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## **The Tangled Web of Associational Life**

Urban Governance and the Politics of Popular  
Livelihoods in Nigeria

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### **Abstract**

This paper examines how decentralization and informalization are reshaping urban governance in contemporary Africa. By exploring the interface between urban institutional failures and popular organizational solutions, the paper considers how informal governance processes feed into wider structural and political outcomes. Attention paid to issues of institutional process and power relations reveals how the limited access of the poor to resources and decisionmaking structures may distort rather than enhance their agency within decentralized urban governance systems. Drawing on case studies of informal enterprise associations in Christian and Muslim parts of Nigeria, this paper explores the differing ways in which networks of ethnicity, class and religion are used to forge links between dynamic informal organizational systems and formal institutions of government. The varied outcomes of these efforts raise .../.

**Keywords:** informal economy, urban governance, Nigeria, enterprise clusters, civil society

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uncomfortable questions about whether the proliferation of popular networks and associations amid weak formal institutions is tipping African cities onto trajectories of popular empowerment and pro-poor growth, or instigating a downward slide into violence and urban decay.

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## 1 Introduction

The contemporary policy emphasis on decentralization, deregulation and democratization has turned African cities into complex places. Urban Africa is beset by cross-cutting processes of high unemployment, popular livelihood strategies, collapsing physical and social infrastructure, communal service provision, patrimonialism and burgeoning civil society. As Pieterse (2005: 139) points out in a recent collection on urban Africa, ‘Despite the speed and intensity of urban change it is clear that agency is flourishing and much remains to be done to recast political practice in the city toward a more comprehensive understanding of what is going on...’.

In this paper I will explore the question of how popular organizational strategies and coping mechanisms affect broader trajectories of urban governance in contemporary Africa. This question demands that we move beyond the micro-social focus on individual agency and resource mobilization, and beyond the macro-social focus on structural outcomes and institutional failure. It requires instead an examination of the link between popular strategies and structural outcomes, which takes account of how institutional process and power relations shape the access of the poor to resources and decisionmaking structures within African urban environments. By exploring the interface between informal and formal governance processes, we can begin to understand whether the interaction of weak and decentralized formal institutions and proliferating popular networks and associations is tipping African cities onto trajectories of popular empowerment and pro-poor growth, or instigating a downward slide into violence and urban decay.

In accordance with recent insightful analyses of poverty and urban governance in Africa, I understand governance to mean the regulatory effect of the interaction between government and non-governmental forces: ‘Governance is thus about ... the way the power structures of the day and civil society interrelate to produce a civic public realm’ (Rakodi 2001: 344). As many contemporary studies have pointed out, understanding governance processes in the highly informalized environments of urban Africa requires a focus not only on organized civil society, but on the ‘morass of complex networks and arenas within which power dynamics are expressed and deployed’ (Healey 2000: 919). Drawing on this observation, I make a distinction between *informal* governance processes, which relate to the regulatory role of social networks, informal institutions and popular associations; and *formal* governance processes, which involve the role of formal political, economic and social institutions. The objective of this paper is to examine how informal governance processes have been shaped by contemporary political and economic reforms in the formal sphere, and to consider how they have in turn affected wider processes of urban governance.

Theoretical approaches to informal governance processes have evolved rapidly over the past two decades. Amid efforts to conceptualize informal or ‘non-state’ governance processes, concepts such as social networks, social capital, embeddedness, civil society and informal institutions have risen to prominence (Granovetter 1985; North 1990; Putnam 1993a). While these concepts have helped to theorize popular forms of resource mobilization and political organization, they often fail to explain how informal forms of organization feed into political outcomes. The missing link, as Beall (2001) points out in her work on poverty and urban governance, revolves around the question of how issues of power influence the dynamics of informal organization, and shape their impact on wider processes of governance.

