**Nigeria and Globalization: The consequences for political, social and cultural development**



Msc. Thesis for Development and International relations

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# Acknowledgements

I owe a lot to so many people in the course of carrying out and the completion of this study. Individuals and corporate bodies, numerous to mention the value of their support and contributions in order of priority, but one thing is certain, I am highly indebted to all of you. I say a million thanks to everyone who has offered advice, prayers, financial support, literature, criticism and insight.

 With a deep sense of gratitude, I thank my supervisor, A. Osman Farah PhD, for putting so much of his talent, professionalism and experience into seeing the success of this work, and for cheerfully and generously sharing his exemplary intellectual wealth with me. I thank him for his valuable criticism, guidance, patience and understanding.

 The faculty and staff of Culture and Global Studies, and the department of Development and International Relations were such an excellent teachers and staff. I owe my heartfelt gratitude to you all. To Wilfred Iyekolo, whom we went through this struggle together, you are more than a friend, a brother I call you. I owe very special gratitude to my benefactor, Harrison & Harrison Laboratories Ltd.

 To my family, I owe a lot, and appreciate them for their prayers. And most of all, I say thank you once again to God, the Solid Rock, on you I stand.

# Abstract

Nigeria’s central involvement with the global market has witnessed an extremely terrifying historical continuity from past and present; as a supplier of, first, slaves, then other commodities, and now the vast oil, all of which have been central to the emergence of capitalism and modern world.

 There has been avalanche of varied opinion and theoretical positions on globalization between scholars. Neo-liberal economists view it as advantageous, the Marxists see it as exploiting, and that while the Western capitalist economies have well developed structures and institutions to cope with the trend, and less developed world is extremely precarious because of its peripheral position in the global capitalist system. Therefore, it is another form of imperialism, an underdevelopment strategy, a risk to underdeveloped world.

 Consequently, using secondary data and qualitative method, in looking at globalization and its consequences for political, social and cultural development of Nigeria, this study found out that globalization is a dominant factor to understanding the Nigeria story, not as a product of prosperity, but as a product of poverty. The history of globalization and its local meanings runs much deeper and in a profound way is wrapped up in poverty, subjugation and exploitation of Nigeria’s resources. Among other related factors, the interconnectedness of the global economy, which is encapsulated under the insuperable of globalization, is a way of opening up Nigeria economy to the business operations of expansionary global corporations marred by greed and predatory corporate exploitation.

 Though, Nigeria cannot be an Island on itself as the world is becoming a global village, therefore, efforts must be made to patently address certain fundamental issues so as to cover the gap between the rich and the poor.

# Introduction

Globalization is the term used to describe the growing worldwide inter-dependence of people and countries. This interdependence affects the economic, political, social and cultural relations across the globe.

This process has accelerated so fast as a result of technological advancement, which is one of the cannons or tripartite forces of globalization (Nnamani 2003). Globalization has become a topical concept in socio-political and economic discourse among scholars, governments and individuals at national and international levels. It has attracted so much attention and has been perceived in different forms by analysts. In fact, while some expressed optimism in globalization as a platform in global integration, others see it as a threat to world socio-economic and politico-cultural cohesion.

The apostles of globalization assert that it encourages growth with the resultant improvement in the standard of living. They are mostly found among advocates of capitalist and liberal school. On the other hand, critics, especially from neo-Marxist school are vehement that this new global trend is just another name to replace obsolete or waning capitalists economic schemes like General Agreement on trade and Tariff (GATT) or the World Trade Organization (WTO).

From the above painted scenario, it can be deduced that just as there is the growing need for countries to embrace globalization, there is also the downside and obvious disgust for the global trend. The argument is that while globalization will benefit the rich capitalists or industrialized countries, the third world or developing countries bear the brunt in the imbalance which globalization portents. However, this endeavor may not capture all of the issues in one sweep. Therefore, the pertinent questions are**: how has globalization affected Nigeria socio-cultural, economic and political development? Is it desirable in Nigeria visa-vie improvement on its socio-cultural, economic and political structure at its present state of development.** This study will attempt to answer these questions.

