in 1998) and the General Agricultural Workers’ Union (100,000 members in 1985 and 86,690 in 1998), the Construction and Building Workers’ (39,553 in 1985 and 36,750 in 1998), and Mines’ Workers’ (27,018 in 1985 and 24,834 in 1998), whose members are predominantly private employees. The Public Service Workers’ and Local Government Workers’ unions are also large but are somewhat less effective since they are composed predominantly or wholly of public sector employees, on behalf of whom the unions have not been certified for collective bargaining. Seven of the eight unions wholly in the public sector had received collective bargaining certificates by early 1970s for a small percentage of their members, who were in the state corporations (e.g., the Public Service Workers’ Union had collective agreements which covered only 2000 of 24,000 members in 1970 and 89,324 members in 1998. While these unions can discuss some conditions of service with the respective government departments, they are denied access to bargaining procedures under the Industrial Relations Act.

The only union wholly in the private sector, the Ghana Private Road Transport Union, is only in part a true union; it includes taxi and truck drivers as well as driver owners and, in the past, derived much of its erratic income from lorry park fees. The unions with the members in both the public and private sectors have the largest number of bargaining certificates and percentage of members covered by collective agreements and can be more active on their members’ behalf. The seventeen members of the TUC are autonomous bodies which pursue their own activities but within the framework of their constitutions and their areas of legally accepted jurisdiction. The TUC is non
political. Its 1992 constitution debars all elected officials from identifying with any political party. It has its headquarters at the hall of Trade Unions in Accra and currently has a membership of about five hundred thousand (500,000).

The main objectives of the Ghana TUC are as follows:

a. To unionise all workers in Ghana under a united trade union movement.

b. To secure social, political and economic justice in Ghana and ensure that workers benefit from these through collective action.

c. To efforts of affiliated unions to improve wages, shorten hours of work and create better conditions of service at workplaces

d. To assist affiliated unions to undertake collective bargaining on behalf of workers.

e. To support the promotion of work efficiency and improve productivity at workplaces

f. To protect, strengthen, preserve and develop traditions and institutions of democracy and to secure fully the rights and liberties of workers.

g. To promote national freedom, human rights and world peace.

h. To ensure the ratification and application of ILO and other international conventions with the view of Harmonising world labour practices and sensitising public opinion, both locally and worldwide in favour of acceptable trade union practices.

Any worker is potential member if he or she exercises the option to belong to the TUC. Such people must register formally for membership of a national union whose jurisdiction covers the trade of the worker and must fill a form authorizing the national union to collect dues, and must belong to a local union. Any five workers could form a trade union. The basis of union membership in Ghana is largely determined by the economic activity or industry in which one works rather than a particular profession or occupation.
The post-1966 liberation of registration requirements permitted several splinter unions to break away and become registered; but they neither became bargaining agents nor were admitted to the TUC.

Each of the seventeen national unions has a General Secretary and a National Chairman. There is an Executive Board of the Trades Union Congress, which runs the affairs of the Congress. This is made up of the chairman of the TUC, the Secretary-General, the two Deputy General-Secretaries, all the National Chairmen and General Secretaries of the seventeen national unions affiliated to the Congress. Heads of the specialized Departments of the Congress and Regional Secretaries of the TUC attend the Executive Board meeting as *ex-officio* members. Chairmen of Regional Councils of Labour attend the meeting as observers. The Executive Board is the governing body, which directs the affairs of the Congress during inter-quadrennial conferences. The Executive Board meets quarterly or in emergency sessions, a Working Committee more frequently. The TUC has major departments and a regional organisation, which serves member unions.

The TUC funding is generated primarily from dues of members of its constituent national unions. The Quadrennial Congress of the TUC (a four-yearly meeting) determines the rates. Currently, membership subscription represents one per cent (1%) of the basic salary of each union member. The total dues collected are allocated at the rate of fifty per cent (50%) to the national union, twenty per cent (20%) to the local union and thirty per cent (30%) to the TUC. Other investments in the financial market like bonds and treasury bills also bring some funds to the TUC. Donations and aid from friendly international organisations add to the TUC’s coffers.

The Trades Union Congress itself does not negotiate on behalf of any of the trade unions. However, since its establishment under the Industrial Relations Act, it has made a major effort to act as a spokesman for workers on all major economic questions e.g., on increasing employment, raising minimum wages, building low cost housing- and to push governments to accept its rightful role as such. The TUC co-ordinates the
activities of the various affiliated unions and whilst mediating intra-union and intra-union conflicts and jurisdictional disputes and provides education sessions for trade unionists, it serves as an intermediary between national unions and the Government. Thus submitting the unions’ grievances and demands, gives guidance on labour matters and speaks on behalf of the whole labour movement in its dealings with the government and the employers association on economic matters and also provides economic information and data on wages and service conditions to unions for bargaining purposes. In addition, the TUC has launched a significant number of important socio-economic programmes, with the assistance of several Western labour organisations (e.g., the African-American Labour Centre and the Friedrich Ebert Foundation): the creation of Labour College which holds regular short session classes for training branch leaders and higher level union officials and officers; a low cost housing project for workers in Takoradi and Kumasi; health services, with a base clinic in Accra and a mobile health van; and enormously successful organisation of cooperative credit associations, to which tens of thousands of workers now belong. The individual unions also run regular training sessions for branch leaders.

The Congress is represented on a number of Boards and Committees, which deal with matters of direct concern to workers, for example, the National Advisory Committee on Labour and the Tripartite Committee on Salaries and Wages Guidelines. It also provides delegates to the International Labour Conference of the ILO and other international conferences on Labour.

Most of the unions tend to have a roughly similar structure. At their base are branches organized around the workplace, though in several unions (e.g. ICU, Public Service workers’) these are local, which are organized into one or more branches within a city or town. The branches elect representatives to the union National Executive Committee (NEC) and also representatives to the delegates’ conferences. Delegates’ conferences elect union officers, while the NECs elect the basic union branch union committees (working, financial, organizational, negotiating). In several unions there are vertical divisions into which members are organized on the basis of occupation (the railway
union) or government (Public Service Workers’); locally their members form part of the union branch organisation; vertically they are members, and elect officers to, railway associations or government divisions. In the Railway and Ports Workers’ Unions, these associations play important roles in regular negotiations with the employer. In addition, many unions have officers to coordinate their activities, while inter-union activities are coordinated by District Councils of Labour in the major towns. In the past, these councils have played prominent roles in organizing protests. Many unions have offices and industrial relations officers in most regions.

There are great differences between the unions in terms of size, organisational complexity, bureaucracy, and effectiveness. In 1998, the ICU was by far the largest, with 106,483 members forming about nineteen per cent of the total union membership. Its members are grouped into five divisions, of which the industrial and commercial are the largest. It has long been one of the most vigorous unions. Its higher income has enabled it to become one of the more bureaucratised unions. The ICU has also negotiated vigorously and has frequently won larger awards for members by submitting cases to arbitration.

The unions differ widely in terms of militancy and membership participation, in part according to their size, concentration of membership and communications. The two railway unions and the Maritime and Dockworkers’ Union have relatively densely concentrated membership and excellent intra-union communications, while the General Agricultural Workers’, Construction, and Local Government Workers’ unions have members all over Ghana. The Maritime and Dockworkers’ Union (MDU) is a particularly well-organised union with high membership participation. MDU members are concentrated in Tema, Accra and Takoradi. The union members are active in large number of committees and participate in collective bargaining before and after negotiations (Maritime and Dockworkers’ Union, TUC Report on Activities Submitted by J. R. Baiden to the Second Biennial Conference, September 1979 (MWU, mimeo)).
The Ghana TUC, having been aware over the years of how external influences have had untold effects of its organisation and structure, has decided on some adjustment policies. Union membership has traditionally been derived principally from junior employees in the formal economy, mainly from relatively large establishments in both the private and public sectors. To counter the reduction in membership, there has been intensification of the effort to organize self-employed workers and others in the informal sector. Increased efforts are also being made to unionise senior staff and professional workers. The TUC has, however faced obstacles in unionizing the informal sector. Mr. Kwasi Adu-Amankwah, the TUC Secretary General has identified among others the low financial returns from the informal sector in relation to the cost of organisation, the absence of a ready package of benefits to attract informal sector operators and lack of previous experience in union organisation.

The unionization of the senior staff and professional personnel had been seen as a means of membership drives to the TUC. Globalisation and technological developments are reducing the demand for unskilled labour while increasing the demand for highly skilled and professional personnel (Anyemedu, 2002: 293-295). Unions, which continue to recruit only blue-collar workers, are likely to suffer a diminution in numbers. In addition, the TUC has seen the senior staff to generally earn higher salaries and their financial contribution through union dues can be particular valuable (Anyemedu, 2002: 293-295).

However, the intensified drive by unions to attract senior staff has provoked a counter-offensive from the employers. The Ghana Employers Association (GEA) has issued public statements, organized conferences and published articles opposing the unionization of senior staff. The GEA’s stated reasons for its opposition are many and varied. Kwasi Anyemedu observes the first genuine problem of deciding which employees are representatives of employers or shareholders, and therefore to be excluded from union membership. The ILO Committee on Freedom of Association (1963 and 1966) has also advised as follows:
It is important that the scope for managerial staff and the like should not be defined so widely as to weaken (worker) organisations by depriving them of a substantial proportion of their present or potential membership.

In spite of the strong argument raised against unionization of senior staff, the TUC has been reasonably successful in unionizing the senior staff. The two largest, the Industrial and Commercial Workers Union and the Public Services Workers Union, have strong senior staff representation in their unions. The ICU has about 4,000 senior staff from 20 companies among its members. The companies include most of the major private sector establishments in the country. The unions have not had things all their own way. The three biggest unions have all had instances in which management resisted the unionization of the senior officers, and cases of unionized officers renouncing their union membership.

The TUC has further observed that the task of mobilizing members and obtaining improved conditions for them depends to a considerable extent on the skills of the trade union officers and activists in the areas of organization and negotiation. It has therefore made the education of its membership one of its priority concerns. The preamble to the TUC’s educational policy affirms that:

Trade union education has clearly established itself as one of the most important services that trade unions can provide for their members. Properly designed and implemented, trade union education plays an indispensable role in raising awareness among union members and providing them with skills to meet the challenges that confront the unions (Anyemedu, 2000: 296-298).

The institutional arrangements for giving effect to educational policy centre mainly on the Education Committee and Labour College. Training programmes cover three broad areas; trade union education (collective bargaining, grievance handling, organizational skills, health and safety, conduct of meetings and labour laws); trade union history (in Ghana and generally, but with special reference to European trade union history); and special programmes, covering topical issues of interest both at home and worldwide.
Basic accounting is offered and there are plans to offer management training. The courses are organised for various categories of members and officers such as shop stewards, local/branch officers, union staff/field officers, national officers/members of Executive Board, and women/youth activists.

The TUC has observed the dwindling employment opportunities in the formal sector. It has therefore been mobilizing resources from its members to invest in productive enterprises as means of creating employment as well as strengthening the financial base of the unions. This was in an acceptance of a challenge thrown by President Rawlings in his Sessional Address to the First Parliament of the Fourth Republic in 1994 for trade unions to join in job-creation activities to help alleviate the plight of the unions and the Ghanaian public. In pursuit of the above objectives the TUC has established a Labour Enterprise Trust (LET), which holds members’ contribution and invests the money either by itself or in collaboration with others.

So far the LET has made three major investments. It has purchased a twenty per cent share in a $5 million car park project located in the commercial centre of the capital city of Accra. It is also the majority shareholder in an insurance company and it has invested in four tankers to provide water at competitive rates to the residents in Accra. Upcoming projects that the TUC has in mind to make modest contribution in job include the establishment of a commercial bank, a security service, service stations and radio taxi services.

The Ghana TUC is affiliated to the Organisation of African Trade Union Unity (OATUU) and the International Confederation of Free Trade Unions (ICFTU). Some of the national unions are also affiliated to their corresponding international trade secretariats. The Ghana TUC also has a fruitful bilateral collaboration with many national trade union centres, particularly in Europe. The Netherlands Trade Union Confederation and its Swedish counterpart appear to be the most active bilateral collaborators of the Ghana TUC. As the most representative labour organisation in the
country, the TUC participates in ILO meetings and programmes on behalf of the labour movement in Ghana.

The spectrum of employers in Ghana is similar to that of many developing countries, though Ghana probably has more indigenous firms of medium and large size than most African countries (Ukandi, 1979: 157). Most small Ghanaian firms employ non-union personnel and pay lower than government-range wages, particularly in the commercial field (Anyemedu, 2000).

Changes of regime have brought alterations in terms of which sectors were required to bargain collectively. The Nkrumah regime under the Industrial Relations Act required all private firms and, initially, state boards and corporations to bargain with unions. In view this Ghana Employers’ Association was established in 1959. The need for the Association arose from the awareness amongst employers of the value of consultation among themselves and of the benefits of a combined approach to matters pertaining to their business interests. The intended scope of the Association was envisaged as embracing industrial relations problems, employers’ reaction to proposed legislation and methods of improving both the climate for, and efficiency of business affairs.

The objects of the Association as lay down by the Constitution and Rules of the Association are as follows: (Ghana Employers’ Bulletin 1970)

a) To watch over and keep members informed about the operation of existing laws and practices, the activities of Government and Government Committees and all legislative proposals which may affect or tend to affect the interest of employers in industrial matters and to take such action as may be necessary or expedient with regard thereto.

b) To provide the machinery for nominating suitable employer representatives to committee of delegations as and when considered desirable.
c) To co-operate with any organization of employers, international or otherwise, or become a member or associate thereof, whose main objects are similar to those of the Association.

d) To provide a means of consultation and exchange of information on questions arising out of the relations between employers and their workpeople, and to promote co-operation, when possible, in this field, between Association of Employers in various industries, trades and business in Ghana, and between individual employers.

e) To collect from members such statistical and other data as may be deemed to be necessary or desirable for study of the wage structure and conditions of employment obtaining in Ghana, and to collect from other appropriate sources statistics and other data which may have relevance to industrial matters in Ghana.

f) To bring to the notice of members important labour laws, regulations and administrative instructions affecting employers and their workers.

g) To do all things as are incidental or conducive to the attainment of the above objects, provided that the Association shall not act in such a way as to interfere with the complete individual autonomy and independence of its members in the conduct of their affairs, or in a manner which would constitute it as a trade union. It further provides that the Association shall not communicate to any outside body any information furnished to the Association by any member except with that member’s consent.

In practice, therefore, the Association consolidated employers and organizations of employers into one joint body; represents employers’ interest to government; promotes good relations and better understanding between employers and employees; and assists affiliated employers or organizations of employers in negotiations with organized labour.

The governing body of the Association is a Council made up of members representing the following fifteen broad interests: mining; commerce; shipping and
ports; timber; building and civil engineering; banking and financial; manufacturing; petroleum and power; press and publishing; agriculture/fishing; airway and inland transport; insurance; hotels, catering and tourism; etc. The Council meets as often as it shall deem necessary or desirable but not less than four times a year.

The Council has power to appoint an Executive Committee to carry out the day-to-day affairs of the Association. It also has power to appoint an Advisory Committee and “ad hoc” Committees of such size and composition as it may determine. Persons appointed members of such an Advisory Committee and Ad Hoc Committees need not necessarily be members of the Council but are obligatorily representatives of members.

The President of the Association is also the Chairman of the Council and Committees. The Executive Director is responsible for the day-to-day affairs of the Association and he is assisted in this regard by a Director (Operations) and a Director (Training).

Below is part of the speech delivered by Mr. Kojo Botsio, the then Minister responsible for Labour, at the inauguration of the Employers’ Association of Ghana in January 1959.

The Government welcomes the formation of this Association, the lack of which has long been felt by Government and workers alike. Good industrial relations are based on a tripartite foundation of government workers’ and employers’ organization Government attaches the greatest importance to industrial peace and stability and hopes the work of your Association will help in our objective in intensifying the economic reconstruction of our country (Annual Labour Reports 1960).

The Association, from all indications, has justified the hopes of the Minister and the Ghanaian society, with its mature approach to issues affecting industrial relations and economic development undertaken by the various governments since its inception (Obeng-Fosu, 1999: 34). The Association is represented on the National Advisory
Committee on Labour (NACL) and the Tripartite Committee on Salaries and Wages Guidelines (TCSWG).

Chapter Four outlines the development of industrial relations in Ghana. Major changes in how governments, workers and unions and employers’ associations have co-existed in relations in the production process since colonisation have been explored. The chapter maintains that some forms of industrial relations have existed in Ghana for millennia. The major characteristics of industrial relations since independence, however, arguably offer a great deal to the systems and processes used by colonial masters.

It was the colonial masters, through public service, agricultural and commerce wage employment of the native people that initiated Western forms of industrial relations in Ghana. Since the time of the colonial administration, the public sector of Ghana has been the major absorber of union workers. This makes the government very sensitive about labour issues.

The need to augment collective bargaining capacity to acquire a reasonable share of national resources of which workers believe they have played a part in developing pushed them to think about unionisation in Ghana. However, the chapter has discussed the negative perceptions, entrenched sets of beliefs and practices, intimidation, threats, repressive laws, inferiority reflecting in working and living conditions, colonial domination and lack of leadership as some of the causes that delayed union formation.

The relentless and frequent labour unrest and threats of strikes in the 1930s, coupled with pressure from the British Labour Party around the same period that all British Colonial Governments in West Africa and elsewhere should give legal recognition to trade unions, paved way for Ghana’s unionisation. Ghana’s workers’ unions are structured on the 1941 Trade Union Ordinance. Further legislation, like the Industrial Relations Act of 1958, the Industrial Relations Act of 1967 and several labour laws
and decrees including the 2003 Labour Law have helped to shape industrial relations in Ghana.

Wage/salary employees started increasing after 1960 because of the first independent president, Dr. Kwame Nkrumah’s government’s desire to expand rapidly a direct state role in production and commerce. The private sector economy has been dominated by the large expatriate mining, timber, construction and commodity (cocoa) export companies, banking shipping and insurance which were foreign owned by subsidiaries of large British companies.

The trade union movement before independence was characterised by small numbers of members (apart from the Mines Employees’ Union), organised around single companies or government units and financially poor due to difficulty in collecting union dues. The chapter also shows that poor management, weak and poor union management and leadership structures were features of the pre-independence unions.

It has been pointed out that apart from the Nkrumah’s government, union-government relationships have been characterised by misunderstanding, conflict of interest due to inflation and perceived anti-union economic reforms embarked upon by governments. It has also been shown that paradoxically perhaps, trade unions have enjoyed tremendous support and freedom of operations under military regimes than under democratically elected governments.

The Employers Association of Ghana was formed under the Industrial Relations Act of 1958. The scope of the Association has been to understand industrial relations problems and employers’ reactions to industrial legislations and to acquaint themselves with the methods of improving both the climate and efficiency of business.

The chapter argues that, even though both the Gold Coast and the independent Ghana governments have not declared disputes in industrial relations (especially strikes) as
illegitimate, ordinances and orders in 1941-45 and other actions and inactions of theirs are indications of their abhorrence of strikes and other forms of industrial disputes.
CHAPTER FIVE

THE MAIN CAUSES OF DISPUTES IN INDUSTRIAL RELATIONS IN GHANA
The history of collective conflict in industrial relations in Ghana dates back to the period before 1939. It started when a growing number of wage and salary workers in the then Gold Coast began organising themselves in trade unions. This, which was seen by the colonial employers as an attempt to alter the worker-management relationship, was marked by tension, conflict and coercion as well as some co-operation between the players of the industrial relations.

There have been ten governments in Ghana between 1939 and 2001; the colonial government until 1951 and in attenuated form until 1957; the Nkrumah regime, 1957-66; military National Liberation Council (NLC), 1966-69; the Progress Party (PP) government of Kofi Busia, 1969-72; the military National Redemption Council (NRC), 1972 followed by a palace coup. This was again followed by a military government of Flight Lieutenant John Jerry Rawlings in 1979, Armed Forces Revolutionary Council (AFRC) which handed over power in the same year to democratically elected government, the Peoples National Party (PNP) of Dr Hilla Liman in 1979. The government was overthrown in a military coup by the same Rawlings to give way to the military rule of Provisional National Defence Council (PNDC) in 1981 and then another democratic government led by Jerry John Rawlings again from January 1993 to January 2001. From January 2001 till now the country has been ruled by the New Patriotic Party under the leadership of His Excellency President John Agyekum Kuffour.

The frequent changes in regimes between 1939 and 2001 have not only brought about new decisions and terms in the industrial relations system of Ghana but also have politically and coercively altered the terms and mechanism of the relationship between the workers/unions, the employers and the government. The relationship has not been stable in fact or in the belief of those involved. It has affected the smooth running of the economy. The changes have also led to uncoordinated governments’ programmes, job creation, inflation, low productivity, low incomes and demand for higher wages, unemployment and insecurity which in turn have seriously affected the industrial relations of the country (Brescia Giorgio, 2005). Various Governments have sometimes
found unacceptable the demands and strikes of workers and unions for increased wages. Also, the effects of these changes have often had a disadvantageous impact on the distribution of resources to workers in terms of real wages, benefits and income, working conditions and the participation in decision by union representatives in general government administration.

Apart from the frequent changes in governments, other socio-economic influences also created a fundamentally new context within which industrial relations operated in Ghana. The recent democratisation of governance has opened way for a majority of workers to have a significant voice in government. Consequently, political pressures are being exerted by workers on governments directly and via their unions to ensure that governments follow a more labour friendly policy. At the same time, employers maintain a strong lobby for policy to accommodate their interests. The formation of Ghana Chamber of Commerce, for example, is to accommodate the divergent interest groups.

