

EXPLORING ASYMMETRICAL RELATIONS AND DIVERSE PROCESSES OF ENSLAVEMENT IN THE INSURANCE SUB-SECTOR OF NIGERIA'S FINANCIAL SECTOR

Samuel, Kinikanwo-Chimenim Paul*

*Ph.D, Reader,
Industrial Relations and Human Resources Management,
Department of Sociology,
University of Port Harcourt, NIGERIA

DOI: **10.5958/2319-1422.2026.00001.0**

ABSTRACT

The insurance sub-sector in Nigeria is the largest insurance sub-sector in West Africa, which plays a crucial role in mitigating risk, mobilization of capital, and financial inclusion. In spite of the reforms such as the Nigerian Insurance Industry Reform Act (NIIRA) 2025 that has driven an increase in premiums and development of more intermediary networks, a stratified and precarious labor market continues to exist. The power relations in this market are asymmetrical with the major powers being the large insurers and the frontline workers or commission only agents and field officers whose powers are mainly in the generation of revenue. This review examines the institutionalization of exploitative labor practices in the financial sector that is regulated by commission-based agency models, contractualisation, and outsourcing. Although they carry out the core functions of insurers, agents are categorized as independent contractors, who do not have any salary, pensions or labor benefits. They are exposed to in-your-face quotas, financial independence, claw backs on commissions, threats of firing, a debt-like dependency and exposure in the face of feeble safety nets. The paper utilizes political economy, unfree labor, and theory of modern slavery to argue that the practices are systemic and based on neoliberal deregulation, oligopolies concentration, and laxity in regulatory enforcement. The aspect of professionalization such as licensing and commission caps that NIIRA 2025 proposes fails to tackle the root cause of the problem. The independent-contractor status of the agents, which is still externalizing risks. The analysis brings into focus the role global reinsurance chains play in worsening these conditions of coercion and promoting inequality and diminishing the purpose of financial inclusion. The paper recommends more empirical studies and policy changes to resolve these labor exploitation problems.

KEYWORDS: *Insurance Sub-Sector, Exploitative Labor Practices, Commission-Only Agents, Global Reinsurance Chains, Asymmetrical Power Relations.*

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