## Historical background

In 1901, Nigeria became part of British imperial expansion centered on exploiting raw materials very crucial to maintain and to run the British industrial development (Crowder 1973). The trans-Atlantic trade in West African slave trade that was succeeded by the trade in raw materials such as cocoa, palm kernels and palm oil were exported from Nigeria to lubricate the factories, and stimulate demand for British manufactured goods. Though the British Empire had established their presence in Nigeria before 1901 through United African Company, which was later granted a charter as Royal Niger Company. The Royal Niger Company was British trading enterprises which took charge of the exports to the Britain, and later on came under British government control. During these periods, Britain consolidated their trade and political control in Nigeria. The presence of Britain was initially motivated by economics of extraction, that later became British colonial rule for search of raw materials for the development of industries in the British Empire (Hopkins 1973).

To further project their business interest, the British Empire were concerned with building of railways and construction of roads leading to Lagos port to enhance shipment to the British Empire, and introduced pound sterling as a medium of exchange. These development encouraged exportation of other materials like tin, cotton and groundnuts to Britain, and thus brought Nigeria into direct contact with the global market (Northrup 1978). Britain, as the foremost world power at the time maintained its economic hegemony over Nigeria and signed several treaties with native chiefs to protect their business interest from other Western powers like Germany. The native chiefs were helped by the British to select local strongmen to serve as police and military men to suppress any resistance that may arise from within the local people (Clark 1995).

During these periods, the British Empire’s quest was the search for cheap raw materials and the colonial economy was characterized by trade and agricultural produce of such industrial raw materials as palm oil, palm kernels, cotton, cocoa and rubber to industrialization and Western capitalism. By this the dominant feature of the colonial economy became export trade, and Nigeria in turn imported finished products from the British Empire. This cash crop export generated foreign exchange to Nigeria colonial leaders, and created problems in some other areas of the economy. The British Empire systematically created emphasis on cash crops production, and left the production in the hands of peasants who worked on small farm lands and without any mechanized equipment (Clark 1981).

Shortly before Nigeria gained independence from the British Empire, one development which promised brighter future for Nigeria was the discovery of commercial quantities of crude oil in 1956 in the village of Oloibiri in the Niger delta of Nigeria. The process had started in 1938 when the colonial government granted two major British companies Shell and British Petroleum (BP), oil exploration license covering the entire territory of Nigeria. Preferential treatment by the colonial government had given Shell-BP a virtual monopoly over oil exploration in Nigeria (Frynas et al. 2000). A growing attention on crude oil in the global market brought about the notion of oil concession, to give the right of exploration to firms with the intention to develop the natural substance.

The crude oil which replaced palm oil was drilled and transported to Britain, to lubricate their industries, and at the same time refined and brought back to Nigeria as finished product (petrol). Ship loads of crude oil were transported through the same ports that once were the channel of palm oil and slave trade (Madujibeya 1976). Shell-BP had continued monopoly because of the colonial preferential treatment. However, because of the worsening economic situation at the time, coupled with Nigerian nationalism movement and demand for independence, as a response, Britain sought financial assistance from the United State and thus, the British government began encouraging the US private investment in Nigeria oil sector. As Nigeria gained independence in 1960, and as a result of policy shift, Shell-BP were joined by two American oil giant- Mobil and Tenneco, and thus , Nigeria was exposed to the global and capitalist world market (Dicker 1966).

With the discovery of crude oil, Nigeria was increasingly important to Britain, and among the other Western capitalist markets, as one of the major source of oil. As the rush to exploit Nigeria’s oil intensifies, what is surprisingly striking is the logical consequence of multinational corporate greed and exploitation, environmental destruction and negligence of indigenous communities (Torulagha 2004).

Needless to over emphasize, crude oil business needs no introduction. Without doubt, oil has become one important political commodity in the global market. The international community has a considerable recognition on petroleum necessity. Oil seems extraordinarily flexible commodity for the advancement of modern international economy. Today, oil multinational corporations are attracted by Nigeria’s sweet crude, a type of oil with low in sulphurs content, easy and cheap to refine and produced at half the cost of the global average per barrel (Falola 1999).

Nigeria’s raw materials have contributed to the advancement of the British Empire, and still contributing to present day Britain and also to the global market. Nigeria with its vast natural resources with high population density made the colony more profitable to the British Empire. The depression of the 1930s did not affect the British Empire because the colony of Nigeria produced goods that were not in competition with the other white settler agrarian colonies (Adler 1956).