In addition, international pressures of technological development and the need to attract foreign investment have also placed their own demands on government policy. Internal socio-economic factors, such as high population growth, high unemployment and unequal distribution of wealth are pressing factors demanding government attention.

In responding to all these needs and pressures, government policy plays a major role in influencing economic growth, unemployment levels, inflation rates and productivity. The implementation of policies which relates to the development of infrastructure, education, training, housing and health is also a critical factor that impinges on industrial relations.

All these economic and political influences and programmes in turn impact on the needs, goals, expectations and power of employers, employees and unions. The parties then exercise their choices of industrial relations processes. The outcomes of industrial relations processes such as wage agreements, then feed back into the system and have
had profound implications for productivity, technological development, economic growth and unemployment.

The definition of conflict in industrial relations, as we have already known, varies from country to country and from literature to literature. In all the definitions, the important thing should be that conflict must not be regarded as accidental in nature, but rather as a social phenomenon which manifests in the human behavioural process and should be recognised and understood as such. However, what has been common in these definitions is their limitation of conflict between an employer and his employees or their union. Furthermore, the subject matter of industrial conflict is usually limited to those matters which could be regulated jointly by the employer and his employees. For example, industrial conflict has been defined as “a continued disagreement between employers and employees or their unions as regards any matter of common interest, any work-related factor affecting their relationship or any processes and the structures established to maintain such relationship” (Bendix, 1996: 479). Thus conflict may arise from failure to agree to the establishment of a relationship, disagreement regarding procedures to be adopted, failure to agree on terms and conditions of employment, failure to abide by the terms of an agreement, negation of the rights of either side, poor treatment of one party by the other, or any other action or occurrence which would negatively influence the relationship.

It could, however, be said that the poor industrial conditions and the resultant conflict in Ghana before 1939 were completely different from the above. For example, apart from the workers’ sole motive of working to get some wages, there was no established agreement between the employer and the employee. Even some people were forced by their traditional leaders to work for the employers (Obeng-Fosu, 2001: 4). There were, also no terms of an agreement apart from being asked to do some unattractive, dangerous and tedious uncreative routine manual job.

Again, nothing could be said of rights or interests of workers in the colonial days which must coincide with those of the employers. Bad working conditions coupled with poor
treatment of workers by their employers was the order of the day in the relationship (Newl, 2002). The relationship was basically characterised by a culture of domination and tyranny which was only slightly better than serfdom. In fact, it was nothing short of what Karl Marx describes as “the sale of labour for subsistence wage to create surplus value which resulted negatively in the alienation and reduction of the exploited worker to the level of appendage of a machine and stifling them of any creativity” (Bottonmore ed., 1963; Marx & Engel 1967, translation of 1888 edn.; Polanyi 1944 especially chapters 5,6,19 and 21).

The Gold Coast colonial administration had a deeply entrenched set of beliefs and practices regarding African labour which rested on several premises which are similar but managed or administered differently from the most known sources of conflict. The beliefs and practices included the need to ensure political control over African labour. This motive was made to work through the use of tactics like: “the increasingly explicit ‘indirect rule’ through the traditional chiefs; appointed personnel whose authority was anxiously safeguarded and reinforced against new groups; and a culture of domination to reinforce political rule and bolster relatively low capabilities for coercion” (Hymer, 1971: 135). This culture was reflected in British-contrived sets of values and relationships: ruler and ruled, employer and employed, a white progressive civilisation versus backward tribes with a preference for leisure.

These tactics employed by the colonial government and the colonial managers of organisations in the Gold Coast was nothing short of the unitary view of work organisations. For example, they wanted each employee to identify unreservedly with the aims of their enterprise (ensuring political control in Africa) and with their methods of operating (indirect rule, the ruler and the ruled, culture of domination and a white progressive civilisation versus backward tribes). By this, they expected because they were supplying the financial capital to the enterprise there should be no conflict of interests on the part of those who were contributing their labour and job skills. They expected employees to remain loyal to the organisation and its management in deference even to problems they were facing as subordinates (Damachi, et al. ed., 1979:
There was therefore on the part of management, at minimum, a paternalistic approach towards subordinate employees or, at the extreme, a more authoritarian one together with that communication structure that could only keep employees informed of managerial decisions.

Another source of industrial conflict before 1938 stemmed from what Jon Kraus termed as “the task from above” (Damachi, *et al* ed. 1979: 107). There was the general expectation of colonial administration to prompt and oversee increased economic activity in their colonies in Africa including Ghana. This was to ensure adequate revenue to pay for colonial expenses and to fulfil Britain’s needs for raw materials markets (Barratt Brown, 1974). By this order, the British were eager to draw Africans into the new market economy and the international capitalist political economy which Britain dominated (Wolf, 1967). The intention was to draw distant peoples into new modes of production, drastically transform the social relations of production between men, and increase incredibly the levels of production within the structured confines of a system which distributed it in grossly inequitable ways (a perspective shared by both many liberals, Keynesians, Marxists and neo-Marxists. See Poanyi, 1975 & Hobsbawm, 1968). However, the colonial workers’ goals and aspirations which drove them to seek for jobs were different from those of the colonial masters’ objectives for establishing organisations. Some of these workers were migrant labour from the Northern Territories (NTs) (Szereszewski, 1965) who had no idea or did not care about anything apart from their main reason of working for money and not be in any international competition with anybody as the colonial masters’ agenda was. The differences in goals and the lack of transparency in administration resulting from lack of internal communication and workplace democracy created serious tension, misunderstanding and hostility among the employees and their employers (Hymer, 1971: 135).

The desire to increase economic activity in order to ensure adequate revenue to pay for colonial expenses in the face of low productivity also accounted for conflict in the colonial workplace. Meanwhile the demand for wage increase by workers was met with
contempt and hostile reaction by the employers who saw it as cost and extravagant (Damachi, et al. 1979: 118). The reaction was due to the fact that they had higher or important obligation of meeting the target set by their bosses in Britain. One other reason for the refusal in meeting the wage demand of the Gold Coast workers was the negative perception of the colonial administrators that African people did not really want to work and were lazy (Roger, 1906-1927: 84), and that increased wages would not attract more labour but less, since it was believed with only partial justice that African were target workers, that once they had earned for what they wanted they quit (Berg, 1961).

Conflict also stemmed from the use of unfriendly laws to get people to work for the colonial managers. For example, conflict situation worsened after 1895 when the major problem in promoting economic activity was the continuous shortage of unskilled labour. Workers were needed to meet the increasing and simultaneous demands of railway and road construction, porterage, mines and on cocoa farms. Previous treatment meted out to workers caused massive turnover so chiefs were required to organise their people to work. This was later enforced by the 1895 Compulsory Labour Ordinance. The Ordinance made it mandatory for chiefs to provide workers when the Government demanded (Kimble, 1963: 466). This Ordinance carried with it harsh penal sanctions. It was finally stopped because of the high death rate in some of the workplaces especially in the mines (Simpson, 1925-26).

Also, whereas work organisation was viewed by the colonial masters as unitary in their structure and in purposes, as having a single source of authority and a set of participants motivated by common goals, the colonial workers saw it differently. The workers saw themselves as people who were not respected and were being used as forced labourers recruited by colonial officers through reluctant chiefs (Roger, 1906-1927: 82-86, 99; Simpson, 1925-26).

Another common source of conflict, but latent in nature, in the colonial workplaces emanated from the appalling working and living conditions to which Africans were
routinely subjected. In ‘the Preliminary Report on Investigation Regarding the High Death-Rate of Mines Labourers’, Sessional Paper IV, 1925-26; Murray and Crocket, Medical Department, Gold Coast, Report on Silicosis and Tuberculosis among Mine-Workers in the Gold Coast (1946) and Kofi Busia’s (who later became the President of Ghana in the Second Republic of Ghana) Report on a Social Survey of Sekondi-Takoradi, 1950: 5-14, are records of high death rate of Gold Coast colonial workers. This happened because of what Kimble thought had to do with the traditional unitary view of employer-employee relations during the period which was at best paternalistic (Kimble, 1966: 103, 93-105). Related to working and living conditions as a source of industrial conflict in the Gold Coast was the exclusion of Africans from the colonial senior service after 1900, and the failure to pursue Governor Guggisberg’s 1921 plan for advancing Africans into the senior service (Kimble 1963: 105-124). This lack of recognition of the African prowess, capability and integrity necessary for self-actualisation and development also led to a type of conflict situation (Roger 1973: 93).

The position and resources of African workers during the colonial era afforded them meagre opportunities for articulating or ventilating their grievances. A government official, Dickerson, who was also the Chief Inspector of Labour in the Gold Coast noted in his Preliminary Report on Labour Conditions in 1938 that “the unskilled worker is illiterate and has no one who can represent him or call attention to any injustice from which he may be suffering…. The labourers have no leaders of their own otherwise they would protest…. The wage… is now on the level of 1914” (Dickerson 1938-39: 16). This seemingly lack of leadership to represent the workers in negotiations and to ventilate their grievances consigned the workers to a lifetime of servitude and poverty only waiting on their God to send a surrogate to explode the bubble of conflict which had already ballooned to a disproportionate dimension.

The above outlined bitterness by Dickerson generated a series of labour unrest and strike threats especially in the inflationary years of 1919-1921. Instead of finding an amicable solution to it, the government became provoked and passed a ‘Regulation of Employment Ordinance’ with a broad provision against the strike agitator and another making desertion from work (breach of unwritten contract) a penal offence (Gold Coast Legislative Council ‘Report of a Select Committee of the Legislative Council to

The workers who could no longer bear the frustrations of the colonial administrators and wanted to quit their job in protest could be prosecuted under the Masters and Servants Ordinance (Dickerson, 1938-39: 16). Under the Ordinance, employers could fine workers a day’s wages or more for minor breaches of discipline, ‘a system which works very well and which is seldom abused’ and cheerfully observed by the Chief Inspectors of Labour in 1938 (Roper, 1958: 52).

The differences in the condition of work and remunerations between government and private employers also created conflict situation. For example, Public Works Department (PWD) employees in 1919 protested against delays in payment of salary and found the Government responsive (Roper, 1958: 52-53) but similar actions by the private workers against the provisions in the Master and Servants Ordinance and Regulation of Employment Ordinance were termed strike agitation and as making an attempt to breach an unwritten contract and so attracted a penal offence (Gold Coast Legislative Council ‘Report of a Select Committee of the Legislative Council to Consider the Provisions of the Regulation of Employment Bill’, Sessional Paper II, 1920-21: 4).

In order to be better represented in meetings between self-assertive and co-operative styles with a view to find common ground for mutual acceptance, the colonial workers decided to constitute themselves into unions. The fierce resistance by the colonial masters further worsened the conflict situation in the already tense workplace. The masters saw it as promoting factionalism within the enterprise, or in a part of it (Roper, 1958: 52). To the masters, it was an illegitimate intrusion into the ‘unified’ and ‘co-operative structure’ of the workplace since Native Authority Courts with jurisdictions
and mandate from the colonial authorities were empowered to oversee problems and confusions at workplaces (Report on Labour Department, 1938-39: 16). In order to discourage and abolish the idea, striking members of the then newly formed Artisans’ and Labourers’ Union in Accra in 1921 were fined heavily at Native Authority Court (Roper, 1958: 52-53). This frustration led mine strikes after 1922 to be mysteriously “leaderless” since agitators were fired (Roper, 1958: 52-53).

Conflicts triggered off when workers heard that suggestions from London in 1930 that trade unions be legally recognised were fought against by the local administrators and so delayed the implementation for years (Kraus, 1979: 109). It was through a series of strikes, threats of strikes and with the help of outside pressures on their masters that the colonial workers managed to form unions. The earliest organisations of workers were composed of skilled artisans (goldsmiths, carpenters, masons), called guilds, and observed by the 1911 Census Officer to be ‘not dissimilar in objects and methods to a modern trade union’. Their professed aims were ‘to regulate wages, to make laws concerning apprentices, to guard against unfair competition, and to settle disputes’ (Report on the Census 1911: 35). They were registered with the Native Authority.

Unionisation met hostile resistance from the masters even to the extent that they ignored the Colonial Office decrees in 1938 to the effect that labour department, union legislation, and industrial disputes procedures should be established. However, after the creation of the Labour Department in 1938, the intentions expressed by the Labour Department and the Legislation which was less to help the trade unions than to control them to ensure their ‘proper’ and non-political development further exacerbated the conflict (Labour Condition, Report on the Labour Department 1938-39: 12). For example, the Trade Union Ordinance (1941) that permitted the organisation of trade unions required that they register with and submit annual financial reports to the Registrar of Trade Unions and also compelled union registration with the provincial assemblies of chiefs ‘so that there should be no danger now of subversive organisations being established (Report on the Labour Department 1940-41: 5).
In 1941-45, the Government put forward a series of Ordinances and Orders which created dispute procedures designed primarily to render strikes illegitimate. The Conspiracy and Protection of Property Ordinance (1941) provided that strikes by government employees in essential services were illegal and a criminal offence and declared all strikes or lockouts illegal if they were not in furtherance of trade dispute (e.g. political strikes) or were designed to coerce government (Ghana Information Matters, 1962: 6, 12 and Reports on Labour Department, 1941-42, 1942-43). Even though this displeased the workers there could not be any manifest conflict since strikes by government employees could be readily deemed coercive. Penalties and colonial powers deterred them.

Apart from the general conduct of the colonial masters which promoted conflict in the colonial days, the rise in prices during the First World War later became a prominent reason for strikes since workers spontaneously began to act collectively for increase in wages against the rise in prices. There are records of several dozen of such strikes between 1918 and 1939. Even though the Government responded by providing ‘war bonus’ to civil servants clerks they still protested and threatened to ‘clog the wheels of the administrative machinery’ (Roper, 1958: 53; Kimble, 1963: 102-3).

The granting of permission for the establishment of trade unionism and the consequent creation of the Labour Department which coincided with the recession after World War brought about frequent and divers demands by workers which included salary increases. These further tensed up the already unstable work environment in the Gold Coast. For example, there was a strike among railway men in Sekondi in 1918 for salary increase. Also the Railway artisans in 1919 demanded that their jobs be made pensionable, while other railway workers wanted uniforms provided and more rice (Roper, 1958: 53).
According to Jon Kraus, just after the Railway African Workers’ Union was formed in 1934, it made a number of requests of the railway administration including restoration of the 1929 rates of pay and time-and-a-half for overtime. After waiting till May 1939 and hearing nothing, they went on strike (Kraus, 1979: 112). All the railway workers struck and ‘succeeded in disturbing labour everywhere’, noted the Labour Department. ‘There were naturally repercussions in other Government departments’, which led to a great flow of petitions for increased wages and benefits (Report on the Labour Department 1939-40: 4). Even though the railway union’s week-long strike was successful in regaining high wage rates in 1929, the government arrested the union leaders briefly and dismissed them from their jobs permanently. This generated further conflict which resulted in six other strikes (Kraus, 1979: 112).

In “Labour Relations in the Gold Coast” with ‘Special Reference to the Ariston Strike (Part II)’, Miranda Greenstreet asserts that a number of strikes and protests took place in the gold mines during the inter-war period in the Gold Coast, including the a serious one in the 1930, however, repressive measures prevented the sustenance of any organisation since ‘agitators’ were quickly fired. Unions and associations could during the inter-war years therefore exist only intermittently; a feature which also generated tension among workers and their unions (Greenstreet, 1972: 30-40).

Some three distinct and contradictory roles mandated to the new Labour Department, which significantly undercut the support which it provided to the new unions, became a serious source of conflict. First, the Labour Department was the major labour adviser to the Government which was also the largest employer. It was as such, supposed to report on the unions’ ‘conduct and tendencies’, socialise and coerce union leaders to stay clear of politics, attempt to prevent strikes and other labour protests from occurring and help end them quickly, and, lastly, give no encouragement to demands on the Government for higher wages and benefits (Ukandi, et al. 1979: 114-116). Also, the Police Special Branch was established to assist build up informers within the unions in order to keep the Government well aware of union activities, especially those concerning the
meetings on strike plans (Ukandi, et al 1979: 114). These divide-and-rule tactics was immediately detected as diabolical on the part of Government which was met with strike resistance by the union members.

The second role which the Labour Department played was as a neutral organisation conducting enquiries on labour conditions. Their area of operation included mines and factory inspections, enforcing labour laws and suggesting new ones, and performing mediation and conciliation in labour disputes between employers and employees. The “neutral and law-enforcing” role was met with great hostility by the private employers who, during disputes management, would connive with some of the already aggrieved unions to keep labour Department Officials off the mines or restrict their movements to consulting management only (Reported by the Labour Department Officer who tried to visit the Ashanti Goldfields mine during a strike in Nov.-Dec. 1945 (Ghana Department of Labour file DC5449).

The Labour Department attracted employer hostility because of its third role, which was to assist and encourage the development of ‘responsible’ trade unions. The major agent in such assistance was the British trade unionist seconded to the Department; the most important was I.G. Jones, a secretary of the South Wales Miners’ Federation. Given employer hostility, the Department’s control orientations and animus against politically-conscious activity by unions, and the suspicions of many trade union leaders regarding Labour Department activities, it is not clear how much assistance Jones and the Department were able to render. Jones succeeded in creating wage boards which could set minimum wages in sectors without bargaining power. Again, he emphasised on voluntary collective bargaining between employers and employees (Report on the Labour Department 1949-50: 8), which was admirable in principle, but was disingenuous in practice since employers were not interested and so it was aborted until after independence when collective agreements were negotiated.
Apart from the above sources of conflict, the political consciousness, and the desire to be politically independent by many union leaders and the rank and file workers, coupled with the support for the nationalist Convention Peoples’ Party, caused the Department to denunciate politically supportive activity and subjected militant union leaders to profound suspicion. It considered as one of the less desirable developments the agitation by unions against the criminal charges brought against a union leader in 1948 for writing a political flyer threatening a strike on behalf of imprisoned nationalists and the detention of these political leaders (Kraus, 1979: 115-116).

The massive support for the general strike for political independence which was staged by the CPP in 1950 strongly contributed to a deep cleavage in the union movement in the 1950s. A lot of the union leaders were dismissed while some were imprisoned for supporting CPP. After the strike, the Labour Officers though advised the unions a great deal, they tended to be preoccupied with union fulfilment of legal regulations, especially filing financial accounts. The union leaders found the policing exercise of the Labour Officers very unpleasant which often brought confrontations.

There is a vast degree of differences between the trends of strikes in the colonial era and after independence. The former was unorganised whereas the latter had a more organised conflict which is sometimes led by organised unions. Most industrial conflicts were staged in the colonial period with no trade union involvement.

It is of great analytical importance, therefore to distinguish between organised and unorganised conflict in Ghana (though occasionally difficult to draw in practice). While both types of activity represent workers’ response to a work situation which causes dissatisfaction or deprivation, the nature and implications of this response differ markedly. That is, in unorganised conflict, which was the characteristic of the Gold Coast conflict, the worker typical response to the oppressive situation open to him as an individual was either to withdraw from the source of discontent, or, in the case of certain forms of individual sabotage or indiscipline, by reacting against the immediate
manifestation of his oppression. Such reaction rarely derives from any calculative strategy.

Organised conflict, as seen in independent Ghana, is far more likely to form part of a number of a conscious strategy to change the situation which is identified as the sources of discontent. The different levels of rationality displayed in these two types of responses had been as a result of the legitimacy in the institutionalisation of conflict in which they have achieved within the workplace of the contemporary Ghana. In fact, this relatively pacific role of modern unions is also often attributable to the legitimacy which they achieved. Industrial conflict in Ghana, as Lipset would say, ‘has become less violent because its existence has been accepted and its manifestations have been socially regulated….By collective bargaining the frozen fronts of industrial conflict are thawed’ (1959: 257, 260).

The right to strike in Ghana has never been absolute or unconditional since the exercise of the right can conflict with the interests of the larger society, especially where essential services are affected. Also because strike could lead to the collapse and bankruptcy of the employer with a resultant loss of job opportunities and devastating consequences on the local community, governments of Ghana have had great concern in strike.

The constitution of Ghana places limitations on the right to strike, for example, in essential services, during period of application of any agreements, and during a specific period when conciliation is still underway. Until the Ghana’s Industrial Relations Act of 1965, employees only enjoyed the freedom to strike but not the right to strike. This past situation implied that employees, who embarked on a strike, even if it was a legal strike, were not protected from dismissal as in effect they were in breach of their employment contracts under common law. As with other rights, every employee has the right to strike on a matter of mutual interest.
In the Industrial Relations Act of 1965 strikes are permissible only when the Minister of Labour has failed to refer a dispute to arbitration four weeks after notice had been served on him. By either party to the dispute stating their disagreement and objection to dispute being referred to and determined by arbitration or that unless the other party consents to arbitration and the minister within four weeks of the service of the notice directs reference of the dispute to the arbitration, they intend to declare a strike or a lock-out, as the case may be, in furtherance of the dispute.

At the end of the four weeks of the notice, a union or employer may legally declare a strike or lock-out, as the case may be, unless before the end of the period the dispute has been referred to arbitration. In any case, there has been no occasion when the minister has failed to refer a dispute to arbitration. In most cases, strike actions recorded by the Labour Department over the years were taken when the laid down procedures had not been exhausted.