Some commentators on third-world cities have followed Putnam in representing effective informal governance as a function of social ‘connectivity’, or ‘social capital’ (Putnam 1993b). They see the proliferation of popular organizational arrangements in times of economic stress as a means of creating ‘new institutional frameworks’ for service provision and citizen participation (Hansen and Vaa 2004; Tati 2001). A contrasting perspective suggests that there is more to popular empowerment than mere connectivity. More detailed analyses of the networks of the poor have drawn distinctions between ‘strong’ and ‘weak’ ties (Granovetter 1983: 224), or ‘risk-reducing’ and ‘productivity enhancing’ networks (Barr 1999). The underlying argument is that the density of social connection is less important than what they connect urban dwellers *to*. Dense, solidary links to other poor people are associated with a lack of resources and political influence, while effective networks require links with more influential segments of society. Indeed, studies of poor African communities have shown that dense horizontal ties and popular associations can exacerbate rather than reduce vulnerability and disorder ( Lourenço-Lindell 2002; Simone 2001).

The recognition that informal resource mobilization and associational life do not necessarily translate into popular empowerment has encouraged greater attention to issues of power relations rather than organizational capacity. On the one hand, poverty and insecurity undermine the ability of the poor to form politically effective associations. Studies have observed that poor urban dwellers tend to privilege livelihoods over collective action, while their economic, legal and social marginality constrains their ability to represent their interests in the wider arena of urban politics, often leaving them vulnerable to political capture (Beall 2001; Mitlin 2001; Thulare 2004). On the other hand, weak *formal* institutions in third-world cities further undermine conditions for effective public action among the poor. Efforts at devolved public authority have tended not to foster popular empowerment. Decentralization is often hasty and poorly institutionalized, leaving municipal and local governments weak, disorganized, inadequately trained, and under-resourced relative to the new range of responsibilities they are expected to take on ( Benton 1992; Devas 2001).

In the face of popular powerlessness and weak formal institutions, decentralization and popular participation initiatives in many third-world cities have tended to promote cliental rather than democratic forms of engagement, which minimize demands of transparency and accountability. These cliental arrangements serve ‘at best to influence communities in the choices that they make and at worst may reinforce the dependency of the urban poor on more powerful structures and processes’ (Mitlin 2001: 384)—an anti-developmental dynamic referred to by Tandler (2002) as ‘the devil’s deal’. The analyses of empirical cases that follow in this paper reveal that even well established and dynamic livelihood networks and associations have tended to follow the disempowering trajectory of ‘the devil’s deal’ rather than fostering societal connectivity and political empowerment. The heart of the problem, as I will show, has less to do with a lack of social capital and connectivity across social cleavages than with the power to make connections work in favour of the poor.

I will explore the impact of popular networks and associations on urban governance in the context of three dynamic enterprise clusters located in two cities in Nigeria. Both cities constitute regional commercial centres with populations of around one million inhabitants, and the three study clusters are noted for their economic dynamism and globalized production networks (Forrest 1994; Meagher 2007b; O’Hear 1987). As such, they represent ‘best case’ scenarios of popular governance, in which social networks

and informal institutions have supported dynamic livelihood strategies and strong, socially embedded producers' associations. At the same time, these enterprise clusters offer useful contrasts involving distinctive migration histories, differing patterns of ethnic, religious, class and gender relations, and different political relations with the local government. Amid these similarities and contrasts, all three cases reveal a similar trajectory involving the proliferation and fragmentation of popular networking and associational strategies in the wake of economic and political restructuring, in ways that have tended to undermine collective action, popular empowerment and civil order.

## **2 The paradox of popular governance: A tale of three clusters**

In a country famous for its informal economic activity, the Nigerian enterprise clusters of Ilorin and Aba stand out as particularly impressive cases of small-firm dynamism. All three enterprise clusters have made use of indigenous ethnic and religious institutions to generate expanding employment, enterprise development and globalizing economic networks in the face of collapsing state provision. These small producers are embedded in dense webs of associational life involving neighbourhood and hometown associations, local political associations, social clubs, religious societies and cluster associations. While these popular economic and political networks have expanded since the implementation of Nigeria's structural adjustment programme (SAP) in 1986, their capacity to promote pro-poor development has declined. As I have detailed elsewhere (Meagher 2007b), the problem does not lie in ethnic divisions or other organizational deficiencies of African social networks, as suggested by commentators on the contemporary African malaise (Bayart, Ellis and Hibou 1999; Castells 1998). In fact, these three Nigerian clusters reveal a capacity to use ethnic and religious networks to build ties across social cleavages in the interest of economic expansion.