The British colonial Empire constructed some basic infrastructural facilities in Nigeria. But, in this sector also, the motive of promoting the economic interest of the Empire was clear. This motive determined the type and model of the facilities, for instance, the roads. These, as the other facilities, were designed mainly to assist the transportation of agricultural and mineral products to Britain. The economic interest of the British Empire supersedes every other, led them to avoid the promotion of industrial activities, particularly manufacturing, in order to protect the market for the products from their home country. This systematic imbalance is an infinite loop from the colonial era to the present day globalized market.

# Research objectives and focus

## Objectives of the Study

The study seeks to:

* Unravel the idea behind globalization.
* Bring forth the things that drive globalization or what is generally known as the canons of globalization such as technology (information technology), economic liberalization and democracy.
* Show the impact of globalization in world economy generally and Nigeria’s socio-economic development in particular.
* Determine how Nigeria efforts at privatization and commercialization, and trade liberalization through membership of international bodies like World Trade Organization (WTO) have impacted positively or negatively on its socio-economic, political and cultural development.
* Show the role of multi-national companies in the drive towards globalization.
* Show the balance of power between the developed and developing countries (with Nigeria as a case study).

## Significance of Study

Is the Nigeria’s socio-economic, political and cultural development better or worse under globalization? This is the pertinent question this study will seek to provide answers to. The study will help to enhance the understanding of Nigeria’s situation when analyses of our development efforts are being appreciated.

## Hypotheses of the Study

Ho: That globalization affected Nigeria’s socio-economic, political and cultural development negatively.

H1: That globalization affected Nigeria’s socio-economic, political and cultural development positively or may not necessarily affect Nigeria’s socio-economic, political and cultural development negatively.

## Research questions

The following questions are apt in understanding the concept of globalization and how it affects the socio-economic situation in Nigeria.

1. Is globalization desirable in Nigeria present state of development?
2. How has it (globalization) affected Nigeria’s socio-economic, political and cultural structures? Put differently, how has Nigeria fared?
3. Will Nigeria cope with the trend and compare in the global market place in view of its development, especially infrastructure?
4. Is there a way Nigeria can survive without joining the global train?

**Search Design**

**Problem field**:

*How has globalization improved or stunted the development of the socio-economic, political and cultural status of the Nigerian state?*

 **Research Question:**

*How has globalization affected Nigeria socio-economic, cultural and political development?*

**MethodologicalConsideration**

*SecondaryData: Qualitative*

*Comparative*

*Data Analysis:*

*Interpretivism*

**TheoreticalPerspectives**

**LiteratureTheory**

**World SystemWWIdentityWorld**

**LiteraryReview**

 **Neo-liberalism**

**Analysis**

**Summary, Conclusions and Recommendations**

#

# Canons of globalization

There are propelling forces that make globalization a global trend. Put simply, globalization became a global phenomenon by development in certain key concepts. They are summarized into development in Information Technology, Economic Liberalization and Democracy. In dissecting these key concepts, it is seen that the whole idea of globalization is dependent on the existence of these propelling forces.

## Information technology

Davidson and Rees-Moggs captured the possibilities and reach of information technology when they wrote that “there is no custom house in the cyberspace”. By this, they contend that the powers of the cyberspace were such that it was not a matter of government trying to restrict information at the disposal of the citizens (Davidson & Rees-Moggs 1977).

Information technology or lack of it makes globalization workable or its benefits accessible to people. In a country where information technology is well-developed, everybody, no matter his or her location can have access to information through the cyberspace, (Internet). This explains why Edward notes that “the people of the planet of the earth have become one large family” It has reduced or rendered distance irrelevant (Edward 2002).

Satellite television has brought global events to the doorsteps of people around the world within seconds. The advancement in information technology has resulted in the opening and exposure of the people of the world, more than ever before, to different and alternatives views and has influenced almost all aspects of human life. (Salimono1999) was to add that globalization, through information technology “is a process of harmonization of different cultures and benefits”. But (Garry 1998) feels that such harmonization is “only titled towards the enthronement of western culture”.