As already indicated, the right to strike in Ghana is limited in the case of essential services and maintenance services. These essential services include a service the interruption of which endangers the life, personal safety or health of the whole or part of the population, the Parliamentary Services and the Ghana Police Services. A maintenance service on the other hand is a service where the interruption of which has the effect of material physical destruction to any working are, plant or machinery.

Strikers in Ghana make use of various ranges of tactics in their industrial dispute situations. Most procedural strike actions in Ghana are conducted first by a ballot of union members to ensure a proper democratic decision-making. This is usually followed by picketing where the strikers stand at entrance to workplaces with various banners and placards to indicate their reasons for being there. This usually done to solicit support and maintenance of a strike by publicizing the strike, persuading non-strikers who have to pass the picket line to join the strike, and to deter scabs from operating at the plant. The strikers holding placard and banners may later with songs march and submit their written petition or grievances to the minister in charge of labour.
Most of the strikes in Ghana are wildcats. They occur at the plant levels when workers embark on sudden unauthorised stoppages of work with little or no perceived warning to management. Sit-in-strikes are also common. In these strikes, usually a large group of employees meets either in a central place or “sit-in” at their work locations, refusing to work and demanding to discuss their grievances with their managements.

Other types of strikes tactics that Ghanaian strikers normally employ to express their actions to management or employers and sometimes to Minister of Labour have included sympathy strikes, solidarity strikes, intermittent strikes, strategic strikes and many other forms of pressure tactics they may see as plausible to use to express their views and actions.

Patterns of strikes actions in Ghana, before and after independence, show that most of the strikes occur at the plant level of establishments when the normal procedures for disputes settlement have not been exhausted, and at times, without the knowledge of union General Secretaries. Normally, when there is a strike action, officials of the Labour Department intervene with the help of union officials and urge the strikers to return to work while they arrange for settlement of the dispute. The officials listen to complaints of the workers and management and then assist the disputants to resolve their differences and end the hostilities.

The study of strike trends in Ghana is not an attempt to explain in full the strike behaviour observed in the country to date. A strike is a social phenomenon of enormous complexity which in its totality is never susceptible to complete description, let alone complete explanation. Hyman (1989: 27) emphasised that strike statistics are an imperfect measure of work stoppage, and that work stoppages themselves are only very partial indication of industrial conflict, let alone the general climate of industrial relations in a country. With these qualifications, however, it is hoped that this analysis of Ghana strike statistics will provide a useful guide to understanding the trends in industrial action - specifically strikes - from the beginning of this century to date.
Strike and other forms of industrial actions has been an inherent feature of Ghanaian society similar to any other society where workers have to sell their labour. The accuracy and reliability of strike data in Ghana has been challenged. They are often unrecorded by history.

The period between 1939 and 1956 saw a vast increase in number, a broadening range of causes, union leading or organising the strikes and an increase in public sector strikes. The number of strikes, strikers, and man-days lost increased greatly from 1939-45 and 1948-56 (see Table 5.1 in Appendix 2). Virtually all strikes during 1939-45 were caused by demands for wage increases or salary related matters, which were triggered by the war time inflation. Apart from the 1950 general strike, inflation-fuelled demands for increased wages and benefits continued to be the most important cause of strikes in 1948-50 (37), but there were other causes as well: dismissals (13); non-payment of wages (9); service conditions (7); and wage reductions (4). Strikes in 1955-56 showed this same broad-range of causes.

In the years 1939-44, the only central government workers who went on strike were railway men (1939, 1941). Most strikes were in the private sector, especially in the mines and a few among local government’s workers. In 1948-50 (excluding the huge general strike), sixty of eighty-one strikes were in the private sector, sixteen in local or municipal government units, and five in central government departments. Most central government workers were forbidden by law and regulations to strike. However, by 1956 the number of government workers strikes had increased to eleven out of the twenty-five total (Data derived from Reports on the Labour Department 1938-39, 1943-44, 1948-49, 1949-50, and 1955-56).

The industrial conflicts between 1939 and 1956 have several distinctive characteristics: a greater number of worker participation in strikes, a broadening and complex range of causes, unions leading or organising the strikes, and an increase in public sector strikes. The number of strikes, strikers, and man-days lost increased greatly during 1939-45 and 1948-56 (see Table 5.1 in the Appendix 2). The figures provided by the Department of
Labour were considered appropriate for indicating particulars of strikes, trends in strike, men involved, man-days lost from 1944 to 2003, are given in Table 5.1 in the Appendix 2.

Almost all the strikes between 1939 and 1945 were caused by demands for wage increases i.e. cost of living increases as a result of war-time inflation. Apart from the 1950 general strike which was politically motivated, demands for increased wage resulting from inflation and demand for other benefits continued to be the most important cause of strikes in 1948-50 (37). The known causes are dismissals (13); non-payment of wages (9); service conditions (7); and wage reductions (4). Strikes in 1955-56 and even some of the periods after independence have shown this broad range of causes.

There has been a broad spectrum of causes of conflict in industrial relations in Ghana since independence on 6 March 1957. Some of the sources are different from those that persisted during the time of the Colonial Masters while some are similar but with different dimensions in the ways they were approached or handled.

Again, the causes of industrial conflict in these two separate but continuous eras possess intrinsically memorable features which would indeed not easily render themselves to be generally forgotten in the industrial relations history of Ghana. For example, if industrial conflict, as we have already seen (and we are about to see), has shown resistance to permanent domestication, the presumption must be that there exist powerful underlying causes. To diagnose these causes necessitates an interpretation of the basic structural realities of our society. Such an analysis is inevitably controversial; but it is essential if any explanation is to be given of the continuing prevalence of the conflict and related activities in modern society.

In independent Ghana, strikes have been more pronounced during civilian rule than during military. Obeng-Fosu attributes this to the fact that workers tend to fear possible
martial action against them during military regimes and consequently, tend to co-
operate more with them than with the civilian administration (1999: 88). This assertion
is, however, very debatable. Available records show that various military governments
have always tried to win the sympathy and support of the workers and the unions and
so try to be accommodating enough to their demands and concerns whereas democratic
governments because of the belief that they have the mandate of the people to rule use
repressive force of the police and coercive powers back by rule of law and the judiciary
to elicit the support of the workers and unions.

The period of parliamentary democracy (1957-60) saw few strikes. One reason was that
strikes were prohibited in the public sector. A second reason was that the TUC and the
CPP Government regarded themselves as partners in development.

Twenty-five (25) unlawful strikes took place after the enactment of the Industrial
Relations Act of 1958. Most of these were of short duration and were directed against
the private sector employers. The strikes, during the period were of different nature
from those of the colonial period which were mainly unplanned and long. The TUC
which organized most of the strikes were financially solvent owing to the institution of
the check-off system under the 1958 Act. Further more, the unions now had a united
front as a result of the centralised new structure: most of all they had both the financial
and the moral backing of the government.

The co-operation between the TUC and the CPP Government had deteriorated by the
one-party period but there still remained a considerable degree of industrial peace. This
was probably due either to tight government control of the unions or to the provision of
machinery for the settlement of grievances in the 1967 Act. The Industrial Relations
Act of 1967 also provided for compulsory collective bargaining in the private sector.
Indeed, seven strikes were reported during the period. The significance of these strikes
was that they took place in government enterprises instead of the foreign-owned
businesses, where they had previously taken place during the period after
independence.
Open conflict did not exist between the TUC and the National Liberation Council (NLC) regime (1966-69). There were, however, more unauthorised strikes in this phase than in any of the others. The number of illegal strikes increased from 7 in the Nkrumah’s era to 147 in the NLC era.

The nature of the strikes was somewhat different from those that had occurred during the colonial era and the Nkrumah regime. During the colonial era, workers’ protests were mere skirmishes, with no substantial results. During the Nkrumah regime, even though strikes became better organised, the strikers were alone in their fight for wage increases and better conditions of work; indeed they lacked popular support from the masses. But during the NLC era, the strikers were no longer alone in their fight to improve wages and working conditions. The TUC had persistently represented the interests of the masses as their general during the heydays of Nkrumah’s totalitarian policies, and had come to be regarded by the masses as their representative. As a result, union members on strikes looked themselves as crusaders, fighting on behalf not only of themselves but also of the masses. Strikes, therefore, became better organised, more prolonged, and more violent, as witnessed by the Obuasi gold mines strike of 1969 (Damachi, 1958 to 1964: chapter 4).

The numerous strikes during the Busia regime (1970-72), the next government after the NLC, were due to agitation for higher wages and better conditions of work. The distrust of the government by the TUC introduced new causes of strikes. For example, the unions began to make demands for a new procedure for settling grievances that would adequately represent the rising aspirations of their members for labour participation in management, and for the equitable distribution of rewards (TUC Newsletter 1976: 1). There were 196 strikes during the period involving 93,134 workers and 390,693 man-days lost. Strikes started increasing from 51 with 28,369 workers in 1969 to 56 in 1970 until it reached 79 with 41,053 workers.
In 1972, the first year of the NRC Government which overthrew the Busia regime, there were only 8 strikes compared with 79 in 1971, when the Busia regime was still in power. Even though these mutual accommodating relations persisted, the number of strikes began to increase during the NRC era. In 1973 there were 13 strikes resulting in the loss of 3,109 man-days; in 1974 there were 43 strikes, of which 40 were directly related to wages claims. About 31,510 workers were involved and 15,661 man-days were lost (Ghana Strike Statistics 1975). The increase in strikes in the 1973/74 was due to the increase in wages and salaries that the NRC government gave the public sector without urging the private employers to adjust their wages and salaries accordingly but instead left it to the employers to negotiate with their employees through collective bargaining. But by 1975 both employers and unions were able to negotiate new rates and there was a sharp fall in the number of strikes. There were only nine illegal strikes in 1975 and all were directly related to wage claims. The total numbers of workers involved also fell from 31,510 in 1974 to 4,329, with 12,329 man-days lost, compared with 15,661 in 1974 (Ghana Strike Statistics 1975).

The governments after the Busia continued to experience many strikes after reaching 79 in 1971, with a slump to 13 during the NRC/SMC Military rule in 1973. The high trend in strikes started again, recording 43 strikes and involving 3,917 workers until finally a record of 69 strikes was hit during the civilian rule led by the Peoples National party with 50,736 strikers of 292,679 man-days lost in 1981.

The military rule of the Provisional National Defence Council (PNDC) which followed from 1982 to 1992 did not experience enough strike actions like its preceding regimes. In the almost 10-year period only 192 strikes involving 69,941 workers with 188,143 man-days lost was recorded as compared to the PNP regime of only 2 years when as many as 174 strikes made up of 167,694 workers with 732,815 man-days lost had occurred. It could even be argued that the 1983 record of 16 strikes with 36,957 man-days lost was a spill-over from the civilian government of the PNP and in 1992, the last year of the PNDC’s highest record of 24 strikes during its period of rule was politically
motivated because the military government had transformed itself into a political party to contest the parliamentary and presidential elections scheduled for the following year.

The civilian government of the National Democratic Congress (NDC) which succeeded PNDC from January 1993 to January 2001 had the worse form of strikes with man-days lost sometimes exceeding one million. In 1999, 42 strikes of 124,719 workers making 1,172,341 man-days lost were recorded. This is the greatest man-day lost ever recorded in the industrial relations history of both the Gold Coast and Ghana. Strikes were both high in the private and the public sectors. The government sectors, however, had greater numbers of strikes, strikers and man-day lost. In September 1995 alone over 4,000 workers of Ghana National Trading Corporation went on strike for 20 days. 30,000 Ghana Registered Nurses Association also went on strike for 14 days starting from 7 April 1999, on the same day 50,000 workers of the Ghana National Association of Teachers also embarked on strike which lasted for 6 days.

It is interesting to know that most the strikes recorded on Table 6.1 were as a result of wage/salary related problems. Those from the 1988 to 1999 were triggered by the then governments’ policies engineered by the Bretton Woods Institutes of World Bank and the International Monetary Fund. These periods saw the implementations of Economic Recovery and Structural Adjustment Programmes on several measures like retrenchment, downsizing, restructuring, privatisation, removal of subsidies of goods and services, divestiture and several other austerity measures which were seen by unions and the working population as inhuman and inimical to successful living.

It would again not be wrong if it is assumed that some of the 1998 and 1999 strikes were politically managed to make the PNDC/NDC governments which had been in power for almost eighteen years unpopular before the electorate in the 2000 general elections which the party miserably lost to the coalition opposition parties.

In considering the causes of conflict in industrial relations in Ghana, some personally identifiable factors that have not been highlighted much in most industrial conflict
Generally and unquestionably, the most important point to be emphasised as a cause of industrial conflict in Ghana is the lack of fairness in income distribution in the country. This has been a fundamental issue in the political and socio-economic development of Ghana especially after independence.

The Ghanaian worker is an employee. The value of the products of the industry that he works to produce, after all other costs of production are allowed for, is divided between wage- and salary- earner and the owners of capital. What is income for the employee is a cost for the employer, which the latter will naturally seek to minimise. Thus, how the proceeds of industry are divided between employers and workers will depend primarily on power relationship between the two sides. This has been a persistent source of conflict before and after the independence. The balance is constantly disturbed by changes in the cost of living, cost of other factors of production, and the value of output. As Allen puts it, ‘the conflict over distribution exists over every additional increment of revenue; for if productivity increases there is no law or custom which will guarantee that its proceeds will be shared out in a pre-determined manner’ (1966: 113).

Also, industrial conflict in the Gold Coast/Ghana has centred on the very fact that the real value of the workers’ wage has always been reduced by inflation (Ukandi, et al. 1979: 116; Mackay & Sowa 2004; Sowa, 1996). Prosperity offers little ground for industrial protest over economic issues. When there was economic stability in the Gold Coast in the 1922-29 periods, the worker or trade unionism was more or less inactive (Obeng-Fosu, 1999: 5). The number of industrial disputes and union organising increased significantly during 1939-41 with the depression as prices fell dramatically in the war years of 1939-45 (Labour Conditions Report on Labour Department 1948-39: 12).
The role that inflation and the consequent demand for wage increases have played on the general economy of the Gold Coast/Ghana is significant. Inflation and low wages are among the reasons which raised the consciousness for political movements and nationalism in Ghana from 1945-1957 to fight for self rule from the Colonial Masters (http://www.ghanaweb.com/GhanaHomePage/history/). The intelligentsias of the country, supported by some revolutionary chiefs who enlisted the assistance of workers, were of the belief that mismanagement of the economy by the Colonial Masters had been the main reason for inflation and low wages. They were of the view that considering their educational background, expertise and experience they would be better managers of their own affairs or destinies (http://www.ghanaweb.com/GhanaHomePage/history/) than what was then prevailing.

Again, high inflation and the demand for increases in wages in the period after parliamentary democracy (1957-1960) deteriorated the cordial relationship between Nkrumah’s government and the workers union which helped Nkrumah in his struggle for Ghana’s independence (Ghana Employers Association, Extracts of Collective Agreements 1964: Accra). The series 258 strikes involving 79,212 workers fronted by trade unions between 1957 and 1966 were for improvement in wages and working conditions of union members. Most of the strikes and workplace actions that time were particularly aimed directly at foreign employers because the Industrial Relations Act of 1958, which legalised trade unionism and collective bargaining, strictly abhorred strikes by workers in the public employment (Ghana Employers Association, Extracts of Collective Agreements 1964; Ewusi, 1971: 43; Bartimeus, 1963: 48-54).

It was in an attempt to curb inflation and high wage demands by unions that Nkrumah’s Government decided to crack down on labour (in a way reminiscent of the actions of colonial governments between 1895 and 1930) which further aggravated the conflict and called for the Police Special Branch who terrorised the union members and to report on their day to day activities (Damach, 1973: 57)
Inflation and its concomitant demand for higher wages in Ghana did not spare the Military-Police National Liberation Council (NLC) that came to power through coup d’état in February 1966. The NLC leaders preferred a strong TUC to keep down strikes, wanted industrial peace and higher worker productivity during the period of the ‘reconstruction’ (Damachi, 1979: 137).

However, inflation and demand for higher wages pushed the NLC to introduce fines and imprisonment for all strikes (Ghana, National Liberation Decrees 110, 134, and 189). When repeated attempts by union leaders to get the NLC to make strikes legal were in vain and the union leaders were not consulted on union legislation because the National Labour Advisory Committee did not meet during 1966 to 1967, the conflict situation because chaotic (TUC Extraordinary Congress 1966 Comprehensive Report on TUC, p. 56).

The number of strikes and strikers increased from 1966 to 1969 with the actual mandays lost (see Table 5.1 in Appendix 2). Virtually all were wildcat strikes launched at the grassroots. Local strike leaders were arrested. Some of those arrested were fined while others were prosecuted. The Railway and Harbour workers without the support of their union leaders fought back in a strike for seven days in September 1968 with some destruction of track with the police denunciation of subversion (Ghanaian Times, 9 September 1968: 1). During the period, the union leaders preached moderation but to their dismay felt NLC pressures which clearly opened a gap between these leaders and rank and file members. Nevertheless, the NLC thought that there was too much industrial unrest and did itself the disservice of comparing pre- and post-coup strike activity and drawing conclusions regarding the irresponsibility of workers and unions under the NLC (Ghanaian Times 9 September 1968: 1).

The question of wages to the lowest paid workers, a matter of social justice to the TUC, and strikes in consequences created an increasing level of hostility between the unions and the NLC and its civil service administration. By the end of 1966 the real wages of minimum wage worker had declined by 46 per cent from the 1960 high and were below
the real wage in 1939 (Ghana Report of the Commission on the Structural and Remuneration of the Public Services in Ghana 1967).

Inflation, the canker of the socio-economic life of Ghana did not spare any of the governments of Ghana. When the PNDC came to power in December 1981, the inflation rate had topped 200 percent while real GDP had declined by 3 percent per annum for seven years.

In Ghana, industrial conflict had further resulted from Governments desperate attempts of finding solutions to their economic crises which sometimes force them to devalue their currency. In 1967, the NLC government resulted to devaluation of the national currency by 30 per cent to find solution to the country’s economic problems. The exercise increased imports and living costs. Even though the NLC granted an across-the-board 5 per cent wages-salary increase to all government workers (7 per cent to the unskilled labourers), the TUC promptly criticised the lack of consultation and widening of the income gap and instead demanded 166 per cent increase in the minimum wage (West Africa, 5 August 1967: 1031). The TUC, thereafter delivered its major attack upon ‘conservative and biased economic arguments advanced by the NLC’, the widening of the income gap between the lowest and the highest paid from 1:22 to 1:39, and the ‘most inadequate and unacceptable minimum wage’. It noted that 88 per cent of the total employed labour force’s earnings were insufficient for a balanced diet (Statement issued by the Executive Board of the TUC on “The Report of the Commission on the Structure and Remuneration of the Public Services of Ghana 1969: 62-66).

The combined efforts of union leaders and the striking rank and file members made this wage gap a central public issue. Strikes escalated and union leaders were increasingly inclined to blame Government and employers. Their stiffening attitude unleashed a strike wave of significant proportions starting in 1968 (see Table 5.1 in Appendix 2). There were 48,845 men on strike in 1968, 28,469 in 1969, with 142,669 and 148,404 man-days lost respectively.
During the second republic led by Dr. Busia devaluation of the local currency by 48.6 percent in December 1971 which increased import costs by 85-100 per cent created similar conflict situation. The measure attracted the hostility of the workers who argued that they were the direct victims of the devaluation exercise. According to the then Ghana Ministry of Labour and National Employment Service, 1971, about 220,630 persons were reported unemployed—a total of about 25 per cent of the wage and salary labour force in the modern sector. Successive governments after Busia also resulted to the use of devaluation and they were all met with similar strike actions.

Later, in 1978/1979, the Supreme Military Council (SMC II) headed by General Fred Akuffo also devalued the cedi by 58 percent against the U.S. dollar. There was further reduction of the overall planned budgetary deficit from 1.5 billion Cedis to 500 million Cedis, an increase in cocoa price from 40 Cedis to 80 Cedis per load, and a demonetisation exercise to mop up excess liquidity in the economy (Hutchful, 1985). Within the period, 92 strikes involving 57,347 workers and 347,056 man-days lost were recorded (see Tables 5.1 in Appendix 2).

The use of Special Police intervention by the Governments of Ghana to challenge unions in their demands for high wages and to prevent their strikes has also been a source of labour conflict in both the Gold Coast and Ghana. This conflict management tactic was first used by the Colonial Master and it was continued by the Nkrumah and the National Liberation Council (NLC) (Kraus, 1979). The National Redemption Council (NRC), the Busia and Rawlings’ governments also continued with the use of police Special Branch to “solve” industrial disputes (Kraus, 1979; Anyemedu, 2002; Hutchful, 1997). In the case of NLC, workers retaliated with shooting. There were lockouts by government. In October 1968 almost 2000 dockworkers struck and were locked-out by the government Cargo Handling Company; in May 1968, 4500 mine workers protested against late pay and attacked police who tried to disperse their protest; in March 1969, 6680 men at Obuasi struck the richest gold mine for seven days in demands for severance pay when ownership changed hands (three workers were killed) (Ghana Report of Commission of Enquiry into Obuasi Disturbances 1969: 5);
and in June 1969, police gassed and shot at mine workers at the government-owned Tarkwa mine, leading the Secretary-General of TUC to threaten a general strike if the shooting of miners did not stop (West Africa 14 June 1969: 690).