The Ilorin weaving cluster is considered the preserve of indigenes of the city, although weavers originally came from a range of ethnic backgrounds, including Yoruba, Nupe, Fulani and Hausa, fused into an Ilorin Yoruba identity during the pre-colonial era (Meagher 2007b; O'Hear 1987). An unmechanized, traditionally male activity, the weaving of Ilorin cloth (*aso-oke*) is organized through Yoruba institutions of apprenticeship, production and credit networks, under the authority of a weavers' guild which remains the main weavers' association in the town. Although weaving remains associated with backwardness and a lack of western education, the elegance and high status of Ilorin cloth has led to rising demand since the era of colonialism, making weaving an important source of employment, accumulation and social advancement. A period of expansion since the 1970s has drawn in labour from surrounding non-Yoruba and non-Muslim communities, as well as incorporating women into the traditionally male activity of narrow loom weaving.

By contrast, the Aba shoe and garment clusters emerged in the late colonial period, and involve 'modern' rather than traditional activities—the making of western shoes and clothes. Aba itself is a colonial city founded in the early 1900s as an administrative centre and trading entrepôt in an area with no history of urbanization (Forrest 1994; Martin 1988). The Aba garment cluster was founded by migrants from the relatively prosperous 'Old Bende' area of eastern Igboland, while the artisanal shoe cluster was pioneered by migrants from the poor, land-hungry community of Mbaise in central Igboland. Despite the emergence of an overarching Igbo ethnicity during the colonial

period, both communities are still regarded as migrants in Aba, which is located in the territory of the Ngwa community of southern Igboland. The organization and cohesion of these clusters are based on a range of shared indigenous economic institutions, including the system of hometown-based occupational specialization, a remarkably effective apprenticeship system, and inter-communal credit and trading networks (Isichei 1976; Silverstein 1983).

Although they are linked by shared cultural institutions, the Aba shoe and garment clusters have been shaped by contrasting socioeconomic histories. On the one hand, small-scale garment production is a mechanized activity, involving comparatively high capital costs and educational requirements. Migrants from the Bende area dominate the activity owing to advantaged access to capital and education, rather than through any pre-colonial links with textile production. As distinct from Ilorin weaving, the traditional division of labour allows a high participation of women in small-scale garment production, where women's clothes are produced by women. By contrast, informal shoe production has remained a male pursuit, owing to the low status and physically arduous character of the activity. Aba's small-scale shoe production is an unmechanized activity, and was initially relatively unskilled. Like Bende migrants, Mbaise shoe producers had no indigenous history of shoe production or leather working. Resource-strapped Mbaise migrants turned to small-scale shoe production owing to its extremely low capital and skill threshold, marking the activity as a 'poor man's business'. Over time, however, skills, equipment and materials have become more sophisticated, leading to the production of western 'fashion shoes'. Both clusters have expanded gradually since the 1970s, drawing in entrants from a growing range of Igbo and even non-Igbo communities.

Despite their extremely varied histories, all three clusters have responded dynamically to the challenges of economic restructuring. From the mid-1980s, the economy has been wracked by dramatic devaluation, skyrocketing inflation and crippling unemployment. Economic reforms have devastated the formal manufacturing sector, where capacity utilization fell from 70 per cent in 1980 to 41 per cent in 2002, and manufacturing growth declined by over 2 per cent per year from 1991 to 1999 (Adebisi and Babatope-Obasa 2004: 2). Yet, over the same period, all three of these small-enterprise clusters generated expanding levels of employment, income and consumer goods (Brautigam 1997). During the 1990s, the Ilorin weaving cluster was estimated to have directly employed over 10,000 people, not to mention those involved in input and output trade. At its peak in the early 1990s, the weaving cluster had a turnover of over US\$12 million annually. Even more impressively, the Aba shoe and garment clusters together employed over 58,000 people, with a combined annual turnover of over US\$200 million (Table 1).