It can therefore be deduced that globalization, through information technology has energies man’s daily activities. For instance, farm goods, new inventions, trade and other information on man’s daily need are accessible without hindrance of border control and internal policies of government. Information technology is part of the technological breakthrough which aid globalization. There is advancement in mechanized system of production as witnessed in agricultural sector, health, education, manufacturing, etc. In Agriculture for instance, farmers are exposed to improved seedlings, insecticide, machinery which have brought about increase in production. There is also free flow of varieties of goods and services. People all over the world have access to goods and commodities that might never have crossed their ways. These same breakthroughs are recorded in the health sector, education, power, etc (Awosolou & Esugbohungbe 2000).

The gains of these exposures are enormous but the developing nations like Nigeria have problems of infrastructure to cope with this emerging trend. Power (electricity), for instance is an inhibition towards taping into the gains of globalization. Poverty, corruption etc, are the other vices that also affect the gains of global village in developing economies.

## Economic liberalization

Globalization in the economic liberalization sense, is simply the integration of national economies leading to free movement of goods, services, capital, skills among companies which regards everywhere as their “home” market and serving customers with “globalized” tastes and preferences, using the same or slightly different projects and strategies (Salimoho 2000:31). In order word, globalization is a process of increased integration of a national economy with the rest of the world to create a more coherent global economy. This is achieved through the creation of a global market place in which free market investment flows, trade and information are integrated. The emergence of global market is increasingly weakening these sovereign autonomies through economic liberalization which is a major plank of globalization.

 (Awake 2002) described globalization as the “heightening of the level of interconnectedness between and among nations through systematic integration of autonomous economies into a global system, of production and distribution”. It seeks to eliminate trade barriers through integration and interaction of global capital and labor thereby leading to an unhindered exchange of goods and services across borders. (Ohierhenaum, cited in Awosulu and Esugbohungbe 2002:4) says “globalization aims at universal harmonization of ideas, cultures, values and even life styles as well as the “de-teritorization” of the world”. Succinctly put, globalization, viewed in economic liberalization involves rapid expansion of capitalism and the principles of liberalization, commercialization and property-based democratization through giant multi-national companies to several areas of the world including where they had hitherto been resisted or put in check.

The instruments of globalization are the world financial institutions like the International Monetary Fund (IMF), the World Bank, The World Trade Organization (WTO), the G8, etc. Globalization connotes free movement of capital across state boundaries. It is essentially the westernization and the enthronement of capitalism. (Abimobola & Aremo 2002) viewed global economy in the light of economic liberalization where national borders no longer constitute any barrier to the movement of economic activities. They further assert that it is the systematic openness of national economic activities to foreign companies, business organizations, entrepreneurs and so on, with the objective of promoting economic growth. And added “globalization promotes regional economic system based on capitalism. It is a strategy to draw every nation’s economy into the cobweb of capitalism on a global scale”.

Protagonists of economic liberalization say it evolve from western countries, which aim is to perpetuate their dominance of the world economy and also bring about a single world economic system. It is therefore the singular reason why trade or economic liberalization has such component as deregulation, privatization and commercialization and trade liberalization.

Economic liberalization seeks to broaden and deepen national economies into a worldwide market of goods and services; ensure complete openness to issues of trade between countries; remove all national barriers to the free movement of international capital, etc.

(B) (i) Factors that Aid Economic Liberalization.

(a) Economic decision taken by national governments including those involved in production sectors are shaped or influenced by events in the international system.

(b) Production and distribution of goods and services are organized in reaction to global realities.

(c) At the international level, there are social, economic and political relationship among individuals, government and companies.

(d) States are expected to form regional blocs to promote competitiveness and enhance as well as strengthen their economic position in the world economic system (Nigerian Tribune, March 16, 2000:16).

Therefore, economic liberalization as a canon of globalization seeks to bring about global economic competitiveness in terms of trade, investment, capital, market share, labor movement etc, without any hindrance. Whether third world economics like Nigeria can compete in this global scheme is really the subject of the study.