Union leaders and the Secretary-General of TUC after independence had on several occasions tried to reduce the crescendo of strike activity if they could see sensitivity by governments and state enterprises. TUC wanted the increasingly desperate plight of low income workers to come down. Instead governments continued to have confrontations with TUC because their real incomes continued to lose value due to inflation. For example, the number of strikes in 1970-71 continued at the same high level as in 1968-69 (see Table 5.1 in Appendices) reaching well over 100,000 man-days lost in both years as against what was recorded in the Nkrumah regime. Apart from the several strikes in 1971 there was more severe union-government unrest as well as threats of strikes which according to Kraus were unrecorded (1979: 144). A rather large number of the strikes were due to demand for wages resulting from inflation and refusal of management to pay wage arrears and to sign previously agreed collective accords (Statement by the Minister of Labour, Ghanaian Times April 27, 1971: 1).

Economic challenges that have reached critical levels in Ghana need to be listed as among the sources of conflict in industrial relations in Ghana. There is a critical challenge on governments of Ghana to create the right climate for economic growth and job creation. At the same time, there is need to curb inflation and also to promote productivity enhancement. There has been a decline in economic growth since independence in 1957. Among these economic challenges in Ghana has been and are still the rising levels of unemployment in Ghana. A total of about 25 percent (totalling about 220,630 people) of the wage and salary labour force were reported unemployed between 1970 and 71 (Ghana Ministry of Labour and National Employment Service 1972).

The 2001 population estimate puts Ghana’s unemployment rate at 20.3 per cent (2004 http://www.ghanaweb.com/GhanaHomePage/economy/statistics.php) which is about
4.1 million people. This reflects the economically active population who is seeking work but is unsuccessful. Since unemployment, especially among the youth, is a serious problem and a significant contributor to economic, political and social unrest it attracts attentions of governments in Ghana. The trend today has still been the same as that of the 1970 one. After 36 years the same percentage (25%) is still being quoted as the level of youth unemployment. For example, Ghana Statistical Service reveals that unemployment data indicates that the younger age group of between 15 and 24 has an unemployment rate of 25.6%, which is twice as much as the 12.9% unemployment rate for the 25-44 age groups. It is also more that three times that of the older age group of 45-46 years. Between the sexes, data from the Ghana Statistical Service (GSS) available further indicates that unemployment is only slightly higher among women, 10.7%, than men, 10.1%. It has been proved that, in terms of locality, unemployment rates are higher in urban areas (about 13.45%) than in the rural areas (which is about 5.5%) 


The creation of backlog of unemployed youth became particularly worse when the Busia Government liquidated a large part of the public sector which had been built up under the Nkrumah regime and the return of large state farms to private owners and a similar transfer of other production property. This reduction in employment aroused the opposition of the TUC which saw it as rather going to worsen the already grave unemployment situation and to further create job insecurity.

The unemployment problem which became a major source of conflict in the industrial front of Ghana further worsened when Mr. Rawlings and his PNDC members enlisted the assistance of IMF/World Bank for socio-economic redemption. The PNDC announced a four-year programme of economic austerity and sacrifice, which was to be the first phase of an Economic Recovery Program (ERP). The programme was aimed at reducing inflation; create confidence in the nation’s ability to recover and to improve the economy significantly to be stable. There was the need for a large injection of capital, a resource that could only be obtained from international financial institutions
of the West. The policy thus proposed recommended among others: privatisation, retrenchment of workers, trade liberalisation, and so on (Anyemedu, 2002: 290). In the process an estimated 73,000 workers lost their jobs from 1987 onwards under the Civil Service Reform Programme alone. Another 100,000 workers were estimated to have been retrenched from the Ghana Cocoa Board from the mid-1980s to the early 1990s (Anyemedu, 2002: 288). The layoffs caused insecurity among workers about the future employment prospects.

Rising unemployment as a source of workplace conflict has also been commented on by Organisation for Economic Co-operation and development (OECD) countries. In 1994 unemployment in the 24 OECD countries rose to 35 million people; that is by 8.5 per cent. Unemployment was estimated as adding as much as 50 per cent to the total. In the period following the Second World War, European governments regarded two per cent unemployment as being too high (Anstey, 1994). It has been proved that the 2001 population census estimates put Ghana’s unemployment rate at 20.1 per cent which is about 4.1 million of Ghana’s 18.9 million people (http://www.ghanaweb.com/GhanaHomePage/economy/statistics.php).

The huge unemployment figure has further been created as a result of lack of job creation, slow economic growth, and collapse of indigenous industries, retrenchment and large numbers of young people entering the job market. This has many consequences for industrial relations. For example, the employee is very often the sole breadwinner for a large extended family of dependants thus leading to additional demands for wages increases.

Apart from Nkrumah’s CPP government which made pragmatic efforts to move Ghana’s economy toward a more industrial model to foster the job creation to address the unemployment problem of Ghana, successive governments had been handicapped because of their dependence on World Bank and the IMF. Nkrumah’s reason was that moving Ghana out of the colonial administrative system of trade by reducing its dependence on foreign capital, technology, and material goods would allow it to

The rapid increase in unemployment in Ghana is not only due to the above-mentioned problems and technological development but also increased global competition from the newly industrialised Asian economies. According to an International labour organization (ILO) report, a basic problem that has to be dealt with is the potential contradiction between increases in productivity and employment creation.

Quite simply the equation in which increased productivity leads to improved economic performance and more jobs is one that does not always add up, at least not in the short term (International Labour Office, 1994).

Also, job insecurity has been a major cause of industrial conflict in Ghana. The concern of employees that retrenchment may result in lifetime unemployment as few other job opportunities exist has consequently caused unions to force the insertion of protection clauses covering retrenchment in negotiations. Furthermore, unions see their chances weakened in their bargaining power because others are prepared to work at far lower wages than some employees are currently earning.

Another problem created by the large unemployment figures and the lack of job opportunities in the industrial relations in Ghana is that the large number of unemployed workers at the factory gates provides management with an easily accessible source of temporary and flexible labour without incurring the costs of full-time employment. Also serious conflict often arises when casual workers, desperate for any job, provide for scab labour during strikes, thus weakening union power.

As mentioned earlier, both the Colonial Masters and Governments after independence have resulted to repressive laws when they found it increasingly difficult to coax the TUC into partnership when the latter were rather resolute on standing their grounds to defend their members’ job interest against the government’s policies (Kraus in Ukandi et al ed. 1979). The Colonial masters used laws like Master and Servants Ordinance (1895), Compulsory Labour Ordinance (1895), Regulation of Employment Ordinance
Similarly, when the Busia government took offence with union’s intransigence as an impediment to the success of its economic policies it decided not to guarantee TUC participation in Government. The Government totally excluded TUC from participating in any government policy making. Realising that the decision had hastened the collapse of the fragile accommodation that existed between them it (the Government) later dissolved the TUC by the enactment of the Industrial Relations Act of 1971. In the Act, union membership was made voluntary, a reversal of the 1958 Act and its amendment, which had made membership, compulsory (Kaplan, et al., 1973, chapter 5). The unions regarded the situation as violating Busia’s promises to promote free and democratic trade unionism (Busia, 1969).

Excessive international influence and the interference of the governance of Ghana in has also been the cause of conflict in the industrial relations in Ghana. The desperate attempts to find solutions to the economic problems facing the governments of Ghana have grudgingly made them accepted austerity measures or structural adjustment policies under the auspices of International Financial Institutions (IFIs), especially the twin Bretton Woods Institutions: the IMF and the World Bank. Classical IMF conditionality have included devaluation of the national currency, liberalisation of trade and exchange controls, withdrawal of subsidies, retrenchment of labor, and reduction in government expenditure. It is these that had traditionally been viewed by Ghanaians as socio-politically ruinous and a veritable recipe for social and industrial conflict often associated with military intervention (Rimmer, 1992: 120; Frimpong-Ansah, 1991). Workers’ unions have been at loggerhead with government. They think some of the policies of the institutions lack coordination and human face and their impact on the general populace has been found to be negative especially with regard to employment generation and the wellbeing of the people (Jonah, 1989; Panford, 1997).
Hitherto, previous regimes had gone to, or contemplated going to the institutions with trepidation not only because of the stringent conditionality attached to IMF loans which are always opposed by workers and their unions but also the serious political backlash such conditionality unleash. Apart from Dr. Kwame Nkrumah who made the first approach to the IMF in May 1965 but backtracked because of the inimical and unfriendly conditionality to his political and economic agenda, all his successors, with the exception of Colonel I. K. Acheampong and Dr. Hilla Limann could not refuse to be convinced to go to IMF (Boafo-Arthur, 1999). NLC which came after Nkrumah had cordial relations with the IMF. For example NLC had by May 1966, barely three months after the overthrow of Nkrumah, satisfied the IMF’s conditions sufficiently.

All the regimes that elicited the help of the IMF and the World Bank for their economic adjustments programmes met the hostile opposition of the TUC. The situation was different with what happened during the Rawlings’ governments. Even though the TUC was not happy with the austerity measures of the Rawlings regimes they could not meet the situation with the expected magnitude of strikes, protests and demonstrations due to fear and intimidation of the ubiquity of security apparatus and personnel, reflected in the proliferation of paramilitary and security organisations such as the Civil Defense Organization (CDO), Peoples Militia, Commandos, and the Bureau of National Investigation (BNI), and an assortment of ‘outlaw' police and military figures who have their own troops and who act as 'musclemen', 'enforcers' and 'vigilantes' at large (Gyimah-Boadi, 1990: 333-334).

Hutchful (1997:257-258) also notes that several new organs that were created by Mr. Rawlings “acquired a reputation for terrorising civilians.” These included the Forces Reserve Battalion, the Civil Defence Organization and the Mobisquads. These were successful in “detecting and diffusing plots against the regime, especially by being articulated with a network of CDRs (Committees for the Defence of the Revolution).” According to Hutchful “other strategies included the manipulation of ethnic divisions within the military, the increased reliance on Ewe (Rawlings’ tribe) officers and troops,
and the rapid rotation of key commands and postings.” Hutchful's findings buttress Adu Boahen's (1992:50) criticism of the then chairman Rawlings and his PNDC for fanning ethnicity or tribalism “wittingly or unwittingly, consciously or unconsciously” (Nyongo, 1987; Nelson, 1990: 9-10; Gyimah-Boadi, 1990: 333-334).

Apart from the above, political and socio-economic influences have also caused serious tumult in the industrial relations in Ghana. For example, the unstable political situation has had untold effects on the operations of the industrial relations in Ghana. From the discussions above, it could easily be seen that unions and workers always had to adjust their policies and themselves in order to deal if the different political leaders all the time. This affected planning and development of workers unions.

The political stability enjoyed by Ghana since 1983 and especially with the inception of the fourth republic in the 1993 has created a fundamentally new context within which industrial relations operate. For example, the working class has had a significant voice in government via the unions. This has been done through the Ghana Tripartite Committee to ensure that governments follow a more labour friendly policy. At the same time, employers maintain a strong lobby for policy to accommodate their interests. Apart from this, international pressures of technological development and the need to attract foreign investment also place their own demands on government policy. Internal economic factors, such as the demographics of high population growth, high unemployment and unequal distribution of wealth are pressing factors demanding government attention.

In responding to all these needs and pressures, government policy plays a major role in influencing economic growth, unemployment levels, inflation rates and productivity. The implementation of policies on these and the development of infrastructure such as, schools, training, housing/hostels, health and so on are critical factors that impinge on industrial relations.
All these economic and political influences and programmes in turn impact on the needs, goals, expectations and power of employers, employees and unions. The outcomes of industrial relations processes such as wage agreements feed back into the system and have implications for productivity, technological development, economic growth and unemployment. For example, government policy is most directly influenced where tripartite structures exist for negotiation over government policy itself. Government policy is, thus, constantly influenced and there is a continuous cycle of adaptation to political and economic pressures. Consequently industrial relations are a continuous process of interaction between the state, employers and their unions, within a dynamic environmental context.

Demographic pressures have also had critical implications for the industrial relations and the labour market of Ghana. Very serious in this analysis are the effects of population growth, economically active population and unemployment as well as poverty, inequality and urbanisation on the demand for government attention as with industrial relations.

Urbanisation is could be said to be another demographic pressure that impacts seriously on Ghana’s industrial relations. Urbanisation is increasing rapidly as job opportunities in rural areas diminish further. The retrenchment by the mining and timber industries of large numbers of migrant labourers who supported families in rural areas has resulted in many families being compelled to move towards the cities in search of new opportunities.

A related effect to demographic and economic challenges that has been observed is the relative slow adaptation of Ghana to the technological transformation of the last two decades. This has produced a revolution in micro-electronics, computers science, telecommunications, and transportation, biotechnology, materials science, energy and space technologies. This revolution has had a profound influence on the world production system with their negative consequences reflecting on industrial relations as a result of rising unemployment, shifting employment, declining unionism and the impact of automation on the workplace.
Internationally, technology has resulted in significant changes to old production practices. The consequences for industrial relations of nations of which Ghana has not been left out are enormous. Production in Ghana and elsewhere was formally characterised by very large-scale production units using a moving assembly-line manufacturing techniques and producing large volumes of standardised products for mass market consumption. Manufacturers employed large numbers of full-time semi-skilled workers who were trained usually to do one specific task in the assembly process. Assembly-line workers were easily unionised as work was frequently repetitive, machined paced, often unsafe and poorly paid. In addition, large numbers of workers were located in a single plant making for easier access for union officials. Strikes occurred quite frequently and employers were compelled by strong unions into bargaining arrangements to resolve the conflicts. In recent years there has been a shift away from such mass production systems.

Again, it has been noted that technological transformation and its worry to industrial relations in Ghana have to do with the move towards flexible specialisation. Information technology has rapidly changed the face of many industries such as the auto, metal, clothing and textile industries. The key has been the ability to use information technology to programme machinery so that greater production flexibility is made possible to streamline production processes. Flexible automation’s greatest potential lies in its capacity to manufacture quality goods cheaply in small volumes that meet specific consumer needs in niche (or exclusive) markets. The nature of work has thus changed involving investment in sophisticated technologies requiring a smaller number of key multi-skilled employees and closer relationships between customers and suppliers.

While the benefits of new technology are frequently cleaner and safer workplaces, new and better quality products, increased productivity and more efficient use of natural resources, the impact of technological change on the Ghanaian society and its implications for employees and unions in Ghana are widely debated. In fact, changes
due to technological advancement have aroused the ire of many employees and unions in Ghana because they negatively create unemployment due to retrenchment, shifting employment and decline in union membership.

Technological change has not only contributed to decreased employment in the manufacturing sectors in Ghana but also has been associated with a shift in employment to the service sector. Whole new industries have been spawned by new technology demanding highly-trained employees. However, redundancy has also been created by technological change in specific industries such as banking and telecommunications as computerisation has streamlined and overtaken many of the clerical, manual processes of the past.

Ghana has experienced a decline in union membership and influence. Even though this decline is due partly to governments’ privatization policies (since the NLC through Busia regimes and even until now), large scale retrenchments of both blue collar workers and labourers have been caused by what is termed as downsizing in the manufacturing sector. Service sector workers, who are usually white-collar workers, are less prone to unionisation. In addition, as employers have placed more emphasis on a flexible workforce, greater numbers of employees work in part-time or temporary jobs and are unlikely to be members of any union.

Globalisation, which is a major reflection of the impact of technological change, has also had an untold effect on the industrial relations in Ghana. Globalisation is used to describe the increase in cross-border economic interdependence and, more profoundly, integration of the economies of nation states. All this has resulted from the opportunity afforded by technology for greater mobility of ideas, information, and factors of production, goods and services throughout the world.

The effect of globalisation on Ghana has been made possible by trans-national communication, increased trade and an explosive growth in foreign portfolio and direct investment through trans-national organisations. Trans-national communication
networks have expanded rapidly via satellite technology. These networks have facilitated the distribution of information, liking financial markets and services, as well as supporting managerial, production and administrative functions of trans-national corporations (TNCs). These corporations seek competitive advantage by transferring aspects of their operations to those parts of the world where quality and/or costs are most beneficial. Also, international trade has been the engine of economic interdependence whose overall effect impacts negatively on Ghana’s industrial relations. Driving forces like World Trade Organisation have been growing international competitiveness which has facilitated trans-national trade. Also there has been the rapid escalation of Foreign Direct Investment (FDI) in recent years of Ghana. TNCs have set up subsidiaries or franchises in Ghana, purchased shares and established joint ventures with local organizations or governments. FDI is largely concentrated in the developing economies Ghana to locate production closer to local raw materials.

The frequent interruptions in governments through military and police insurrection after independence resulted in an economy that was dependent on its natural resources such as mineral and cocoa since foreign investors were not willing to invest in the into the country. The protected manufacturing sector became increasingly inward looking, uncompetitive and stagnant due to lack of new investment and use of outmoded machinery and production processes.

Political stability, successful policies of restructuring of uncompetitive industries and the opening up of the country to global markets have created new opportunities which have attracted old trading partners as well as new foreign investors to trace their routes back to Ghana. But political transformation and economic liberalisation have found many industries in a difficult situation. Heavy competition from South East Asian countries is experienced from labour intensive industries paying far lower wages. The average manufacturing wage in Ghana is $45.0 US per month compare $19.0 US in Vietnam, $79.0 US in Indonesia, and $124.0 US in Malaysia. Manufacturers are also faced with competition from highly sophisticated organizations found in the developed countries, where wages are higher but efficiencies are far superior to Ghanaian
industries and found they were seriously lacking in competitiveness. Many industries including the textiles, footwear, tire, glass, pineapple, timber and sugar industries faced similar problems before they finally became bankrupt and folded up. The restructuring of many more industries is now under way but have many implications for employees, unions and management.

Cultural diversity at the workplace is another factor having very serious repercussions on the industrial relations of Ghana. Workplaces are microcosms of the broader society and yet have their own unique blend of cultural influences and practices. Ethnically, Ghana is divided into small groups speaking more than 100 languages and dialects (Ghana 2000 Census). Languages more closely reflect regionalisation (Ghana Network Herald July 5, 2003). Most Ghanaian workplaces can be described as culturally very diverse. Culture had been defined as “the collective programming of the mind which distinguishes the members of one group from those of another” (Hofstede, 1983). Culture is reflected in the values people attach to various aspects of life, their ways of looking at the world and their role within it.

In groups, some may value individualism that is a preference for a loosely knit social framework in which individuals work for themselves and their immediate families. Other groups may favour collectivism in which individuals owe their allegiance to the group and may be expected to sacrifice their own self-interest for the collective good. Such a difference has had impact on industrial relations in Ghana because of the many tribal divisions.

Also various issues have created barriers and keep contributing to the escalation of conflict. These include language differences, perceptions of time and the urgency of production, perception of the role of women and what constitutes sexual harassment, respect for seniority and length of service, preferences of public holidays and perceptions of fairness.
Different religious beliefs among the employees have also had critical impact on labour relations as parties frequently believes in the justness of their cause and powers of their deities. Churches have even been drawn into disputes as mediators or providers of financial support and meeting places for unions in some instances. Several reports have occurred of workers seeking assistance from traditional gods, fetish priests, and ancestral spirits to protect them during strikes and skirmishes with the police.

Stereotyping, that is attributing significant differences to all members of a group on the basis of tribe, religion etc., adds its own problems to workplace unity, especially as most stereotypes are negative.

With the institutionalisation of democracy in Ghana, tolerance which has been promoted in the constitution may project workplace understanding and unity. Individuals are protected from discrimination on the basis of religion, language or culture.

Another micro-environment factor that has been identified to be inimical to industrial relations development in Ghana is the irresponsible attitude towards occupational hygiene and safety. These refer to those practices conducive to good health in a person’s workplace. Poor environmental conditions, lack of safety gadgets and exposure to hazardous chemical substances in the workplaces which greatly influence employee’s health are present in many organisations in Ghana. Lack of concern by many employers and poor education of employees and union representatives have resulted in many health hazards, preventable deaths, fatal accidents, and unnecessary stress at workplaces remaining unchallenged for years as factory inspectorates have been understaffed and poorly trained. Industries with the highest fatality rates are transport, mining, building and construction, agriculture and forestry.

The above review of peculiar sources of conflict in the industrial relations of Ghana would not be complete without reference to the significant impact of the media on industrial relations. Reports generally support the cultural values and interests of those
who control the media, mediated somewhat by the values of the readership or viewership. Television, radio, newspapers and the internet are used by the government, employers or unions to gain support for policies or specific actions. However, as many unionists see it: “all the instruments of mass communication are business enterprises and owners automatically identify with other employers whenever the interests of labour and management collide” (Raskin, 1981).

Much of the media coverage in Ghana of trade unions focuses on the dispute aspects of trade unionism where workers are frequently portrayed as “angry and militant” while employers are described as “tough and confident”. Cities are “plagued” by strikes, and industries are “crippled” and exports “threatened”.

With greater competition now in the media practices in Ghana, there is now relatively more objective reporting on industrial issues, with in-depth interviews which offer both parties the opportunities to present their side of the stories. Newspapers are frequently used by the parties to portray their positions. Advertisements are often placed by employers and unions during strikes to communicate their positions, not only to the workers involved but also to extract sympathy from the broader community. The media as a source of power is a resource that is keenly sought by both parties to bolster their position at the bargaining table. It can be concluded that the generally known sources of conflict in industrial relations prevail in Ghana also; the Gold Coast/Ghana has its own sources and triggers of industrial conflict.