Table 1  
Small-enterprise cluster employment and turnover at the turn of the millennium

Cluster	No. of firms	Total employment	Annual turnover (US\$ millions)	Occupational specialization (%)
Ilorin weaving <sup>a</sup>	529	10,374	12.2	69.2
Aba garments <sup>b</sup>	2,423	12,115	29.8	72.9
Aba shoes <sup>b</sup>	11,497	46,053	179.3	85.5

Notes: <sup>a</sup> Data refer to peak performance in the early 1990s of firms still operating in 2004.

<sup>b</sup> Data are for the 1999-2000 production season.

Source: Fieldwork.

Nor were these clusters confined to purely local circuits of production and trade. Demand from structurally adjusted consumers across Africa and ties with well developed ethnic trading networks have linked these small firms into increasingly global circuits of supply and distribution. As indicated in Table 2, the majority of weavers and shoe producers, and a smaller share of garment producers, supply markets in other African countries through business relations with traders from across Africa. Over 60 per cent of weavers also supply markets in Europe and North America, owing to demand from a growing African diaspora. All three clusters also subcontract to the formal sector. Cross-ethnic and formal sector linkages are facilitated by the pervasive use of business cards, and more recently by mobile phone contacts. The dynamism of these enterprise networks is all the more impressive when it is recognized that the firms involved remain largely informal. Eighty per cent of garment firms and virtually all of the weaving and shoe firms were unregistered, and all of them evaded some taxes, as well as labour and factory regulations.

Overall, Castells' (1998) notion that African societies are condemned to marginalization owing to state decay and networks that are not 'switched on' seems misplaced in the context of these expanding, globalized, mobile phone-wielding micro-enterprise networks. Yet this wealth of social capital has not succeeded in fostering more effective and participatory urban governance in the wake of economic and political restructuring. Instead, the pressures of structural reforms have weakened rather than strengthened collective action in the service of popular livelihoods.

Table 2  
Marketing networks (% of firms)

Cluster	Main market outside town	Distribution to:			
		other African countries	Europe/North America	Subcontract to formal sector	Use of business card
Ilorin weaving	98.1	86.5	63.5	84.6	80.8
Aba garments	39.0	16.4	1.6	36.1	49.2
Aba shoes	98.0	74.6	2.8	25.4	26.8

Source: Fieldwork.

### 3 Economic stress and the individuation of network strategies

The impression of popular economic dynamism created by the remarkable growth of these Nigerian enterprise clusters masks growing socioeconomic stress, which has fragmented rather than integrated networking strategies among the urban poor. Neoliberal reforms and intense livelihood pressures have triggered a flood of entries into informal enterprise clusters from a growing range of social groups. More than half of existing enterprises in the Ilorin weaving cluster have started up since the onset of structural adjustment, rising to over 80 per cent in the two Aba clusters. Not only has this generated unprecedented levels of competition among firms, but it has also precipitated a rapid social restructuring of informal business networks, unleashing new tensions of identity, generation, class and gender.

Table 3 indicates the main trends in social restructuring within these small-enterprise clusters that were originally dominated by groups who lacked the resources and education to gain access to jobs in the 'modern' sector. Communally, the dominance of Ilorin indigenes was preserved in the weaving cluster owing to ethnic assimilation and

direct regulation by the weavers' association (one-third of weavers no longer knew their ethnic origins, and even those of non-Yoruba origins had become Ilorin indigenes); but there was significant penetration of other Igbo as well as non-Igbo groups into the Aba clusters. The integration of other communities into the Aba clusters accelerated markedly in the adjustment era, reducing the strength of the founding hometown communities to less than half of firms. There were also marked shifts in the generational composition of firm heads, as single and often poorly capitalized young men under 30 became a force to be reckoned with, often challenging occupational norms of quality and price regulation in their haste to get ahead. Economic restructuring also triggered a rapid rise in educated entrants from more advantaged class backgrounds as retrenched or underpaid civil servants, formal sector workers and unemployed graduates flooded in. By the early 2000s, more than one-third of weavers and 65 per cent of garment producers had secondary education or better, and 13 per cent and 7 per cent, respectively, had some post-secondary education. More striking was the rise in producers from more privileged class backgrounds. Nearly one-third of weavers and one-quarter of garment producers hailed from these more advantaged backgrounds, along with nearly 20 per cent of shoe producers.