## Democracy

Democracy or democratization is another canon of globalization in the sense that since the tenet of democracy denote freedom of people who associate for their common good and have government elected by them, with constitutional powers of checks and balance and rule of law, then such ideals, suit the germination of globalization. According to Riker and Weales, democracy is both ideal and method, essentially because there are free people associating for their common good (Riker &Weale 1995). And since democracy, according to Chafe means the involvement of people in the running of the political, social, economic and cultural affairs of a polity within the standard of natural justice, then it become germane for global engagement (Chafe 1994). The Socialists and neo-Marxist have disagreed that democracy can only be for the people if they own and control the means of production instead of the bourgeoisie concept of control of the resources of a people by a few people or cabal.

## Statement of the Problem

Globalization is the collapse of international boundaries in the relationship between countries. How has this global phenomenon improved or stunted the development of the socio-economic, political and cultural status of the Nigeria state? The study will look at the various indices of this development and arrived at whether it has affected the Nigerian state positively or negatively.

# Methodological Consideration

Here looks at the sources of data on the research and the method of investigation used for this endeavor. Also included are the methods of data analysis used by the researcher. The research is basically analytical and comparative, using secondary sources in looking at globalization and its impact on Nigeria’s socio-economic, political and cultural life. The secondary data used in this study were obtained from different sources. They include the United Nations Development Program (UNDP) in analyzing the Human Development Index (HDI) in Nigeria; the Federal Office of Statistics (FOS) data on trade between Nigeria and other countries; the Central Bank of Nigeria on budget allocations especially to social services; Federal Ministry of Finance in looking at Nigeria’s economic performance over the years. Other sources include journals (local and international) on trading activities, comparative development efforts by Nigeria and other countries which were in the same pedestal in the early seventies, etc. Materials from newspaper account (editorials) and opinions. Newspaper and magazines were used to further the course of this study.

The study took cognizance of the impact of this global phenomenon on human development index of Nigerians and did a comparative study of countries, which were on the same level of development with Nigeria before the effect of globalization.

Effort were made to compare budget allocations to social services and the various schemes designed to give verve to globalization and how they have placed Nigeria and her economy among the community of nations.

As mentioned above (sources of data), materials for this study were sourced basically from secondary sources. Therefore, data were obtained from related materials that support the study. Informed data on human capital development, the role of international organizations, multi-national corporations are presented to show how their activities affect the socio-economic, political and cultural life of the Nigerian people. Authorities on globalization are quoted copiously to give life to the study. There are avalanche of opinion on globalization. The two schools on the desirability or otherwise of global economy are sharply and fiercely divided on the subject matter. Proponents of globalization, especially pro-capitalists are vehement that globalization is what the world needs to move on while antagonists, especially the neo-Marxian’s are opposed to globalization on the ground that it is second slavery and continued subjugation of the developing countries by the developed ones. They readily point to the unequal trade exchange as an example on why globalization is not desirable. The limitation in this study therefore, is wading through the volume of literature and being able to adopt a position on which of the arguments is desirable for the Nigerian state. The compelling arguments of the opposing schools can really make this decision difficult. Having access to most of the literature required to give the study a very thorough and in-depth analysis, constitute the limitation of the method adopted. However, efforts are geared towards ensuring that representative study materials are obtained within the time limit to have a very objective and detailed study of the subject matter.

# Theoretical Perspectives

## Introduction

Theories are continually changing, new ones are created, old ones reformed or cast aside, old mistakes corrected and new ones committed. Therefore, this endeavor will not be completed without theoretical foundation to build on.

 Without doubt, the relationship between the developed and under-developed countries in the global world have been a discussion of varying theoretical positions between those who viewed the relationship as advantageous and strengthens and those who conceive such relationships as essentially unequal and exploiting. While the former reflects the position of liberal economists, the latter reflects those of realists, Marxists. Hence, World System Theory and Neo-liberalism Theory have been chosen and they would be used on their strengths and weaknesses with a view to understand the many sided nature of globalization. Implicit in both arguments, though, is the consensus that politics is at the root of economic relations between developed and undeveloped nations.

## Literary review

There has been avalanche of varied views on existing literature on globalization. From the definition of the concept, to how the subject matter works; the implication and consequences of globalization at macro and micro economic levels, have had ample insight by informed authors on the subject matter. There are basically two schools of thought in the analysis of the concept of globalization. It is categorized into the traditional school and the neutral-positivist school.