The causes of disputes in industrial relations in Ghana can be understood in terms of five critical characteristics. These are the causes of disputes before the establishment of trade unions in 1938 i.e. the Colonial era; causes of disputes between 1938 and the period immediately before independence (1957); and the period after independence. It further compares the causes of disputes in industrial relations of the military regimes with periods of democratically elected governments. It then gave the sources of industrial disputes which are as a result of demographic, socio-cultural and economic factors.
Industrial disputes in the then Gold Coast became serious when workers demanded to form unions. This was seen by the colonial masters as an undesirable alteration of the worker-management relationship and so fiercely resisted it.

The poor working condition, lack of respect for workers by management and the absence of workers’ right and interests in the colonial days have also been some of the causes of industrial disputes. The deeply entrenched set of beliefs, practices and negative perceptions of the colonial administration regarding African labour in general and Ghanaian in particular were known sources of conflict. Again, a culture of domination, coercion and lack of meagre opportunities for workers to ventilate their grievances as a result of lack of communication and industrial democracy have played a part as causes of industrial disputes in Ghana.

Inflation during the First World War and a disparity in remuneration between government and private employers, coupled with the general conduct of the colonial masters, promoted conflict situations. Agitation for unionisation by workers and the resistance by the colonial masters further worsened an already tense workplace conflict situation. Whereas the masters saw it as factionalism within the enterprise, the workers on the other hand perceived it as the only way to achieve the industrial relations expectations.

After trade unionism was finally conceded upon workers’ protest, it was placed under a newly formed labour department. Many workers viewed the roles mandated to the labour department as contradictory and had the potential to undercut the support which it was to provide to the new unions.

Unions, furthermore, became irritated with the Police Special Branch which was established to assist in building up informers within the unions in order to keep government well aware of union activities. This was seen as divide and rule tactics on the part of government against unions’ activities.
Political consciousness and the desire for political independence by union leaders and the rank and file workers, coupled with the support for the nationalist Convention Peoples’ Party of Dr. Kwame Nkrumah, made workers highly resistant to their colonial employers. This generated a general strike which eventually played a significant part in the coming of independence Ghana. Strikes immediately before independence involved increased numbers, had a wide range of causes and it had the unions’ leading. The strikes were mainly public sector ones which were caused by demands for wage increases.

Ghana’s constitution places limitations on the right to strike, especially in essential services. Before the Industrial Relations Act of 1965, employees had freedom to strike but not the right to strike. This means that even legal strikes were not protected and striking members could be dismissed.

Civilian governments have had to deal with more challenging strikes than military ones after independence. Strikes during these periods of civilian rule were due to demand for higher wages to offset the pressures of inflation, better conditions of work, lack of fairness in the distribution of incomes, unemployment, retrenchment of workers, job insecurity, and devaluation of the local currency. According to some scholars, conflict had further been triggered by government policies engineered by Bretton Woods Institutions of World Bank and the International Monetary Fund’s policies and conditionalities which, it has been argued, as not being worker friendly.

Apart from other causes of industrial disputes resulting from the above challenges, socio-economic factors such as demographic factors such as high population growth, urbanisation, high unemployment, unequal distribution of wealth and many more which share government’s attention with labour have been mentioned in the chapter. Also intolerance of cultural and religious diversity at workplace, leading to nepotism, stereotyping and lack of occupational hygiene and safety, have contributed to industrial disputes. Global technological transformations which have led to significant changes in
the old production practices have all been identified as sources of industrial disputes. Irresponsible and bias media reportage on workplace issues have also been known to inflame passions of workers and management.

This discussion of sources of industrial conflict from the period before the colonial administration through independence to the present dispensation has shown that, apart from some of the sources of the industrial disputes predicted in various theories, there are other sources of disputes special to the Ghanaian situation.
CHAPTER SIX

GHANA’S NATIONAL STRATEGIES FOR INDUSTRIAL DISPUTES MANAGEMENT
Workers, management, consumers as well as government lose heavily in protracted conflicts and would wish that compromises be reached without conflict (Pearlman, et al, 1976: 431). Unions also get worried when there is conflict because of decreases of their membership and funds through expenditures on emergency aid to strikers’ families. Unions again complain about the possibility of political backslash in the form of restrictive legislation against them when there are long and extended strikes (Machin, 2000; Disney, et al. 1994, 1995; Halloran, 1983: 481, 484).

Due to the above and several others, there is the belief that “If man was the rational economic animal postulated by classical theory, strikes would long since have disappeared …” (Stagner, 1956: 439). Obviously, conflict or strike can have negative ramifications on a group’s functioning and disagreement and uncontrollable infighting can hurt because it can misdirect members’ efforts away from accomplishing goals (Robbins 1997: 304; Feather 2002). Conflict can have positive as well as negative influences on group performance. Poorly managed conflicts cost a great deal, and that no-one wins when conflicts escalate (Bowditch & Buono, 1994: 191) but appropriately managed ones add substantial value to organisations. For example “…low and moderate levels of conflict … have positive influences on group performance by reducing apathy, stagnation, and resistance to change” (Robbins, 1974). The existence of some conflict keeps a group viable, self-critical, and creative and improves the quality of decisions which can stimulates creativity and innovation, encourages interest and provides the medium through which problems can be aired and tensions released. Hall and Williams for instance believe that “conflicting opinions should be viewed as additional information, rather than as threats to other group members” (February, 1966: 217).

The governments of Ghana weighed the two sides of the debate after independence and have accepted that at the level of the individual firm and its employees, strikes or conflicts may have positive and negative consequences for the various parties. Among the basis for the above is that a firm may concede a wage rise, e.g. after a strike, and in this sense, employees gain. But the firm may lose some big customers
during the strike, so the firm and its employees lose. The firm may dismiss a certain number of employees in order to have the money to pay for the pay increase, so the dismissed workers lose. And the union(s) will lose as their membership drops. The strike may have positive effects in this case as well. In the cause of the strike, grievances would be aired, tensions would be released and people may agree to work more creatively in future and so on. At the end of the day, it’s a matter of balance.

In Ghana, governments leave the above micro level issues to the parties directly involved to resolve. And the courts are then allowed to determine any claims by any party for damages arising out of the conflict/strike. However, when these micro level issues begin to have macro impact, government usually think about intervention. Some of the macro issues of importance to the national government are when the strike is likely to affect national reputation, especially in the eyes of foreign and domestic investors. Also in a situation where the consequences of the conflict could be negative on inflation, unemployment, exchange rate, productivity, interest rate, growth rate, and fairness in the distribution of national income the government would intervene. Again, depending on the grievousness of the levels of violence on people and property, the national government would intervene to restore peace and order. So strikes in the individual firms/industries were usually left to the parties to deal with unless and until they have an adverse impact on the macro conditions of the overall nation.

In this chapter we shall discuss first how the colonial administrators tried to manage industrial conflicts in the Gold Coast and later see how the governments during the periods just before and after independence used laws, regulations, dialogues and other tactics in managing conflict situations.

The traditional theorists’ arguments (as discussed in Chapters 2 and 4) that, conflict is “bad”, pathological and inimical to the smooth functioning of organisations and ought to be eliminated at all cost could be argued as something that was upheld and strictly observed by the colonial administrators of the Gold Coast. This is seen from the
numerous coercive laws and their associated punitive measures that they harshly forced on the colonial workers as means of controlling or maintaining workplace order during the period of their administration. But the coercive control measures could probably be that conflict should be prevented or eliminated instead of managing it. Their strict abhorrence of conflict could also be explained in the belief that efforts spent on trying to “win” during conflict situations could have been directed towards working on common goals of achieving organisational objective and productivity.

It could be said again that the workplace relations that characterised the period before independence was not bound by mutual laws or regulations. Tension, conflict and coercion as well as some co-operation which ensued between the employer and the employed were regulated by ad hoc repressive rules selfishly and single-handedly promulgated by the colonial masters and slammed down on the workers as and when the former deemed fit. In the event, industrial relations often had the quality of an uneasy and armed truce in which there was a scant acceptance at the level of social belief in the changing laws, regulations, and institutional mechanism which linked labour, private employers, and the state.

Excessive use of political control was the main strategy that was employed to maintain law and order in industrial relations before 1939 when trade unionism was institutionalised in the Gold Coast. Culture of domination was often used to reinforce political rule and workplace compliance at all levels. To accentuate and perpetuate their dominance over the workers and the people in general, traditional chiefs and elders were made the central figures for local administration. The system was backed by a policy which was known in the colonial system of administration as ‘Indirect Rule’ by chiefs and other traditional leaders (Kraus, 1979 and 2004 http://www.ghana.co.uk/history/history/colonial_rule.htm).

This system was first introduced by Lord Luggard in Uganda, and then in Nigeria from 1914. In Ghana, indirect rule was introduced fully under Sir Frederick Gordon Guggisberg. Before colonialism took firm roots in the country, the indigenous ruler
occupied a unique position in the realm. The subjects accepted their ruler as religious, political and judicial head of the kingdom as well as the spirit and embodiment of the nation. The ruler was the custodian of the people’s ancestral cultural heritage. With the introduction of the system of indirect rule in the country by the colonial administrators within a traditional state, or a group of smaller states, the paramount chief, their leading sub-chiefs and important counsellors were constituted into a Native Administration, later named a Native Authority. This Native Authority was presided over by a paramount chief. The powers and functions of the Native Authority covered matters relating mainly to traditional and customary institutions and practices. The Native Ruler operated under the general direction and control of the District Commissioner. These chiefs were granted powers of controlling local tribunals, with limited jurisdiction relating to customary and testamentary matters, and to make by-laws which did not go counter to the British colonial administration’s concept of law (http://www.ghana.co.uk/history/history/colonial_rule.htm).

Demands for increased wages, improvement in workplace conditions and formation of labour unions and other industrial problems like strikes or threats of strikes were found unacceptable and by use of indirect rule through the Native Authority workers were expected to know and comply. The Native Authority was used as intermediaries to reach and suppress the workers. Workers grievances to their masters were channelled through the Native Authority. Because the Native Authorities were sometimes interested only in satisfying their bosses, they sometimes refused to deliver the workers grievances to their bosses.

Apart the Native Authorities, the Master and Servant Ordinance (1895) Law was frequently used to regulate wage work relationships. This law was meant to draw a clear line of distinction between the employed and the employer. The description failed to accept something like a contractual economic relationship of working for employer for money. What existed was master and servant relationship; a situation which makes one party a taker of the instructions and the other the maker of it.
Another tactic used to control among others work relations by the colonial masters in 1895 was the introduction of the Compulsory Labour Ordinance. This also did the same work as the Native Authorities and the Master and Servant Ordinance (1895) Law. It was further meant to ensure that there was constant supply of workers because there were lack of worker as a result of poor remuneration, work relationships and other conditions of work. The Ordinance was to make the chiefs and the other members of the Native Authority organise to ensure that there was constant supply of labour especially to maintain roads and telephone lines and to work in tedious and unattractive and unpopular places like the underground work in the mines.

Repressive laws, intimidation and threats had also been used as strategies by the colonial masters in resolving or preventing chaos or industrial conflicts. They did these by making sure that labour to have leverage. They made sure that position and resources of the African workers afforded them meagre opportunities for articulating or acting on their grievances. The unskilled worker during the period was illiterate and had no one who could represent him or call attention to any injustice from which he may be suffering. The labourers had no leaders of their own to protest to. Those who attempted to assist them were penalised or sacked from their work.

During the period, repressive laws such as the Master Servant Ordinance could allow workers who quitted their jobs in protest to be prosecuted (Roper 1958: 52). This Ordinance also allowed that workers who were caught in offences of minor breaches of discipline could be fined a day’s wage by their employers. It has been reported by Roper that the Chief Inspectors of Labour policed this system with such alacrity and determination that it worked well and was seldom abused (Labour Conditions, Report on Labour Department, 1938-39: 24).

Another strategy employed by the colonial masters in finding solution to the labour unrest and strike-threats during the inflationary years of 1919-1921 was the passing of the ‘Regulation of Employment’ Ordinance. This Ordinance had a provision which
made ‘strike agitation’ and ‘desertion’ (breach of unwritten contract) penal offences (Gold Coast Legislative Council Report of Select Committee of Legislative Council, Sessional Paper II, 1920: 4). Based on this Ordinance, striking members of the Artisans’ and labourers’ Union in Accra in 1921 were fined heavily in a Native Authority court (Roper 1958: 54-55).

Later it became clear that institutionalisation of trade unionism could better manage industrial conflict in Gold Coast/Ghana. However, this suggestion was initially fought against and delayed for years by the colonial administrators. Their reason was that “it was politically unsound to encourage the growth of an organisation that might later become hostile to the Native Authority” (Labour Conditions, Report on the Labour Department 1938-39: 12-13).

Being still anxious to prevent industrial conflict in the colonial era, a series of ordinances and orders were passed from 1941-45. These were all dispute procedures designed primarily to render strikes illegitimate. For example, the Conspiracy and Protection of Property Ordinance (1941) provided that strikes by government employees in essential services (a broad category) were illegal and a criminal offence and declared all strikes or lockouts illegal if they were not in furtherance of a trade dispute (e.g., political strikes) or were designed to coerce government (Report(s) on Labour Department, 1941-42, 1942-43: Ghana, Information on Labour Matters, Ghana 1962: 6, 12). By those Ordinances, strong strikes by government employees could be readily deemed coercive.

A new Labour Department was established to oversee the unions’ activities and to the latter’s strict adherence to these news laws to promote law and order in the workplace. It was again to be the major labour adviser to the Government, the largest employer. It was also required of the Labour Department to act as a neutral organisation which would conduct enquiries on labour conditions, including mines and factory inspections, enforce labour laws and suggest new ones, and perform mediation and conciliation in labour disputes between employers and employees. The
last role which was assigned to the Labour Department was to assist and encourage the development of ‘responsible’ trade unions.

The roles which the new Labour Department was compelled to play have been described by Kraus as being ‘quite distinct and contradictory’, because they significantly undercut the support which it was to provide to the new union movement (Kraus, 1979: 114, 115). The major weakness of the Labour Department, according to Kraus had to do with its role as the Government adviser on labour issues. By this role the Department was expected to report on the unions’ conduct and tendencies; socialise union leaders to stay clear of politics; attempt to prevent strikes and other labour protests from occurring and to help end them quickly; give no encouragement to demands on Government for higher wages and benefits; and lastly, the Police Special Branch was to help build up informers within unions in order to keep the Government well aware of unions’ activities.

The second role of conducting enquiries on labour conditions including mines and factory inspections, enforcing labour laws and suggesting new ones as well as performing mediation and conciliation in labour disputes between employers and employees also had its own problems and weaknesses. Whereas unions regarded labour officials with suspicion, the latter saw themselves as not being able to measure to the task with a rather small staff they had at that time. Furthermore, this neutral and law-enforcing role was regarded with great hostility by private employers, especially on the mines. Apparently, Labour Department Officials were kept off during disputes management or were made to restrict their movements to consulting management only (Ghana Department of Labour file DC5449). Equally, the third role which was meant to assist and encourage the development of ‘responsible’ trade unions was also met with employer hostility. As a result, I. G. Jones, a secretary of the South Wales Miners’ Federation who was seconded to assist in this direction could do very little.

In order to permanently address the perpetual confrontations between the colonial employers and the workers, Sir I. G. Jones put forward ‘ideological advocacy of
voluntarism to arrest the failure of the Department to push for or find acceptable legislative help which would partially offset the weakness of unions vis-à-vis employers. He sought to create wage boards which could set minimum wages in some sectors of work without bargaining power. He laid emphasis on the importance of free voluntary collective bargaining between employer and employee (Report on Labour Department 1949-50: 8). The employers were not interested in his suggestion. They accepted that it was admirable in principle, but disingenuous in practice. As a result, there were virtually no collective agreements negotiated until after independence.

In spite of these bottlenecks, the Labour Department’s efforts achieved some successes. For example, the Labour Officers often assisted in a lot of mediations and conciliations. Also its advocacy for strong and independent trade unionism made many union leaders conscious of the advantages of union autonomy. Mr. I. G. Jones assisted a lot in the reconstitution and the re-establishment of the Mines Employees Union (MEU) which was hitherto notorious for their militant stance in the country’s industrial relations history.

The Labour Department also managed the strikes in the mines during 1939-45. They strategically regularised the spokesman and grievance role of the tribal headmen, whose partial authority was recognised by the migrant workers (Report on Labour Department 1938-39: 25-26, 32; 1940-41: 4). The Labour Officers role in the management of industrial conflict became acclaimed after the Second World War when they regularly attempted to act as conciliators in mine disputes.

The Gold Coast legislation and labour policies which were designed by the Labour Officers encouraged and permitted voluntary negotiation and settlement of dispute between employers and employees. The Labour Department was, therefore, happy to let disputes be settled locally i.e. by the employers and workers themselves during the war years. In the post-war years also the Labour Officers intervened regularly in the cities where they had offices in settlement of industrial disputes.
When ever there was the need to maintain law and order during the settlement of disputes, the District Commissioners (DCs) and the Police would be drawn in by the Labour Officers. The Labour Officers were, however, generally more effective in curbing labour abuses (in labour recruitment, health conditions on mines, employer withholding of pay) than in assisting unions.

Apart from the wartime emergency legislation and that which prohibited strikes in ‘essential services’, there was the Trade Disputes (Arbitration and Enquiry) Ordinance 1941, which permitted the Government to make formal enquiries into labour disputes and, with the permission of both parties, refer the disputes to arbitration. Sensing the weakness in the Ordinance and the fear that arbitration might undercut collective bargaining, it was invoked only in the 1947 mines dispute which involved the MEU. In fact, the MEU won the arbitration which gave the procedure a good reputation among the trade unionists. As a result the Government became hesitant in ordering enquiries. Up to 1956 the Government ordered only one inquiry into the 1954-55 mines dispute.

Threats of possible dismissal of workers who announced a strike continued to be one of the conflict management strategies after the wartime. This attitude that any meagre demands by public and private sector workers would sound extravagant to companies and Labour Officers and could be interpreted as agitation to strike was denounced by the workers. They contended that the absence of regular consultations, so that grievances of long duration appeared to arise suddenly; the vast social distance between workers and management and the inattention to workers by management made strike the only method available to establish the right to negotiate, or to bring in a conciliation officer of the Labour Department (Roper, 1958: 63). In fact, the strike was the major weapon of the African trade unions. They used it as an effort to create some leverage and thus reduce inequality, poverty and powerlessness.

Apart from the post-war period, the Government responded to workers by establishing further ad hoc wage/salary commissions. Government unions would be
allowed to submit petitions or memoranda to them, and, if dissatisfied, could appeal to the government for changes. In 1947, the Post Office, Peoples Works Department (PWD), and the Railway Employees Unions used this medium successfully to have their salary/wage problems addressed to avert conflict. Even though some large Europeans companies followed the government lead, other workers had to strike, as in the mines, to get attention for their grievances.

Between 1949 and 50, the Labour Department made efforts to establish consultation and negotiation machinery in both government, industrial and private companies. Except its successful use in the case of the MEU-mines meetings in 1950, substantial trade union suspicion and criticism made the companies to by-pass the unions. There is very little evidence that such machinery was used for negotiation on wages, benefits and working conditions.

To give credence to the machinery in the government sector, regular meetings were held and a Joint Industrial Committee (a Central Negotiation Committee which was made up of workers, employers and government was formed to decide on wages/salaries) met regularly with workers to explain the modus operandi of the machinery. Also a Whitly Council was convened to operate with the other groups on salary discrepancies for salaried civil servants. It was believed that none of these government departments could make decisions on their own because the major questions regarding overall wage-salary schedules and re-classifications of position were determined by the infrequently, un-scheduled wage-salary commissions (Kraus, 1979: 118).

A conflict management strategy in the period just after independence, which was led by the Conventions Peoples’ Party (CPP) government, was not very different from those strategies they had inherited. The CPP Government in 1951 started with the support of both many union leaders and members. Even though the strategy and the support changed when the CPP-led Government was faced with union wage demands
and so resorted to strikes to enforce them, the Government’s main strategy of managing conflict was by persuasion.

Persuasion was used in order not to do anything that could jeopardise the move towards independence. There was the fear that anything short of that could mean incurring the wrath of the British and as a sign being a ‘irresponsible’ and ‘incapable’ government. The CPP was forced to exhort workers not to strike and to further exhibit broad union identity with the nationalist CPP. The leading trade unionists were also admonished to show support and solidarity with the CPP. The union leaders and the members conformed to the strategy because they knew they could use it to push the government who was the single largest employer and wage leader to take the lead in wages and reforms in negotiating procedures. It was because some importance sectors of the unions movement involved in the CPP nationalist struggle that Berg and Butler thesis asserted that Ghanaian unions were quite apolitical before independence (1964: 348-51, 358, and 369-70), a view that seemed to weaken unions interest to strike but somehow fostered industrial peace for some considerable period.

After Ghana had gained her independence on 6 March 1957, she became a member of the International Labour Organisation (ILO) on 13 May 1957. By December 1997, Ghana had ratified forty-five of the International Labour Organisation’s Conventions. Since then, the labour laws which provide the legal framework have been the basis which shapes the industrial relations in the country and had had to conform to the provisions of the ratified conventions.

The labour laws among other things provided for and regulated the conciliation machinery for the purposes of preventing and settling labour disputes. The laws also showed the procedures that the industrial relations partners must follow in dealing with each other in the relationship and again in ensuring satisfactory working conditions. It further outlined the functions of defending workers against exploitation and health hazards, the minimum acceptable level of working conditions, including wages and other basics standards which could have been neglected, had the provision
of such conditions been left entirely to the free fall of the market forces. Again, labour laws, such as the Industrial Relations Act of 1965, and the Labour Decree, 1967, made provisions for regulating relations between the partners of industrial relations in Ghana. For an example, the Industrial Relations Act establishes rules for the conduct of collective bargaining and the settlement of labour disputes.