Gender was the only aspect of the social composition of clusters that did not change significantly. Women remained excluded as firm heads in both the weaving and the shoe clusters. Similarly, women continued to make up about half of firm heads in the garment cluster, but with some incursion of men into the sewing of high fashion women's clothes. These observations suggest limits to the notion that popular livelihood networks improve economic opportunities for women (Tripp 2001).

Despite processes of social restructuring that appeared to foster a denser and more inclusive social fabric (at least for men), the effect was to erode rather than enhance collective action within the clusters. Greater communal, generational and class diversity, combined with rapid entry under intense livelihood pressure, tended to overwhelm embedded regulatory structures, weakening informal commercial institutions and local sanctions against opportunistic behaviour. Faced with overburdened informal regulatory systems and collapsing credit networks, producers shifted to more individual forms of networking to shore up their business networks. They drew on personal ties of community, religious affiliation, friendship or school connections to cobble together individual networks of supply, labour, credit and marketing opportunities. Enterprise networks were increasingly defined by an individual's portfolio of ties, rather than by collective arrangements at the cluster level, fuelling new processes of differentiation and network fragmentation. More educated producers or those with advantaged class backgrounds could develop new credit or marketing networks by linking up with influential relatives or friends in formal sector firms, while less advantaged producers were confined to unstable networks of poor relations, friends and members of their church or mosque in their efforts to mobilize customers, labour or loans.

High levels of associational participation have not eased processes of popular organizational fragmentation. Both Yoruba and Igbo society are characterized by widespread participation in hometown associations and other types of popular organizations. Producers in the Ilorin weaving cluster belonged to an average of 2.3 associations, rising to an average of 3.0 in the garment cluster and 4.2 in the shoe cluster (Table 4). While religious and hometown or ward associations predominated, producers



Table 3  
Changing social profiles of enterprise clusters after SAP

Enterprise cluster	Firm heads:				Female firm heads (%)
	from original communities (%)	aged 30 years or under (%)	from advantaged class backgrounds (%)	with secondary education (%)	
Ilorin weaving	100.0	17.3	30.8	38.4	0.0
Aba garments	44.3	39.0	26.3	65.5	44.3
Aba shoes	14.1	49.3	18.5	12.7	0.0

Source: Fieldwork.

Table 4  
Patterns of associational participation

Cluster	Avg. no. of voluntary associations joined	Cluster-based producers' association	Hometown or local area associations			Social clubs
			Religious associations	(% of heads)		
Ilorin weaving	2.3	90.4	38.4	46.1	5.8	
Aba garments	3.0	6.6	63.9	85.2	9.8	
Aba shoes	4.2	83.1	81.7	77.5	18.0	

Source: Fieldwork.

also participated in a range of social clubs, political associations and rotating credit societies. Far from creating a dense 'web of associational life', however, individualized livelihood networks and participation in popular associations intensified network differentiation. Four distinct types of networks emerged, each fostering very different forms of economic and political engagement. These networks can be described as 'patrimonialist', 'modernist', 'diversification' and 'desperation' (Meagher 2009). The first two represent paths of accumulation, while the last two constitute types of survival strategy.

Patrimonialist networks involved established producers and entrants from advantaged class backgrounds, who tended to follow a strategy of integration into established cliental networks through significant investment in resources and time. In the weaving cluster, linking into the establishment involved participation in the traditional weavers' guild, known as *Tawakalitu* (Arabic: I stand with God), which was the central channel of patrimonial engagement between Ilorin weavers and the local, state and federal governments. In the shoe and garment clusters, patrimonialist networks revolved around participation in one's hometown association, which tended to fragment occupational interests given the growing range of Igbo groups that had entered these activities. In all three cases, patrimonial strategies appealed to producers with sufficient resources and social status to work the system, but tended to marginalize women, youth and those from less advantaged class backgrounds.