While the traditional school views globalization from historical perspective, where world politics is placed on values, appropriation and marginalization of interest, the neutral-positivist school merely sees the global concept from contemporary dimension, where global economic integration, consumption, investment and movement of capital know no boundary.

To Modelski, globalization “is the spread and enlargement of area of civilization, the enlargement of the geographical scope of human communities, and increasing scale of social organization as recorded by history” (Modelski 1972:41).

Akpotor shares similar historical view with Modelski. In his view, globalization “is the process of universalization or modernization, all pointing to the spread of world values”. He refers to it as the rapid integration of economics and market worldwide, an intensified financial flow, information revolution, cross-cultural currents (Akpotor 1998:241).

Globalization is also seen as a great economic event of our era. It is assumed to have brought unprecedented opportunities to billions of people throughout the world. It is viewed as a “process of integrating economic decision taking such as consumption, investment across the world (Peter Francis 2002). This means that it is a process of creating global market place in which, increasingly, all nations are ‘forced’ to participate.

Abimbola and Aremo see this universal phenomenon as “the movement of economic activities across national boundaries without barriers”. They further stated that these activities include trade, production, manufacturing, capital, investment, among others. In order words, globalization describes a process whereby goods, services, ideas, information, economic and socio-cultural activities are moved across national boundaries of states without restrictions or strains. This makes national boundaries irrelevant in international economic integration.

National boundaries, from their postulations, should not constitute any barrier or problem to the movement of economic activities; it should be a systematic openness of national economic activities for foreign companies, business organizations, entrepreneurs, and so on (Abimbola & Aremo 2002).From the above view, it can be deduced that globalization involves liberalization of a nation’s economy with the objective of promoting economic growth and liberalize international economy to achieve international economic integration.

Mimiko identified certain factors or features of globalization. They include:

**Change in the methods of production:** This change refers technological as well as human capital. Massive development in technology, especially information technology has facilitated business and social linkages.

**Trans-National Corporations:-**These are the most active players in the international economic game. There are about 37,000 trans-national corporations (TNCs) with about 200,000 subsidiaries worldwide. They represent the channel to which global investment are directed.

**Mobility of Capital:** According to Mimiko, Mobility of capital represents a cardinal feature of globalization. The growing powerlessness of states and development in information technology make this possible (Mimiko1977).

Globalization is equally seen as situation whereby countries, businesses around the world relate without difficulty. Nnamani in his contribution regards globalization as “multi-dimensional with social, political and economic implications”. His view is that the economic dimension receives the most critical acclaim because it drives and set the pace for the whole process (Nnamani2003:16). (Akindele et al 2003:1) collaborate this when they opined that “the growing worldwide inter-dependence of peoples and countries intensifies economic, political, social and cultural relations across international boundaries”. The multiplicity of linkages and interconnections between the state and societies which make up the present world system are as a result of globalization. Events, decisions and activities in one part of the world have significant consequences for individuals and communities in distant parts of the globe.

The international system, according to (Akinboye & Ottoh 2005:108) is structured for action. “The system touches every aspect of the life of nations, via, economic, political, military, industrial, among others”. This apathy explains the effect of globalization, which can be said to be the rapid integration of trade relations, productive and investment decisions across the globe by economic agents who employ their resources where their competitive edge can manifest in higher returns. These views, to say the least, encapsulate the capitalist or liberal view of globalization where the means of production and exchange are in the hands of private individual and represent the highest level of the development of private property and the exploitation of wage labor by capital.

According to (Abubakar Momoh 1999) “the two economic forces, global financial market and trans-national Corporation drive the process of globalization. The leitmotif of capitalism is the passion and urge for profit and capital accumulation in a free market system”. Hyper-globalist like Ohmae agrees that there have been massive direct foreign investment, international bank lending, trans-national production, international trade which have had effects on patterns of governance (Ohmae 1990). The effects are also seen in cultural re-orientation of people operating from the anti-foundational platform. Capitalism, the veritable purveyor of globalization, contains significant contradictions. It claims to be a progressive force and at the same time exploitative (Marsh 2002).