Ten of the following labour laws, portions of some of them have been amended, which have been used since independence to manage the industrial conflicts in Ghana shall be reviewed briefly: Trade Unions Ordinance, 1941 (Cap. 91); Conspiracy and Protection of Property (Trade Disputes) Ordinance, 1941 (Cap. 90); Trade Disputes (Arbitration and Inquiry) Ordinance, 1941 (Cap. 93); Industrial Relations Act, 1958 (Act 56); Industrial Relations Act, 1965 (Act 299); Labour Decree, 1967 (NLCD 157); Labour Regulations, 1969 (LI 632); Factories, Offices and Shops Act, 1970 (Act 328) and PNDC Law 66 which amended it; Workmen’s Compensation Law, 1987 (PNDCL 187) and The Labour Act, 2003, (Act 651).

The Trade Unions Ordinance, 1941 (Cap. 91) which was passed on 27 September 1941 was first used by the Colonial Masters. Among other purposes, it was meant to provide the basis for institutionalisation, registration and regulation of trade unions and employers. It was also to regulate intra employers’ and employees’ relationship to bring about mutual harmony at the workplace. The Ordinance debarred Senior Civil Servants and those in private sector organisations from membership of trade unions.

Under the Ordinance most grievances were settled by Chiefs through Native Authorities under the supervision of colonial District Commissioners. Settlements or negotiations were not binding as they could be accepted or rejected by employers. There were no laws that empowered the Labour Officers, the Native authorities or the District Commissioners to conciliate. Those who acted as mediator or conciliators relied on the goodwill, respect and confidence they had gained with the disputants.
The Conspiracy and Protection of Property (Trade Disputes) Ordinance, 1941 (Cap. 90) was a consequential Ordinance which also came into effect with the Trade Unions Ordinance, 1941, on 27th September, 1941. The main object of the former Ordinance was to prevent persons employed by the Government, or any public authority to supply water or electricity to, or perform any essential sanitary, transport or other public service in any town or place or any part of the country from wilfully and maliciously breaking a contract of service knowing or having reasonable cause to believe that the probable consequence of their action, either individually or in company of other, will be to deprive the society of those amenities. Any person who maliciously broke a contract of service of hiring which results in injury to persons or their property was found guilty of an offence. The Ordinance made certain strikes or lock-outs illegal. These were strikes or lock-outs which, in addition to the furtherance of a trade dispute, were designed to coerce the Government. Persons, who declared, instigated or incited others to participate in such illegal strikes or lock-outs rendered themselves liable to prosecution. The Ordinance, further prohibited intimidation or use of violence or other action calculated to intimidate a person, but permitted peaceful picketing. While the Ordinance was accepted as having the good intentions of protecting the populace, it was seen as falling short in providing leverage of shelter for the non-unionised workers who were in the cohort. For example, these groups of workers, according to the Trade Unions Ordinance of 1941, Cap 91, were not part of the Trade Union Congress and therefore could not have bargaining certificates to negotiate for salaries and other conditions of service.

It was for one of these reasons that in the mid 1950s Roper thought that the unions had evolved in a form ‘unsuited to effective negotiations’ and that they preferred legal action and compulsory arbitration (Roper, 1958: 83). However, in 1952, the unions forged the formation of the Joint Industrial Councils of Trade Unions in the Civil Service to negotiate with the Government on wages and other conditions of service which were common to more than one department. Also, the Wages Boards were also established in the retail and catering trades in the same year, all in an
attempt to streamline wages and other conditions of service so as to manage industrial conflicts effectively, which before then were in complete disarray.

Another Ordinance which was also enacted to maintain peace and order in the industrial relations in Ghana after independence was the Trade Disputes (Arbitration and Inquiry) Ordinance, 1941 (Cap. 93). Unlike the Trade Unions Ordinance, this Ordinance could be seen to accept the argument that conflicts is an inherent part of human relations and so ought to be legitimised. In this Ordinance, the Minister responsible for Labour was empowered upon the agreement of the dispute parties to refer industrial disputes to arbitration. The Ordinance also gave absolute powers to the Minister to institute a Board of Inquiry into any industrial dispute existing or apprehended.

The general policy of Governments in post independent Ghana as regards industrial relations is to leave the regulation of working conditions to direct negotiation by employers and workers at the firm levels. Nevertheless, it becomes necessary at times that the Government, through the Labour Department, intervenes to bring about harmonious relations because government has direct interest in securing standards of living and other conditions necessary for harmonious labour-management relations. Any unrest which emerges at a workplace would undoubtedly be costly to bring under control. Admittedly, stoppages of work by employees mostly reduce prosperity to the workers as well as to entrepreneurs and could cause national revenues to fall and, thus, militate against the success of economic development programmes of governments. It is with this objective that the Government, through the Labour Department, tries to remove or reduce such consequential losses and dangers by assisting employers and workers to settle their disputes. The Labour Department has therefore been constantly involved in resolving individual as well as complex collective disputes. These disputes are resolved at all levels of the Department’s offices throughout the country; at the Head Office level and, sometimes, at the sector Ministry’s level, through mediation and conciliation processes. Sometimes, however,
these disputes travel to arbitration level. In most cases, settlement is reached in the final analysis.

The Industrial Relations Bill was passed by Parliament of Ghana on December, 1958 into the Industrial Relations Act, 1958 (Act 56). Among others, the Act considered: provisions that further strengthened trade unions, collective bargaining, conciliation and other matters relating to relationship between employers and employees. The Act set up negotiating committees by certified trade unions and their appropriate employers for the settlement of disputes. The committee was mandated to negotiate only on employment or non-employment, the terms of employment and the conditions of labour of the employees specified in the certificate. The agreement reached (which becomes the Collective agreement or terms of contract) needed to be written down and should be signed by authorised members on either side and the document was to be deposited with the Minister.

The Act allowed for settlement of disputes involving certified trade unions. Failure of negotiations could be reported by either the trade union or the employer to the Minister for conciliation, mediating or arbitrating officer to be appointed. The conciliator, mediator or arbitrator has always been Senior Officer of the Ministry. The Act was, however, silent on the issue of “wildcat strike”. The reason could probably be that governments of Ghana have generally abhorred illegal strikes even though on the surface the Act provided that a certified trade union or their employers could declare a strike or lockout if disputes reported to the Minister were not referred to arbitration within four weeks after the report has been made.

The Act made provision for unfair labour practices. It abhorred discrimination, intimidation, threat and interference in trade union affairs. It also prohibited unions from attempting to persuade or induce an employee to become a member of a trade union during normal working hours without the employer’s approval. To enforce on this the Act enjoined the establishment of the Unfair Labour Practices Tribunal to
enquire and determine person found guilty of an unfair labour practice and to make orders forbidding any person to engage in such activities.

The Act also mandated the establishment of a National Advisory Committee. This Committee was to advise the Ministers on all matters of policy and possible legislations that could affect labour and labour relations in Ghana to help them to make decisive contributions to labour management.

Even though, the Industrial Relations Act, (Act 299) which was enacted in 1965 to repeal Act 56 and all its amendment, actually upheld most of the clauses of the former Act. However, like the Act 56 and Cap. 91, it recognised the existence of the Trades Union Congress (TUC) as a body corporate with perpetual succession and a common seal which should have power to acquire and hold land and other property. It further empowered the TUC to act as the representative of the trade union movement in Ghana. Act 299 revised and consolidated the laws relating to the Trades Union Congress, collective bargaining by certified trade unions, effect of collective bargaining agreements, extension orders, settlement of dispute involving certified trade unions, arbitrations, strikes and lock-outs and unfair labour practices.

The Trade Union Congress was given the responsibility to settle jurisdictional or demarcation problems within the unions. Negotiation was given prominence in the Act. Trade unions were required to nominate representatives to negotiate on all matters connected with the employment or non-employment or with the terms of employment or with the conditions of labour of any of the employees of the class specified in the certificate. Also Joint Negotiating Committees were to be established under the Act for compulsory negotiations on matters connected with the employment or non-employment or with the terms of employment or with the conditions of labour of all the workers in the establishment.

The Act enforced the powers of the unfair labour practices tribunal system. Under the Act the order of the tribunal could be enforced by proceedings in the High Court or
District Court, but the persons against whom the Order was made could appeal to the High Court against the order within twenty-one days of making the order. The Act also established a National Advisory Committee on Labour (NACL) to replace The National Advisory Committee in Act 56.

The Labour Decree, 1967 (NLCD 157) enacted by the military government of The National Liberation Council which overthrew Nkrumah’s CPP Government that led Ghana to achieve independence in March 1966 was not meant to repeal the Industrial Relations Act, 1965. Its provisions were also to govern the general conditions of employment in Ghana. The main features of the Decree were The National Employment Service, Contract and Agreement, Termination of Agreements, Provisions Relating to Severance Pay, Employment of Females, Children and Young Persons, Protection of Remuneration, Forced Labour, Reporting of Deaths and injuries, Improper taking of Presents, and Powers of Labour. The various provisions in this law were meant to further promote peace in the workplace of Ghana.

Labour Relations 1969 conferred upon the Commissioner responsible for Labour powers for regulations of the terms and conditions of employment of disabled persons. The relevant regulations requested every employer to have a quota of disabled persons equal to one half per cent of his total labour force to be employed in sedentary jobs which should include clerical work, machine operating, typing, packing, telephone operating or other jobs requiring higher skills. It also allowed annual leave with pay. The Regulations also made provision for reinstatement after suspension/interdiction. It further regulated hours of work. Rest period in workplace was also regulated in the law. The regulation provided that in any clerical work and in agricultural, commercial or industrial undertakings, public or private, there should be at least thirty minutes break in the course of work where the normal hours of work are continuous. As regards the undertakings where the normal hours of work were in two parts, the break should not be less than one hour’s duration and should not be deemed to form part of the normal hours of work.
Factories, Offices and Shops Act, 1970 (Act 328) was enacted by the Progress Party (PP) democratically elected Government that succeeded the military government of the NLC. Act 328 was concerned with improvements necessary to attain internationally acceptable standards providing for the safety, health and welfare of persons employed in factories.

The next industrial relations law that was put in place to promote workplace understanding in Ghana after independence was enacted by the military government Provisional National Defence Council, (PNDC), led by Flight Lieutenant Jerry John Rawlings. The law was PNDC Law 66. The new law, being militant in nature, did not only amend the Factories, Offices and Shops Act, 1970 but it also ensured the industrial safety, health and welfare of factory workers.

The Workmen’s Compensation Law, 1987 (PNDC Law 187) was one of the laws of Ft Lt Rawlings. The law, acting as continuation of the PNDC Law 66 spelt out the compensations that ought to be given workers who suffered accidents, injuries or death in their course of work.

It is important to mention here that most of the above laws had been amended since they were passed by various governments. Apart from the above national laws, the Government of Ghana still employs certain principles in handling conflict or strikes when they do occur. The issue of salaries and wages and conditions of service have been the main causes of strikes or conflict in most workplaces. To solve this problem, the Governments of Ghana have used tripartism in industrial relations and had still been encouraging it. In this regard, two committees have been established to provide two forums for consultations among the social partners. These are the Tripartite Committee on Salaries and Wages Guidelines and the National Advisory Committee on Labour. Whereas the former discusses issues of national interest on salaries and wages, the latter advises the Minister on all matters of policy and all proposals for legislation affecting labour and labour relations in Ghana. At the meetings of the two committees, workers and their unions and their employers are empowered to discuss and, as much as possible, settle any dispute that may arise out of the negotiation of
conditions of service. The Government, represented by the Labour Department, plays the role of a third party in industrial relations in general and in the settlement of disputed in particular, especially when there is a deadlock.

The best way known to settle disputes in the post independent Ghana is through negotiations. However, at times, parties to the disputes find themselves at conciliations, additional conciliations and even at arbitrations which have come to be regarded as a supplement to collective bargaining. Even though relatively few cases have gone beyond conciliation, it is the view of many industrial relations practitioners that the present ad hoc settlement of industrial disputes by arbitrations, as established under the Industrial Relations Act, 1965 (Act 299), should give way to a permanent industrial court, which should have a quick and impartial means of dispute settlement. The advantage of a permanent industrial court over the present *ad hoc* arbitration system is that the court will progressively build up case law which when applied effectively will inspire confidence among all the social partners in dispute settlement.

Apart from the established procedures for conflict management, other government institutions such as the Courts/Judiciary, the Police Service, and the Commission for Human Rights and Administrative Justice (CHRAJ) and the Legislature (Parliament) are often approached to offer similar services to restore peace at workplaces. Also, political heads like as Regional Ministers, District Chief Executives and the Council of State as well as the National House of Chiefs and the Clergy have of late been drawn into the conflict resolution/handling business.

Theoretically, the judiciary is an independent arm of the government but it still remains committed to peacekeeping and maintenance of the general populace. The function of the judiciary is to determine common law pertaining to employment relationship and also to interpret and apply the statutes passed by government to regulate the labour relationship.
The intervention of the judiciary is particularly important in Ghana because there are no labour courts dealing specifically with labour matters and tribunals or industrial courts to adjudicate in industrial disputes.

There have been problems with the normal judicial process. This is especially so where the judiciary is not very well acquainted with the experience and intricacies of the labour relationship or with the law pertaining to it. Such problems increase when the judiciary is required to interpret concepts of fairness as pertaining to labour relationship.

Traditionally, the police service has no role to play in industrial relations in that it is not supposed to side with either party. However, it does have a duty to protect the public and prevent public disturbances. Therefore, whether either of the major parties poses a threat to the public or causes a public disturbance, the police, as the law enforcement arm of the government, may have to intervene if it is called upon by any of the disputants. This is what has been happening in the industrial front of Ghana. But unfortunately, it is usually employees and their unions who are seen as causing a disturbance or infringing upon the rights of other individuals. Consequently the police are viewed as siding with the employers. For this reason and various others, police intervention should be allowed or requested only in extreme circumstances – and then only for the purpose of public protection or to prevent individuals from harming one another.

The ombudsman institution was formerly also assigned the responsible of ensuring justice and smooth coordination in public services. The office of the Ombudsman was among other things created to forestall the bitter experiences such as arbitrary arrest and imprisonment without trial, restriction on freedom of speech and formation of associations and the general injustices and maladministration that workers and Ghanaians in general suffered under the dictatorship of the Nkrumah regime. One of the problems which confronted the Ombudsman was the non-enforcement of his
recommendations, a situation which made the Ombudsman appear a “toothless bulldog” in the eyes of the public.

The tremendous expansion in the volume and complexity of government activities in Ghana after independence was accompanied by an increase in the size and importance of the public bureaucracy. The acquired discretionary powers of the public bureaucrats have increased the opportunity for corruption and unethical conduct such as injustices in administration. To ensure equity, fairness, justice, accountability and transparency in national life, the Commission on Human Rights and Administrative Justice (CHRAJ) was established under the 1992 Constitution of the Republic of Ghana.

The CHRAJ is not only responsible for checking and redressing incidents of maladministration but also to promote human rights. Thus CHRAJ combines the characteristics of the Ombudsman and a Human Rights Commission and Ghana is one of the countries to have adopted this progressive innovation (Asibuo, 1991).

Since its inception in 1993, CHRAJ has made modest achievements against the backdrop of constraints confronting it. CHRAJ has been able to hold some individuals and corporate bodies responsible for their action and inaction in its effort at promoting public accountability and peace in industrial relations.

Another phenomenon that has been observed since democratic elections of 1993 is the petitions that are often sent to political heads such as Regional Ministers and Metropolitan, Municipal and District Chief Executives in whose jurisdictions companies and organisations are established to help in mediations of industrial conflicts. The Council of State, Parliament, the Clergy (Religious Bodies) as well as the National House of Chiefs are often approached with similar issues.

Even though none of these bodies or institutions have powers conferred on them by any authorising bodies, the disputants are also with the belief that by virtue of their
positions in the society and the respect that they command all and sundry they would be able to restore peace and harmony in their relationship with their fellow combatants.

Some foreign bodies have often been approached to play mediation roles when there are misunderstandings that could mar the smooth relationship among the social partners. This normally happens between unions and the government. The unions would appeal to the International Labour Organisation to interpret certain clauses of the Conventions that they believe have been trampled upon by the government. A very good example was when the Government of the National Democratic Congress (NDC) like the Provisional National Defence Council (PNDC) and the TUC had a Joint Standing Committee (JSC) which discussed economic and other issues of national interest at regular intervals. A misunderstanding between the NDC and the TUC saw the latter on 01 September 1993, lodging complaints with the Director-General of the International Labour Organisation (ILO) in Geneva for violating trade union rights as enshrined in Convention 98 of 1949, which was ratified by Ghana on 02 July, 1956. In response to the ILO, the Government of Ghana gave the assurance that it was taking steps to restore peace and order between the two parties (Obeng-Fosu, 1999: 24-25).

The quest for suitable law to deal with the industrial problems in Ghana continued with the coming into power of the New Patriotic Party government under His Excellency President John Agyekum Kufour. On the 8th October 2003, a new Labour Act of Ghana was given the presidential assent to become Act 651.

Before the coming into force of the Labour Act 2003, Act 651, the Industrial Relations Act, 299 of 1965 and the Labour Decree of 1967, NLCD 157 were the laws governing industrial relations in the country, as well as other laws scattered in various pieces of legislation. During this time, industrial relations matters and disputes settlement were the preserve of the Ministry of Labour who did this through its Labour Department headed by the Chief Labour Officer.
Act 651 was meant to amend and consolidate the laws relating to labour, employers, trade unions and industrial relations; to establish a National labour Commission and to provide for matters related to these (Labour Act, 2003: 7). The Act is in twenty parts. Parts I to VII have to do with the Preliminary, Protection of Employment, General Conditions of Employment (such as annual leave with pay, hours of work, rest periods), Employment of Persons with Disability, Employment of Women and Employment of Young Persons respectively. Fair and Unfair Termination of Employment, Protection of Remuneration, Special Provisions Relating to Temporary Workers and Casual Workers, Trade Unions and Employers’ Organisations, Collective Agreement, National Tripartite Committee, Occupational Health, Safety and Environment, Labour Inspection and Unfair Labour Practices have also been discussed in Parts VIII to Parts XVII respectively.

A more comprehensive information for of the management of industrial conflict has been outlined in Parts XVIII and XIX under the headings National Labour Commission (with sub-parts I and II as establishment and function of the National Labour Commission and Settlement of industrial disputes) and Strikes respectively.

According to the Act 651, the Labour Commission or Commission which shall be independent shall have the following functions:

- To facilitate the settlement of industrial disputes;
- To settle industrial disputes;
- To investigate labour related complaints, in particular unfair labour practices and take such steps as it considers necessary to prevent labour disputes;
- To maintain a data base of qualified persons to serve as mediators and arbitrators;
- To promote effective labour co-operation between labour and management; and
- To perform any other function conferred on it under this Act or any other enactment.
The Act further states that, in the exercise of its adjudicating and dispute settlement function, the Commission shall not be subject to the control or direction of any person or authority. This makes the Commission autonomous and independence of any influence of the government, workers’ organisations or employers’ associations.

In section 139(2), the Commission shall in settling an industrial dispute, have the powers of the High Court in respect of:

- Enforcing the attendance of witness and examining them on oath, affirmation or otherwise;
- Compelling the production of documents; and
- The Commission shall in respect of its proceedings enjoy the same privileges and immunities pertaining to proceedings in the High Court.

In section 153, under Sub-Part II-Settlement of industrial disputes, the parties to an industrial dispute are under an obligation to negotiate in good faith with a view to reaching a settlement of dispute in accordance with the dispute settlement or contract of employment.

Similar to the Industrial Relations Act 1965, Act 299, section 154(1) of Act 651 allows that subject to the time limit in respect of essential services, if the parties fail to settle a dispute by negotiation within seven days after the occurrence of a dispute, either party or both parties by agreement may refer the dispute to the Commission and seek the assistance of the Commission for the appointment and seek the assistance of a mediator.

The Ghana Labour Law 2003, Act 651 does not abhor strike or lockout even though it does not condone it. The Act allows that notice of intention to resort to strike or lockout be given before the action is embarked on. This is particularly permissible where the parties fail to agree to refer the dispute to voluntary arbitration or the
dispute remains unresolved at the end of the arbitration proceedings (Section 159(a) and (b)).

The notice of intention to strike or lockout does not apply to establishments that provide essential services (where actions could cause loss of life or pose a danger to public health and safety). In any industrial dispute in such an organisation, the parties to the disputes are encouraged to settle the dispute within three days of the occurrence of the dispute by negotiation (Section 162(1)). The dispute ought to be referred to the Commission within twenty-four after the expiration of the three days if the dispute remains unresolved for the Commission to resolve it by compulsory arbitration.

To protect striking workers and owners’ lockout, in Act 651 during any lawful strike or lockout, the employment relationship between the employer and the workers shall not be affected by striker or lockout and any termination of the contract of employment as a result of the lawful strike or lock is void. Also an employer may not among other things employ any person to perform the work of a worker participating in lawful strike unless the work is necessary to secure essential minimum maintenance services at the undertaking. Again, picketing is allowed to be present at or near not less than ten metres away from former workplace or place of business of the former employer, for the purpose of peacefully communicating information or peacefully persuading any person not to enter the workplace or deal in or handle the employers’ products or do business with the employer (Sections 169 -171). The orders of the Labour Commission in relation to management of peace at workplaces, according to the Act could be enforced by an application to the High Court for an order to compel persons and organisations to comply with the direction or order (Section 172).