While established and middle-class producers used networks and associations to embed themselves in the patrimonial system, highly skilled producers from more lowly backgrounds tended to opt for a contrary strategy of disembedding themselves from local patrimonial networks. Modernist producers revealed a decisive shift from cliental forms of engagement to networks that rewarded skills and hard work rather than wealth and social status. In the Ilorin weaving cluster, modernists were associated with non-participation in the traditional weavers' guild. This was accompanied by the joining of

alternative weavers' associations geared to the concerns of more skilled or educated producers—the most influential of which is *Oluhunkunmi* (Yoruba: God is with me)—or by participation in the Tijaniyya brotherhood or the Ansarudeen Islamic society, both groups with a strong work ethic and educational orientation. In the Aba clusters, a modernist strategy involved rejecting participation in one's hometown association in favour of conversion to exclusivist Pentecostal religious societies, such as Deeper Life or Jehovah's Witness. In all three cases, modernists effectively followed a Weberian strategy of frugality, skills and hard work, often articulated through conversion to non-orthodox religious movements or new associations. These strategies represented a rejection of cliental engagement by producers who lacked the wealth and status to advance through collaboration with patrimonial interests, but had the skills to prosper through innovation and enterprise investment.

The third form of networking, diversification, is a risk-reducing strategy rather than a strategy of accumulation. Reminiscent of the dynamic described by Berry (1993) in her article 'Coping with confusion', diversification strategies represented an attempt to multiply rather than focus networks in order to maximize access to sources of income and assistance. Among shoe and garment producers, diversification was associated with participation in hometown associations as well as in Pentecostal religious societies and/or social clubs. Among Ilorin weavers, where neither Pentecostalism nor drinking are acceptable options, diversification involved participation in political associations and various types of Islamic societies in addition to their weavers' association. Successful weavers tend to regard membership in political associations as a sign of failure, since the incentive for joining is to look for crumbs from the state rather than earning a dignified living through weaving. Among diversifiers, 'connectivity' by any means is the order of the day, but such thinly spread resources were associated with a lack of enterprise growth.

The final strategy, 'desperation', involved clinging to a few ascriptive and friendship networks owing to a lack of resources to diversify, and a lack of skills or social status to chart a course of accumulation. Membership in associations was minimal, owing to a lack of time and resources for effective participation. Producers were simply obliged to make do with the unreliable and intermittent connections available to them.

Owing to the differing social histories of the three clusters, different network strategies have come to dominate processes of accumulation and authority in each cluster (Table 5). In the weaving cluster and shoe cluster, patrimonial strategies represent the main path of accumulation, owing to the low status and comparatively low levels of education in these activities. In the shoe cluster, patrimonial strategies account for 16 per cent of firms but generate 30 per cent of the cluster's turnover. In the weaving cluster, which has been affected by a serious market downturn for over a decade, patrimonial strategies represent 9 per cent of firms but control 16 per cent of the cluster's income. While modernist networks exist in both clusters, they have performed less well, in both cases generating income shares below their share of firms. That said, modernists in the weaving cluster have managed to capture a nearly proportionate share of resources, and appear to be gaining in economic and organizational strength.

By contrast, modernist networks dominate accumulation in the garment cluster, where mechanization and education have been central forces from the beginning. Male garment producers with lower class backgrounds who belong to exclusive Pentecostal religious groups account for 8 per cent of firms, but for 31 per cent of the turnover in

the cluster. Conversely, producers with advantaged class backgrounds who belong to their hometown association have performed poorly. In all three clusters, the remaining majority of producers are caught in unsuccessful accumulation and survival strategies that leave them with a disadvantageous income share.