Ghana’s national strategies for industrial disputes’ management have been considered with respect to three time periods: the strategies used during the era of the colonial administration, the strategies of the period immediately before independence and those used by the governments after independence. The colonial administration saw
industrial disputes as being pathological. To them disputes were inimical to the smooth functioning of organisations and the state. Their intention was to completely eliminate or prevent their occurrences. They therefore employed the use of coercive measures through use of political control to maintain industrial law and order. They also used culture of domination to reinforce their political control measures. They did these by their “indirect rules” through Traditional Chiefs and Elders who were given native administrative authority to administer their areas of jurisdiction. The Native Administration was mandated to establish local tribunals by which they could suppress workers. They had the backing of the District Commissioners and government Police Special Branch to discipline, punish or fine workers who were found to be recalcitrant.

Repressive rules and regulations were also put in place to maintain law and order in workplaces. Some of these laws were: Master and Servant Ordinance Law, the Compulsory Labour Ordinance, Regulation of Employment Ordinance and Conspiracy and Protection of Property Ordinance. Intimidations and threats of dismissal and fines were other strategies for dispute management during the Colonial era.

The period immediately before independence saw the cry of labour for unionisation, a growing frequency of strikes resulting from demand for increase in wages/salaries. The pressure forced the colonial government to establish a new Labour Department to listen to workers, control and prevent them from planning strikes and to manage their relationship with government. The Police Special Branch was attached to the new Labour Department.

The main weapon of some of the workers in the period immediately before independence was strike which in most cases they used successfully. In situations where the Colonial government with its agents (Native Authorities, Labour Department, District Commissioners and the Police Special Branch) found it difficult
to restrict the striking workers, it would resort to ad hoc wage/salary commissions or consultation and negotiation machineries, e.g. Joint Industrial Committee.

After independence, the Nkrumah government made use of persuasive and fraternal strategies to keep peace and order in Ghana’s industrial front. There was broad union identification with government. Union leaders were admonished to show support for government and to exhort workers not to strike to dispel the fear and notion of the British that the government was irresponsible and incapable of ruling the country.

Ghana’s membership of the International Labour Organisation on 13 May 1957 has impacted on its labour law framework and regulation of industrial relations. Apart from amendments to the laws, Ghana has gone through the use of twelve regulations in the forms of Ordinances, Acts, Laws, Decrees and Legislative Instruments. The major one had been the Industrial Relations Act of 1965, Act 299. It was only in 2003 that the Labour Act, Act 651 came into use.

Most of the industrial laws in Ghana have been designed to remove the basis of disputes and to prevent their occurrences in any form. It has again been revealed that the general policy of government is to leave micro-level issues to disputing parties to directly resolve them whereas the Labour Department or the Labour Commission resolves individuals as well as complex disputes.

Government’s dispute management has been by negotiation through conciliation, mediation and arbitration. The Industrial Relations Act of 1965, Act 299 encouraged the establishment of Joint Negotiating Committee whose decision becomes Collective Agreement which has always been the Contracts of Employment. Act 299 also brought the establishment of the National Advisory Committee on Labour to advise government on all matters and policies and legislations affecting labour and labour relations in Ghana.
In some instances police brutalities as well as repressive measures had been used in industrial relations even after independence. The Courts, Judicial Service, Police Service, Commission for Human Rights and Administrative Justice, Ombudsman Institution and some foreign bodies have all played roles in dispute management in Ghana. A phenomenon that the chapter reveals is the mediation role that some institutions and individuals like the Religious Leaders, Council of State, National House of Chiefs, Parliament and Regional, Metropolitan, Municipal and District Chief Executives play in managing industrial disputes in Ghana.

The chapter highlights the strategies that Ghana employs in dealing with her industrial problems. Even though traditional methods of disputes management are being applied in Ghana, they do not seem to be always effective due to the special causes of the disputes which occur in Ghana.
This analysis of major issues associated with disputes in Ghana’s industrial relations since independence has addressed five principal issues. These are as follows:

- How and where the research has added to the existing state of knowledge,
- The landmark events/changes in Ghanaian industrial relations since independence,
- How the analysis of Ghanaian industrial relations has suggested any additions to industrial conflict theory,
- Reminder to readers why the qualitative, narrative, historical method of analysis with, however, due acknowledgement of the principal theories had been preferred, and
- Lessons for the future and for all parties to industrial relations in Ghana.

This thesis may claim to have made a major contribution to the understanding of disputes in industrial relations in Ghana by being the first to place a considerable emphasis on explaining the evolution, dynamics and significance of industrial disputes/strikes in Ghana before and after independence. The other major account of Ghana industrial relations, also with an emphasis on strikes was written by Jon Kraus, *Strike and Labour Power in a Post-colonial African State: The Case of Ghana* (1977). Even though the past 29 years have seen some publications on topics like Ghana Labour Unions, Industrial Relations in Ghana and so on, this thesis is the first academic work to bridge the long gap in historical narration of strikes or conflicts in the case of Ghana.

The thesis is also the first work to explicitly use a theoretical framework to orient industrial disputes’ research on Ghana. Furthermore, it is the only work that has ensured coherence and established boundaries by explaining industrial disputes in Ghana by reference to the country’s geographical, political, cultural and socio-economic issues. The above issues have been used to identify instances of how they together or individually impact on disputes in Ghanaian industrial relations.

In addition to the above contributions, the thesis, even though believes that the theories can help explain the causes of industrial disputes in Ghana, further argues that in Ghana some special factors have also contributed to industrial conflicts. Some of the identifiable factors mentioned in the thesis are: lack of political consciousness, excessive foreign
influence on the administration of the economic policies of the country, slow economic development, and lack of rapid development of the investment or industrial sector, too much dependence on the public sector for job creation as well as numerous socio-demographic factors.

The analysis further reveals that, in the case of Ghana, political instability (just nine years after independence), mismanagement, corruption in high places and many other vices, have plunged the Ghanaian economy deeply into a state of perpetual low per capita income, lack of job creation and job insecurity, adult unemployment, insurmountable budget deficits, depreciation of the local currency, deterioration of well-being, human dignity and livelihoods and over-dependence on public sector employment and wages.

The thesis compares the causes of disputes in industrial relations under military regimes with periods of democratically elected governments. The comparison reveals that civilian governments have had to deal with more challenging strikes than military ones after independence. Strikes in these two periods of civilian and military rule have been as a result of demand for higher wages to offset the pressures of inflation, better conditions of work, lack of fairness in the distribution of incomes, unemployment, retrenchment of workers, job insecurity, and devaluation of the local currency. The thesis argues believes that conflict had further been triggered by government policies ostensibly engineered by World Bank and the International Monetary Fund which, it has argued, have been unfriendly to labour.

Apart from adding to the existing state of knowledge, this thesis has identified considerable issues which stand out as the landmark events or changes in Ghanaian industrial relations since independence. It has done this by first referring to the major characteristics which arguably offer a great deal to the systems and processes used by colonial masters. It was the colonial masters, through the public service, agricultural and commerce wage employment of the native people that initiated Western forms of industrial relations in Ghana. Since the time of the colonial administration, the public
sector of Ghana has been the major absorber of union workers. This makes the
government of Ghana very sensitive about labour issues.

The analysis has further shown that the need to augment bargaining capacity to acquire a
reasonable share of national resources pushed workers to think about unionisation in
Ghana. The trade union movement before independence, as compared with the post
independence unions, was known to have first been characterised by small numbers of
members (apart from the Mines Employees’ Union). Other characteristics were that
unions were organised around single companies or government units and were financially
poor due to difficulty in collecting union dues. It has also pointed out that union
movement before independence showed both poor and weak management and leadership
structures. The thesis argues, moreover, that even though both the Gold Coast and the
independent Ghana governments have not declared disputes in industrial relations
(especially strikes) as illegitimate, ordinances and orders between 1941 and 45 and other
actions and inactions of theirs are indications of their abhorrence of strikes and other
forms of industrial disputes.

Apart from the shift in causes and management of industrial disputes after independence
identified by this research, Ghana strike statistics shown in Table 5.1 of the Appendix 2,
continue to show an increase as well as shift in size and trends in number of strikes, man-
days lost to strikes and workers involved in strike activities. Another interesting
phenomenon that has been revealed by the research is that because government is the
major employer, most strikes are of a public nature which is directed against government.
Ghana’s constitution places limitations on the right to strike, especially in essential
services. Before the Industrial Relations Act of 1965, employees had freedom to strike
but not the right to strike. This means that even legal strikes were not protected and
striking members could be dismissed.

This thesis has shown that apart from the causes of industrial disputes resulting from the
challenges mentioned above, socio-economic and demographic factors have also been
identified. Examples of the factors mentioned in the thesis are high population growth,
urbanisation, high unemployment, unequal distribution of wealth. The thesis argues that such factors divert governments’ attention and the scarce resources of the nation that could have been used in creating jobs and investment to ease industrial relations’ problems.

The analysis has pointed out that Ghana’s national strategies for industrial disputes’ management before and after independence show deviations from what the theories suggest. The disregard of strikes and the notion that industrial disputes are pathological and inimical to the smooth functioning of organisations and the state is still given credence in some policy circles. The intention has been to eliminate or prevent strike occurrences. The research mentions that the periods before and after independence saw both legal and repressive/coercive measures of political control to maintain industrial law and order.

The work maintains that even though Ghana has ratified most of the ILO Conventions, the major philosophy of the labour laws in Ghana have been designed to remove the basis of disputes and to prevent their occurrences in any form. It has again revealed that the general policy of government is to leave micro-level issues to disputing parties to directly resolve them whereas the Labour Department or the Labour Commission resolves complex disputes.

Another major landmark event that has characterised the industrial disputes system in Ghana has been identified to be the inefficiency of the laid down procedures in sometimes controlling and managing industrial disputes. It is not uncommon for disputants to disregard laid down procedures for embarking on strikes or abiding by management procedures. This, the research has shown, makes most of the industrial strikes in Ghana illegal. This may suggest why disputes in industrial relations since independence have been on the ascendancy in spite of some good industrial policies that have been put in place.
The analysis suggests that this shortcoming, which could be as a result of lost of confidence in the disputes management apparatuses, could be due to the fact that government is the same agent that sets laws to manage the problems it has created. For this reason, the research has shown that most industrial disputes in Ghana do not occur at industrial or plant levels but are political in nature because they are mostly directed against government.

The research confirms that, even though no major ethnic or religious diversities have accounted for industrial conflicts in Ghana, their effects at workplaces cannot be overlooked since there are constant reports and traces of nepotism, discrimination, stereotyping and some other latent forms of conflict. Another significant issue that has arisen out of industrial relations in Ghana has been pointed out in the research is the contemporary approach to conflict/strike management by the use of Chiefs, Religious Leaders, and respected members of community and so on as mediators. This has resulted from the disregard of disputants to some of the laid down procedures for industrial conflict management in Ghana.

The thesis confirms the study that environmental influences and other socio-demographic factors can also result in industrial disputes. The analysis suggests that unions’ political pressures on government, private employers’ strong lobby for policy to accommodate their interests, international pressures of technological development and the need to attract foreign direct investments place demands on government policies and programmes which in turn impact on the needs, goals, expectations and powers of employers employees and unions. Also high population growth, high unemployment and unequal distribution of wealth have all been analysed as pressing factors demanding government attention against industrial peace.

An historical perspective is essential for a proper assessment of the significance of industrial disputes. The analyses of the causes and management of industrial disputes from the era of the colonial administration through to independence are of greatest consequence for Ghanaian industrial relations history. It has exposed the major causes of
industrial disputes, how the disputes were managed and the problems that were encountered. Out of this, with pragmatic efforts, the same mistakes might not be repeated in future industrial relations issues. This can have influence on future tactics and policies. For example, the Nkrumah’s government, the first government after Ghana’s independence, saw the wisdom in this and refused to perpetuate the coercive and repressive measures of its predecessor. It rather resorted to persuasion in resolving industrial relations problems. On the contrary, some governments after Nkrumah, who ignored the historical snapshots of industrial disputes management and decided to use their own method which had not been tried or had no historical basis, had to pay dearly through strikes, agitations and confrontations by workers and their unions.
APPENDIX 1

GHANA’S GEOGRAPHY, POPULATION AND ECONOMIC STATISTICS
Figure 3.1: Map showing the location of Ghana
Figure 3.2

Ghana Population Pyramid for 2003
Age and sex distribution for the year 2003:

![Population Pyramid](image)

Source: U.S. Census Bureau, International Data Base.

Figure 3.3: Main Countries of Residence for Ghanaian Migrants, 2001

![Pie Chart](image)

Table 3.1: African Foreign Population in Germany on December 31, 2004, by Country of Origin

<table>
<thead>
<tr>
<th>Country</th>
<th>Total</th>
<th>Born abroad</th>
<th>Born in Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>14,480</td>
<td>13,199</td>
<td>1,281</td>
</tr>
<tr>
<td>Ghana</td>
<td>20,636</td>
<td>17,939</td>
<td>2,697</td>
</tr>
<tr>
<td>Morocco</td>
<td>73,027</td>
<td>58,300</td>
<td>14,727</td>
</tr>
<tr>
<td>Tunisia</td>
<td>22,429</td>
<td>18,615</td>
<td>3,814</td>
</tr>
<tr>
<td>Africa, total</td>
<td>276,973</td>
<td>238,338</td>
<td>38,635</td>
</tr>
</tbody>
</table>

Source: Federal Statistical Office, Germany

Table 3.2: Number of Ghanaians Accepted for Permanent Residence in Canada, 1995 to 2005

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>1,446</td>
<td>1,163</td>
<td>1,247</td>
<td>1,028</td>
<td>812</td>
<td>1,003</td>
<td>789</td>
<td>716</td>
<td>568</td>
<td>836</td>
<td>9,608</td>
</tr>
</tbody>
</table>

Source: Citizenship and Immigration Canada
Table 3.3: Age and Sex Distribution of the Ghanaian-Born Population in the United States, 2000

<table>
<thead>
<tr>
<th>Sex and Age</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>65,570</td>
<td>100</td>
</tr>
<tr>
<td>Male</td>
<td>36,985</td>
<td>56.41</td>
</tr>
<tr>
<td>Female</td>
<td>28,585</td>
<td>43.59</td>
</tr>
<tr>
<td>Under 5 years</td>
<td>660</td>
<td>1.01</td>
</tr>
<tr>
<td>5 to 9 years</td>
<td>1,250</td>
<td>1.91</td>
</tr>
<tr>
<td>10 to 14 years</td>
<td>2,265</td>
<td>3.45</td>
</tr>
<tr>
<td>15 to 19 years</td>
<td>3,270</td>
<td>4.99</td>
</tr>
<tr>
<td>20 to 24 years</td>
<td>4,885</td>
<td>7.45</td>
</tr>
<tr>
<td>25 to 34 years</td>
<td>16,680</td>
<td>25.44</td>
</tr>
<tr>
<td>35 to 44 years</td>
<td>19,765</td>
<td>30.14</td>
</tr>
<tr>
<td>45 to 54 years</td>
<td>12,100</td>
<td>18.45</td>
</tr>
<tr>
<td>55 to 59 years</td>
<td>2,330</td>
<td>3.55</td>
</tr>
<tr>
<td>60 to 64 years</td>
<td>1,340</td>
<td>2.04</td>
</tr>
<tr>
<td>65 to 74 years</td>
<td>740</td>
<td>1.13</td>
</tr>
<tr>
<td>75 to 84 years</td>
<td>220</td>
<td>0.34</td>
</tr>
<tr>
<td>85 years and over</td>
<td>75</td>
<td>0.11</td>
</tr>
</tbody>
</table>

*Source: US Census Bureau, Census Special Tabulations (STP-159) FBP-1 to 3. Profile of Selected Demographic and Social Characteristics: 2000-Ghana*
Table 3.4: Emigrating Ghanaian Health Workers as Percentage of Those Trained That Year, 1995 to 2002

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GPs/Medical officers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained</td>
<td>93</td>
<td>104</td>
<td>84</td>
<td>85</td>
<td>113</td>
<td>84</td>
<td>67</td>
<td>72</td>
<td>702</td>
</tr>
<tr>
<td>Emigrated</td>
<td>56</td>
<td>68</td>
<td>59</td>
<td>58</td>
<td>68</td>
<td>50</td>
<td>60</td>
<td>68</td>
<td>487</td>
</tr>
<tr>
<td>% leaving</td>
<td>60.20%</td>
<td>5.40%</td>
<td>70.20%</td>
<td>68.20%</td>
<td>60.20%</td>
<td>59.50%</td>
<td>89.60%</td>
<td>94.40%</td>
<td>69.40%</td>
</tr>
<tr>
<td>Dentists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained</td>
<td>10</td>
<td>13</td>
<td>9</td>
<td>9</td>
<td>12</td>
<td>9</td>
<td>7</td>
<td>8</td>
<td>77</td>
</tr>
<tr>
<td>Emigrated</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>21</td>
</tr>
<tr>
<td>% leaving</td>
<td>20.00%</td>
<td>23.10%</td>
<td>33.30%</td>
<td>33.30%</td>
<td>33.30%</td>
<td>22.20%</td>
<td>28.60%</td>
<td>25.00%</td>
<td>27.30%</td>
</tr>
<tr>
<td>Pharmacists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained</td>
<td>67</td>
<td>65</td>
<td>80</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>812</td>
</tr>
<tr>
<td>Emigrated</td>
<td>29</td>
<td>27</td>
<td>35</td>
<td>53</td>
<td>49</td>
<td>24</td>
<td>58</td>
<td>77</td>
<td>352</td>
</tr>
<tr>
<td>% leaving</td>
<td>43.30%</td>
<td>41.50%</td>
<td>43.80%</td>
<td>44.20%</td>
<td>40.80%</td>
<td>20.00%</td>
<td>48.30%</td>
<td>64.20%</td>
<td>43.30%</td>
</tr>
<tr>
<td>Medical laboratory technologists/technicians</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained</td>
<td>31</td>
<td>37</td>
<td>38</td>
<td>45</td>
<td>46</td>
<td>46</td>
<td>45</td>
<td>51</td>
<td>339</td>
</tr>
<tr>
<td>Emigrated</td>
<td>8</td>
<td>9</td>
<td>4</td>
<td>6</td>
<td>9</td>
<td>16</td>
<td>14</td>
<td>0</td>
<td>66</td>
</tr>
<tr>
<td>% leaving</td>
<td>25.80%</td>
<td>24.30%</td>
<td>10.50%</td>
<td>13.30%</td>
<td>19.60%</td>
<td>34.80%</td>
<td>31.10%</td>
<td>0.00%</td>
<td>19.50%</td>
</tr>
<tr>
<td>-----------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>-------</td>
<td>--------</td>
</tr>
</tbody>
</table>

**Environmental health specialists**

| Trained | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Emigrated | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 |
| % leaving | na | na | 0.00% | na | na | na | na | na | 100.00% |

**Environmental health technologists/technicians**

| Trained | 100 | 112 | 108 | 109 | 139 | 145 | 135 | 144 | 992 |
| Emigrated | 2 | 6 | 6 | 3 | 3 | 0 | 2 | 3 | 25 |
| % leaving | 2.00% | 5.40% | 5.60% | 2.80% | 2.20% | 0.00% | 1.50% | 2.10% | 2.50% |

**Nurses/midwives**

| Trained | 975 | 911 | 868 | 814 | 1,073 | 1,037 | 1,124 | 1,074 | 7,876 |
| Emigrated | 195 | 182 | 174 | 161 | 215 | 207 | 205 | 214 | 1,553 |
| % leaving | 20.00% | 20.00% | 20.00% | 19.80% | 20.00% | 20.00% | 18.20% | 19.90% | 19.70% |

**Total**

| Trained | 1,276 | 1,242 | 1,188 | 1,182 | 1,503 | 1,441 | 1,498 | 1,469 | 10,799 |
| Emigrated | 292 | 295 | 281 | 284 | 349 | 299 | 341 | 364 | 2,505 |
| % leaving | 22.90% | 23.80% | 23.70% | 24.00% | 23.20% | 20.70% | 22.80% | 24.80% | 23.20% |

### Table 3.5: Estimates of the Vacancy Levels at the Ghanaian Health Service, 2002

<table>
<thead>
<tr>
<th>Staff Type</th>
<th>Current Status</th>
<th>Ideal Number</th>
<th>Shortfall</th>
<th>Percent Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctors</td>
<td>633</td>
<td>1,804</td>
<td>1,171</td>
<td>64.9%</td>
</tr>
<tr>
<td>Nurses</td>
<td>4,319</td>
<td>13,340</td>
<td>9,021</td>
<td>67.6%</td>
</tr>
<tr>
<td>Pharmacists</td>
<td>161</td>
<td>371</td>
<td>210</td>
<td>56.6%</td>
</tr>
</tbody>
</table>


### Table 3.6: Estimated Vacancy Levels in Ghana Ministry of Health, 1998 and 2002

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctors</td>
<td>42.6%</td>
<td>47.3%</td>
</tr>
<tr>
<td>Registered Nurses</td>
<td>25.5%</td>
<td>57.0%</td>
</tr>
</tbody>
</table>

Figure 3.4: Annual growth in Gross Domestic Production, 3-year moving average, Ghana 1965-2003.


Table 3.7

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>61.1 (47.9)</td>
<td>12.8 (19.6)</td>
<td>26.1 (22.1)</td>
</tr>
<tr>
<td>1992</td>
<td>62.2 (37.8)</td>
<td>10.0 (25.0)</td>
<td>27.8 (27.0)</td>
</tr>
<tr>
<td>1998</td>
<td>55.0 (36.7)</td>
<td>14.0 (25.1)</td>
<td>31.0 (29.1)</td>
</tr>
<tr>
<td>2000</td>
<td>50.7 (36.0)</td>
<td>16.3 (25.2)</td>
<td>33.0 (29.7)</td>
</tr>
</tbody>
</table>

Note: Real GDP figures at 1993 constant prices are reported in parenthesis
Source: Employment figures from GLSS 3rd and 2000 Population Census; GDP figures from Quarterly Digest of Statistics: Ghana Statistical Service
Table 3.8: Selected Economic and Financial Indicators 1999-2003
(Annual Percentage change, unless otherwise specified)

<table>
<thead>
<tr>
<th>National income and prices</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP</td>
<td>4.4</td>
<td>3.7</td>
<td>4.2</td>
<td>4.5</td>
<td>4.5</td>
<td>4.7</td>
</tr>
<tr>
<td>Real GDP per capita</td>
<td>1.8</td>
<td>1.2</td>
<td>1.6</td>
<td>1.9</td>
<td>1.9</td>
<td>2.1</td>
</tr>
<tr>
<td>Nominal GDP</td>
<td>19.0</td>
<td>31.9</td>
<td>40.2</td>
<td>23.3</td>
<td>28.3</td>
<td>33.6</td>
</tr>
<tr>
<td>GDP deflator</td>
<td>13.9</td>
<td>27.2</td>
<td>34.6</td>
<td>18.0</td>
<td>22.8</td>
<td>27.6</td>
</tr>
<tr>
<td>Consumer price index (annual average)</td>
<td>12.4</td>
<td>25.2</td>
<td>32.9</td>
<td>15.9</td>
<td>14.8</td>
<td>26.9</td>
</tr>
<tr>
<td>Consumer price index (end of period)</td>
<td>11.8</td>
<td>40.5</td>
<td>21.3</td>
<td>13.0</td>
<td>15.2</td>
<td>22.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>External sector</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports, f.o.b.</td>
<td>-4.1</td>
<td>-3.5</td>
<td>-3.6</td>
<td>7.6</td>
<td>10.6</td>
<td>12.1</td>
</tr>
<tr>
<td>Imports, f.o.b.</td>
<td>11.4</td>
<td>-15.2</td>
<td>2.6</td>
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<td>-13.4</td>
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<td>4.8</td>
<td>6.9</td>
<td>9.1</td>
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<tr>
<td>Nominal effective exchange rate (avg.)</td>
<td>-9.3</td>
<td>-46.3</td>
<td>-24.0</td>
<td>...</td>
<td>-11.7</td>
<td>...</td>
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<tr>
<td>Real effective exchange rate (avg.)</td>
<td>0.5</td>
<td>-35.5</td>
<td>0.7</td>
<td>...</td>
<td>-0.6</td>
<td>...</td>
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<tr>
<td>Cedis per U.S. dollar (avg.)</td>
<td>2,669</td>
<td>5,431</td>
<td>7,179</td>
<td>...</td>
<td>7,947</td>
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<tr>
<td>Domestic revenue (excluding grants)</td>
<td>6.0</td>
<td>42.9</td>
<td>43.5</td>
<td>38.1</td>
<td>27.5</td>
<td>60.3</td>
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<td>Total expenditure</td>
<td>9.0</td>
<td>39.6</td>
<td>65.5</td>
<td>34.0</td>
<td>2.4</td>
<td>50.0</td>
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<tr>
<td>Current expenditure</td>
<td>13.1</td>
<td>48.9</td>
<td>50.5</td>
<td>22.8</td>
<td>28.8</td>
<td>33.5</td>
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<tr>
<td>Capital expenditure and net lending</td>
<td>4.1</td>
<td>24.1</td>
<td>95.7</td>
<td>39.4</td>
<td>-38.7</td>
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<tr>
<td>Net domestic assets</td>
<td>46.0</td>
<td>49.1</td>
<td>13.5</td>
<td>6.6</td>
<td>14.0</td>
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<tr>
<td>Credit to government</td>
<td>38.2</td>
<td>57.7</td>
<td>0.0</td>
<td>1.8</td>
<td>32.6</td>
<td>0.0</td>
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<td>Credit to pubic enterprises</td>
<td>9.0</td>
<td>19.2</td>
<td>9.7</td>
<td>1.9</td>
<td>-9.0</td>
<td>1.5</td>
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<tr>
<td>Credit to the private sector</td>
<td>24.9</td>
<td>34.4</td>
<td>12.0</td>
<td>17.1</td>
<td>17.7</td>
<td>18.8</td>
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<tr>
<td>Broad money (excluding foreign currency deposits)</td>
<td>19.8</td>
<td>33.4</td>
<td>48.4</td>
<td>25.2</td>
<td>50.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Reserve money (excluding foreign currency deposits)</td>
<td>35.8</td>
<td>52.6</td>
<td>31.3</td>
<td>18.7</td>
<td>42.6</td>
<td>24.5</td>
</tr>
<tr>
<td>Velocity (GDP/end-of-period broad money)</td>
<td>5.2</td>
<td>5.1</td>
<td>4.8</td>
<td>4.9</td>
<td>4.1</td>
<td>4.4</td>
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<tr>
<td>Treasury bill yield (in percent; end of period)</td>
<td>34.2</td>
<td>42.0</td>
<td>28.9</td>
<td>...</td>
<td>28.2</td>
<td>...</td>
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(In percent of GDP, unless otherwise specified)
### Investment and saving

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<tr>
<th></th>
<th>21.5</th>
<th>24.0</th>
<th>26.6</th>
<th>22.3</th>
<th>19.7</th>
<th>23.0</th>
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<tr>
<td>Gross investment</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Private</td>
<td>11.7</td>
<td>14.8</td>
<td>13.8</td>
<td>13.1</td>
<td>13.6</td>
<td>13.6</td>
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<tr>
<td>Public</td>
<td>9.8</td>
<td>9.2</td>
<td>12.8</td>
<td>9.2</td>
<td>6.1</td>
<td>9.4</td>
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<tr>
<td>Gross national saving</td>
<td>9.9</td>
<td>15.6</td>
<td>21.3</td>
<td>16.3</td>
<td>20.3</td>
<td>21.2</td>
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<tr>
<td>Private</td>
<td>8.3</td>
<td>14.3</td>
<td>16.1</td>
<td>11.6</td>
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<td>14.9</td>
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### Government budget

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<tr>
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<th>16.4</th>
<th>17.7</th>
<th>18.1</th>
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<th>18.0</th>
<th>21.6</th>
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<tbody>
<tr>
<td>Total revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>1.7</td>
<td>2.1</td>
<td>6.9</td>
<td>4.2</td>
<td>3.1</td>
<td>4.6</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>26.2</td>
<td>27.7</td>
<td>32.7</td>
<td>28.4</td>
<td>26.1</td>
<td>29.3</td>
</tr>
<tr>
<td>Overall balance (excluding grants)</td>
<td>-9.8</td>
<td>-10.0</td>
<td>-14.6</td>
<td>-9.7</td>
<td>-8.1</td>
<td>-7.7</td>
</tr>
<tr>
<td>Overall balance (including grants)</td>
<td>-8.0</td>
<td>-9.7</td>
<td>-9.0</td>
<td>-7.0</td>
<td>-6.8</td>
<td>-3.9</td>
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<tr>
<td>Domestic primary balance</td>
<td>0.4</td>
<td>2.6</td>
<td>3.8</td>
<td>3.1</td>
<td>2.0</td>
<td>2.9</td>
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<tr>
<td>Divestiture receipts</td>
<td>0.3</td>
<td>1.2</td>
<td>0.0</td>
<td>0.8</td>
<td>0.0</td>
<td>0.7</td>
</tr>
<tr>
<td>Net Domestic Financing</td>
<td>6.3</td>
<td>8.5</td>
<td>2.3</td>
<td>0.3</td>
<td>4.8</td>
<td>0.0</td>
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### External sector

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<tr>
<th></th>
<th>109.9</th>
<th>169.7</th>
<th>131.5</th>
<th>124.0</th>
<th>112.3</th>
<th>96.4</th>
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<td></td>
<td></td>
<td></td>
<td>-1.8</td>
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<td>External debt outstanding</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>96.4</td>
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<tr>
<td>External debt service, including to the Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6.3</td>
</tr>
<tr>
<td>(in percent of exports of goods and nonfactor services)</td>
<td>21.1</td>
<td>23.0</td>
<td>18.9</td>
<td>15.9</td>
<td>18.4</td>
<td>15.6</td>
</tr>
<tr>
<td>(in percent of government revenue)</td>
<td>37.5</td>
<td>56.5</td>
<td>34.1</td>
<td>29.4</td>
<td>37.1</td>
<td>24.2</td>
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(In millions of U.S. dollars, unless otherwise specified)

<table>
<thead>
<tr>
<th></th>
<th>-895</th>
<th>-419</th>
<th>-283</th>
<th>-393</th>
<th>38</th>
<th>-131</th>
</tr>
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<tbody>
<tr>
<td>Current account balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Overall balance of payments</td>
<td>-266</td>
<td>-123</td>
<td>-2</td>
<td>-146</td>
<td>39</td>
<td>-77</td>
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<tr>
<td>Change in external arrears (decrease -)</td>
<td>62</td>
<td>27</td>
<td>61</td>
<td>0</td>
<td>-61</td>
<td>0</td>
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<tr>
<td>Gross international reserves (end of period)</td>
<td>317</td>
<td>264</td>
<td>344</td>
<td>629</td>
<td>631</td>
<td>811</td>
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<tr>
<td>(in months of imports of goods and services)</td>
<td>1.0</td>
<td>0.9</td>
<td>1.2</td>
<td>2.0</td>
<td>1.9</td>
<td>2.3</td>
</tr>
</tbody>
</table>

| Nominal GDP (in billions of cedis) | 20,580 | 27,153 | 38,071 | 46,875 | 48,862 | 65,262 |

Sources: Ghanaians authorities; and IMF staff estimates and projections
Figure 3.5: Inflation in Ghana (1984-2002)


Figure 3.6: Inflation rate in Ghana, Consumer Price Index, 1965-2003.

Source: World Bank World Development Indicators 2003 and Bank of Ghana
### Table 3.9


<table>
<thead>
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<th></th>
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<td>1983</td>
<td>25.00</td>
<td>8100</td>
<td>3.45</td>
<td>2347.82</td>
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<td>1984</td>
<td>35.00</td>
<td>11340</td>
<td>35.34</td>
<td>320.88</td>
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<td>1985</td>
<td>70.00</td>
<td>22680</td>
<td>54.05</td>
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<td>1986</td>
<td>90.00</td>
<td>29160</td>
<td>89.29</td>
<td>326.58</td>
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<td>1987</td>
<td>112.00</td>
<td>36288</td>
<td>147.06</td>
<td>246.76</td>
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<td>1988</td>
<td>146.25</td>
<td>47385</td>
<td>202.34</td>
<td>234.18</td>
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<td>1989</td>
<td>170.00</td>
<td>55080</td>
<td>270.01</td>
<td>203.99</td>
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<td>1990</td>
<td>218.00</td>
<td>70632</td>
<td>326.28</td>
<td>216.48</td>
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<tr>
<td>1991</td>
<td>460.00</td>
<td>149040</td>
<td>367.73</td>
<td>405.30</td>
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<tr>
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<td>460.00</td>
<td>149040</td>
<td>437.09</td>
<td>340.98</td>
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<tr>
<td>1993</td>
<td>460.00</td>
<td>149040</td>
<td>648.98</td>
<td>229.65</td>
</tr>
<tr>
<td>1994</td>
<td>790.00</td>
<td>255960</td>
<td>956.73</td>
<td>267.54</td>
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<td>1995</td>
<td>1200.00</td>
<td>388800</td>
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<td>324.00</td>
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<td>1996</td>
<td>1700.00</td>
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<td>1997</td>
<td>2000.00</td>
<td>648000</td>
<td>2050.28</td>
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<td>1998</td>
<td>2000.00</td>
<td>648000</td>
<td>2314.15</td>
<td>280.02</td>
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<tr>
<td>1999</td>
<td>2900.00</td>
<td>939600</td>
<td>3500.69</td>
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<tr>
<td>2000</td>
<td>4200.00</td>
<td>1360 800</td>
<td>6820.00</td>
<td>200.00</td>
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<td>2001</td>
<td>5500</td>
<td>1782 000</td>
<td>7000</td>
<td>254.57</td>
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<td>2002</td>
<td>7150</td>
<td>2 316 600</td>
<td>8000</td>
<td>303.75</td>
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<tr>
<td>2003</td>
<td>9200</td>
<td>2 980 800</td>
<td>8500***</td>
<td>350.68</td>
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</table>

Sources: * Trades Union Congress (Ghana); ++ Consumer Price Index Numbers; + Bank of Ghana, ** Figures are Annual Minimum Wage divided by Nominal Exchange rate for the year.  
*** Figure is the buying rate on March 9, 2003 (source www.Ghana.Com)
Table 3.10

Formal Sector Employment 1960-1991 ('000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Public</th>
<th>Private</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>184.0</td>
<td>149 (44.7%)</td>
<td>333.0</td>
</tr>
<tr>
<td>1970</td>
<td>288.0</td>
<td>110 (27.6%)</td>
<td>398.0</td>
</tr>
<tr>
<td>1975</td>
<td>318.0</td>
<td>137 (30.1%)</td>
<td>455.0</td>
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<tr>
<td>1980</td>
<td>291.0</td>
<td>46.2 (13.7%)</td>
<td>337.2</td>
</tr>
<tr>
<td>1985</td>
<td>397.1</td>
<td>67.2 (14.5%)</td>
<td>464.3</td>
</tr>
<tr>
<td>1986</td>
<td>347.4</td>
<td>66.3 (16.0%)</td>
<td>413.7</td>
</tr>
<tr>
<td>1987</td>
<td>315.4</td>
<td>79.0 (20.0%)</td>
<td>394.4</td>
</tr>
<tr>
<td>1988</td>
<td>251.5</td>
<td>55.3 (18.1%)</td>
<td>306.8</td>
</tr>
<tr>
<td>1989</td>
<td>176.7</td>
<td>38.2 (17.8%)</td>
<td>214.9</td>
</tr>
<tr>
<td>1990</td>
<td>189.4</td>
<td>40.2 (17.5%)</td>
<td>229.6</td>
</tr>
<tr>
<td>1991</td>
<td>159.8</td>
<td>26.5 (14.2%)</td>
<td>186.3</td>
</tr>
</tbody>
</table>

Share of private sector in formal sector employment in parenthesis
Source: Quarterly Digest of Statistics: Ghana Statistical Service

Figure 3.7: Trends in cedi / us dollar exchange rate

Figure 3.8: Index of the real effective exchange rate for Ghana, 1984-2003, 1995=100.

Note: The real effective exchange rate index is CPI-based and calculated with respect to Ghana’s major trading partners. A fall in the value of the index indicates a decline in the real exchange rate of the cedi.
Figure 3.9: Total trade volume and trade deficit as a percent of GDP, Ghana 1975-2001.


Figure 3.10

Pie Chart showing Ghana’s trade partners
### Table 3.11: Formal Sector Employment 1960-1991 (‘000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Public</th>
<th>Private (%)</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>184.0</td>
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<tr>
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<td>398.0</td>
</tr>
<tr>
<td>1975</td>
<td>318.0</td>
<td>137 (30.1%)</td>
<td>455.0</td>
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<td>1980</td>
<td>291.0</td>
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<td>214.9</td>
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<td>1991</td>
<td>159.8</td>
<td>26.5 (14.2%)</td>
<td>186.3</td>
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</tbody>
</table>

*Share of private sector in formal sector employment in parenthesis*

*Source: Quarterly Digest of Statistics: Ghana Statistical Service*

### Table 3.12: Employment Generated by Some Divested Companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Post Divestiture Period (Years)</th>
<th>Increase in Workforce after Divestiture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Golden Tulip Hotel</td>
<td>4</td>
<td>231</td>
</tr>
<tr>
<td>Tema Steel Company Limited</td>
<td>6</td>
<td>454</td>
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<tr>
<td>Ghana Agro-Food Co</td>
<td>4</td>
<td>1073</td>
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<tr>
<td>Coca Cola Bottling Company</td>
<td>4</td>
<td>264</td>
</tr>
<tr>
<td>Ghana Rubber Estates Limited</td>
<td>2</td>
<td>748</td>
</tr>
<tr>
<td>West Africa Mills Company</td>
<td>4</td>
<td>280</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>--</strong></td>
<td><strong>3,050</strong></td>
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</table>

*Source: Divestiture Implementation Committee*
Figure 3.11

Share of Informal Sector in Total Employment 1984-2000 (%)

Year
1984 & 2000 are Population figures while 1992 & 1998 figures were sourced from GLSS

Source: Ghana Statistical Service

Figure 3.12: Employment Status of Economically Active Population in 2000

Source: 2000 Population and Housing Census; Ghana Statistical Service
Figure 3.13

Figure 1: Unemployment Rates 1984 - 2000 (%)

Source: GLSS and Population Census (1984 & 2000); Ghana Statistical Service

Table 3.14: Distribution of Economic Active Population by Industry (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Service</th>
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<td>26.1</td>
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<tr>
<td>1992</td>
<td>62.2</td>
<td>10.0</td>
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<td>14.0</td>
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<td>2000</td>
<td>50.7</td>
<td>16.3</td>
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Source: GLSS 3&4 and 2000 Population Census; GSS
Table 4.1: Percentage Distribution of Recorded Employment in Ghana, December 1958

<table>
<thead>
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<th>Private enterprises</th>
<th>Public authorities</th>
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<td>Agriculture, forestry, and fishing</td>
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<td>Agricultural services</td>
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<tr>
<td>Logging</td>
<td>4.3</td>
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<tr>
<td>Other</td>
<td>0.4</td>
</tr>
<tr>
<td>Mining and quarrying</td>
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<tr>
<td>Manufacturing</td>
<td>6.4</td>
</tr>
<tr>
<td>Wood working (excl. Furniture)</td>
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</tr>
<tr>
<td>Other</td>
<td>3.3</td>
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<tr>
<td>Building and construction</td>
<td>7.9</td>
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<tr>
<td>Electricity, water, and sanitary services</td>
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<tr>
<td>Commerce (i.e., trade and finance)</td>
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<tr>
<td>Transport, storage, and communications</td>
<td>2.9</td>
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<td>Railways</td>
<td>--</td>
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<tr>
<td>Communications</td>
<td>--</td>
</tr>
<tr>
<td>Other</td>
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<td>Services</td>
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<td>49.7</td>
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Sources: Labour Department, 1958

Table 4.2: Recorded employment and percentage in the public sector from 1949-1970

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<th>Year</th>
<th>Employment</th>
<th>% in public sector</th>
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<td>1949</td>
<td>130,930</td>
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<td>1951</td>
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<td>1960</td>
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<td>343,752</td>
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<td>387,643</td>
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<td>1970</td>
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APPENDIX 2

INDUSTRIAL DISPUTES STATISTICS
Table 5.1: Ghana Strike Actions in the Period 1944-2004

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<tr>
<th>Year</th>
<th>No. of Strikes</th>
<th>Workers Involved</th>
<th>Man-Days Lost</th>
<th>% of Workers Involved/man days lost</th>
<th>Remarks</th>
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<td>1944-45</td>
<td>2</td>
<td>700</td>
<td>-</td>
<td>-</td>
<td>Colonial Rule</td>
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<tr>
<td>1945-46</td>
<td>3</td>
<td>7,750</td>
<td>-</td>
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<tr>
<td>1946-47</td>
<td>7</td>
<td>946</td>
<td>-</td>
<td>-</td>
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<tr>
<td>1947-48</td>
<td>37</td>
<td>48,865</td>
<td>-</td>
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<tr>
<td>1948-49</td>
<td>27</td>
<td>7,650</td>
<td>44,728</td>
<td>17</td>
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<tr>
<td>(Individual workplaces)</td>
<td>54</td>
<td>38,557</td>
<td>123,31</td>
<td>313</td>
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<tr>
<td>1949-50 (General strike)</td>
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<td>40,000</td>
<td>460,000</td>
<td>9</td>
<td>Internal self-rule</td>
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<tr>
<td>1950-51</td>
<td>19</td>
<td>5,482</td>
<td>11,017</td>
<td>50</td>
<td>CPP Gov’t</td>
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<tr>
<td>1951-52</td>
<td>39</td>
<td>15,404</td>
<td>38,185</td>
<td>19</td>
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<td>1952-53</td>
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<td>Independence CPP Gov’t</td>
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<td>1953-54</td>
<td>63</td>
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<td>1955-56 (Individual workplaces)</td>
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<td>26</td>
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<td>(Individual workplaces)</td>
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<td>1961-62 (General strike)</td>
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<td>1963-64 (18 months)</td>
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<th>PNDC Gov’t</th>
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Source: 1944-75 Gold Coast and Ghana Reports on Labour Department annual reports as recorded by Kraus, 1979. 1976-2004 Ghana Labour Department recorded strike actions.
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