The analysis of informal livelihood strategies has shown that, rather than creating a dense network of associational life, the intense networking and associational activity evident in these enterprise clusters have given rise to an increasingly fragmented terrain of popular organization. Through distinctive strategies of accumulation and survival, the ‘politics of resource mobilization’ (Lourenço-Lindell 2002) has fractured enterprise clusters into divergent networks shaped by differing patterns of identity, religion, class, generation and gender. As Knorrina (1999: 1593) points out in the context of an Indian shoe cluster, differentiation into networks with distinctive social and class identities limits flows of resources and skills between successful and poorer producers. It also limits prospects for collective action that represents the interests of the majority of members. Understanding how the micro-politics of informal livelihood networks influences wider processes of urban governance requires a closer look at how dominant networks within a given cluster shape interaction between cluster associations and local as well as regional government.

Table 5  
Networks of accumulation and turnover shares

Clusters	Patrimonial strategy		Disembedding strategy		Survival strategies	
	% of firms	% of turnover	% of firms	% of turnover	% of firms	% of turnover
Ilorin weaving	9	16	11	10	80	74
Aba garments	8	4	8	31	84	65
Aba shoes	16	30	9	4	75	66

Source: Fieldwork.

#### 4 Cluster associations and public action

As Haan (1999) and others have noted, African enterprise associations tend to be dominated by the most successful producers, meaning that networks of accumulation tend to define the politics of cluster associations. In the case of the three clusters examined here, the different social histories of the clusters have given rise to very different accumulation strategies, and hence to cluster associations that relate to the state in distinctive ways. However, the effectiveness of popular organizations is influenced by both how they relate to the state and how the state relates to them. Tracing how these popular livelihood networks feed into urban governance thus involves a dual process of examining how enterprise networks shape the politics of cluster associations, and how these associations are in turn shaped by the nature of the state.

All three of these Nigerian enterprise clusters have well established producers’ associations. The main associations emerged independently of the state, have existed for a decade or more, and provide a range of basic regulatory and social welfare services. In the Aba shoe cluster, there are six zonal associations the oldest of which dates from the mid-1970s, and 83 per cent of firms in the cluster belong to their local association.

However, lowly occupational and educational status has limited the ability of this large and dynamic group of associations to engage politically with government through formal channels. Instead, patrimonial strategies of accumulation have fostered relations with government officials that are characterized by collusion and kickbacks rather than representation of member interests. Inadequate resources to offer real business services, and the tendency of the associational leadership to monopolize benefits, have bred disillusionment and mistrust among the rank-and-file of shoe producers who describe their leaders as ‘hungry lions’.

In the garment cluster, there was only one association in operation by the early 2000s, which had started up in 1984. The strong modernist strategy of the relatively educated leadership, drawn from the most successful firms in the cluster, fostered efforts to engage with the state through formal rather than patrimonial channels. The leadership of the garment association largely abstained from their hometown association, and avoided patrimonial lobbying of officials, despite the fact that many of the top garment producers came from the same Igbo community as the state governor at that time. Instead, the association forged links with the Nigerian small business association (NASSI), assisted firms to register formally, and even took the government to court over a case of official harassment. While this strategy allowed the garment association to circumvent negligent and corrupt political forces, it also threw a powerless group of micro-producers into the formal political and economic arena, where their low class backgrounds and refusal to ‘work the system’ left them severely handicapped despite their skills and education. Moreover, the professional orientation of the garment cluster alienated them even from their own constituency. Only 7 per cent of the garment cluster were members of the association, owing to a pervasive clash between the survivalist orientation of the majority, and the modernizing orientation of the leadership.

The Ilorin weaving cluster is dominated by a weavers’ guild that has existed since pre-colonial times, and still enjoys the membership of 75 per cent of weavers. As in the Aba shoe cluster, the dominance of patrimonial strategies of accumulation, combined with low levels of education particularly among the elderly leadership, have confined this association to cliental forms of engagement with the state that revolve around tax exemptions, handouts to the association at election time, and official initiatives relating to arts and culture displays rather than much needed enterprise assistance. Tensions with the modernist weavers split the association in the early 1990s, giving rise to a new weavers’ association, *Oluhunkunmi*, that pursues an anti-cliental strategy of bypassing local and regional government channels and attempting to solicit enterprise assistance from federal government sources. So far, they have had little success in getting the federal government to take them seriously, owing to educational handicaps and the low-status, unmechanized character of their activity.

From the other side of the governance equation, the nature of state engagement with enterprise clusters and their associations does not appear likely to improve prospects for pro-poor governance. A spate of governance reforms since the 1990s has done little to increase popular empowerment or official accountability. Significant decentralization of authority, service provision and taxation to local government has been accompanied by an enormous increase in revenue allocation from the federal government, with the result that petrol resources from the centre now account for over 90 per cent of local government finances (Wunsch and Olowu 1997). The overwhelming significance of oil revenues, even at the local government level, combined with problems of poorly institutionalized local government structures and rampant corruption, have left local

officials less rather than more inclined to engage with the demands of the urban poor. Mounting demands from all three enterprise clusters for basic enterprise support and improvements in the deplorable state of the infrastructure have fallen on deaf ears. The result has been a descent of all three clusters into a state of economic crisis and decline in recent years, owing to mounting economic and regulatory pressures, and collapsing markets and infrastructure.

In the face of lack of state interest, neither patrimonial nor modernist strategies of associational engagement have brought about any improvements in the clusters' access to even the most basic urban and business services. The social and often legal marginality of the groups involved, and the increasing fragmentation of cluster networks and associations, have continued to undermine their ability to influence political decisionmaking, whether through patrimonial or more formal channels. At the same time, poverty and network fragmentation have increased tendencies toward ethnic and religious polarization within the clusters, and intensified the vulnerability of cluster associations to mobilization in the service of more powerful political interests. In their struggles for increased access to resources and services, the garment association collapsed in 2007 owing to divisive links with an international NGO, and the weaving cluster is grounded by struggles between the patrimonialist and modernist weavers' associations. In both clusters, the failure to gain the ear of the state has led to mounting enterprise failure, with young men haemorrhaging out of the clusters to swell the chaotic and volatile ranks of hawkers and motorcycle taxi drivers. The Aba shoe associations managed to capture the ear of the state by forming a vigilante group known as the Bakassi Boys to improve security in Aba. Far from contributing to enterprise development, however, this initiative was hijacked by Igbo state governors and turned into a notorious ethnic militia that terrorized much of south-eastern Nigeria during the run-up to Nigeria's 2003 elections (Human Rights Watch 2002; Meagher 2007a; Ukiwo 2002). Instead of contributing to pro-poor governance, exemplary efforts at popular organization in all three clusters have tended to exacerbate a situation of lack of governance and economic decline.

## **5 Conclusion: Political voice and the 'devil's deal'**

This paper has examined how the micro-politics of popular livelihood networks feeds into processes of governance at the local level. The 'best case' scenario of dynamic Nigerian enterprise clusters reveals that it takes more than dense webs of social networks to create a framework for collective action, and it takes more than political decentralization to generate participatory structures of urban governance. Despite large and dynamic enterprise clusters headed by comparatively well organized associations, and significant devolution of government structures, the relationship of local government to popular enterprise associations perpetuates a dynamic of neglect and collusion rather than encouraging synergy between popular organizations and the state. The political voice of the poor is not only constrained by lack of connectivity with government, but critically by a lack of social and economic power to represent their own interests in devolved government structures. The same networks of identity, class, religion and gender that the poor use to construct livelihood networks and popular associations tie them into relations of dependence and vulnerability in the wider political arena.

The way forward lies in considering not only how to create associations among the urban poor, and how to bring them closer to government structures, but how to empower those associations to make effective claims on government. Ongoing research on the role of alliances with labour unions, supportive NGOs, and sympathetic local governments explores some of the ways in which networks of popular power can be developed (Horn 2003; ILO 2002). Horn (2003) and Thulare (2004) have also emphasized the importance of developing internal structures of representation and accountability within popular associations, something that is unlikely to happen spontaneously owing to internal inequalities in power and resources. Promoting participatory development demands a greater focus on how power as well as sociability shape the institutions of the poor. Otherwise, current efforts at pro-poor governance will only generate new and more presentable versions of ‘the devil’s deal’.

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