Agents of globalization such as the trans-National Corporations, international capitalist financial system made up of multilateral institutions such as General Agreement on Tariffs and Trade (GATT), The International Monetary Fund (IMF), the World Bank Group such as International Bank for Reconstruction and Development (IBRD), International Development Agency (IDA) and International Finance Corporation (IFC), are ready made tools in entrenching the global phenomenon.

Bourgeoisie scholars are readily available to explain that the reason why third world countries need globalization using the various agents mentioned above. (Onimode 1988) opined that the bourgeoisie scholars push modernization theory, which is the unhindered operations of the multinational corporation as a mechanism for transferring technology, seeking foreign assistance, aid, loan, investment as the panacea for leverage of development across the world.

But radical scholars of the neo-Marxian school have dismissed the bourgeoisie or modernization theory panacea as simply Eurocentric. Andre Gunder Frank, Samir Amin, Arghiri Emmanuel, Geoffrey Kay, etc, are vehement that contrary to the claim of the bourgeoisie scholars, capitalism, through colonialism introduced the distortions and dislocations in world economic and social system, especially third world countries.

Andre Gunder Frank (1979) noted that “an inquiry into the process of capital accumulation is the determinant nature and cause of the wealth and poverty of nations”. These writers also point to the fact that third world economies were disarticulated, and they were forced to specialize in the production of unprocessed raw materials for export to the metropolis, in an international division of labor characterized by an unequal exchange.

Arghiri Emmanuel (1972) had captured the unequal exchange to mean that it takes place at the point of exchange rather than production, thus making third world countries dependent on the West for virtually everything, ranging from technology, aid, technical assistance, loan, to even, culture. TWCs are now susceptible and vulnerable to the machinations of the Western metropolitan countries and Bretton Woods institutions.

Colonialism is equally blamed for the trade imbalance and capitalist penetration of Africa and other third world countries. Claude Ake (1981) opined that “the colonizing power was a critical mechanism for the integration of the third world economy into the European capitalist system”. This occurred by the colonialists using trade as a vehicle for extending capitalism, creating consumerist orientations, stimulating the growth of a money market and capitalist financial institutions.

In managing the effect of globalization, Ken Kamoche, professor of management at Hong Kong university citied the Hong Kong experience as the prototype on how third world countries can cope with globalization and escaping the malaise of it agents such as World Trade Organization (WTO), TNGs, GATT, etc. Writing in African Renaissance (vol. 3 No. 3, 2006), he informed that Hong Kong built its economy on manufacturing and free trade while building world class infrastructure to support it. He also advocated strong political leadership, and the ability of such leaders to remove economics and the welfare of their people from political struggle.

The problem with not competing favorably in the global market by third world countries, according to Kamoche is basically because the economies of those countries rely on Agriculture with countries like Guinea-Bissau relying on mainly Agriculture which amounted to more than 70% of its Gross Domestic Product (GDP). “Considering the vagaries of weather, the declining prices of Agricultural products on world markets where prices are determined by auctions or through rules such as those ‘negotiated” by WTO framework, these countries will need nothing short of a miracle to improve their fortunes”.

Kamoche’s panacea is that while the third world countries fight for a level playing field, and the removal of shackles imposed by globalization, the benefit of international trade must also be within the context of domestic governance, politics and infrastructure.

## World system theory

A protracted unstable conditions of feudal way of living in some part of Western Europe brought innovation in technology and the rise of market institutions. Improvements in manufacturing and benefits for transnational trade stirred Europeans to reach other parts of the globe. Higher military firepower and mode of transportation made it possible to build economic ties with other regions that favored the accumulation of wealth in the European core. During the rise of the West (1501- 1600), Europeans thus set up an occupational and geographic economic interdependent in which capital-intensive production was reserved for West (Core), while the (Periphery) provided low-skill labor and raw materials (Wallerstein 1774). This predatory relationship between European core and non-European periphery certainly caused unequal development. The West gradually started with only little benefits, they exploited these to reorganized the world in their capitalist image (So 1990). The global business as a whole is now beclouded with perpetual capital accumulation and profit-seeking in a “dog eats dog” manner.

World system theory came about as a reaction to the stalemate between dependency and modernization theories. Modernization theory on one hand had failed to bring real development needed in Latin America; on the other hand, dependency theory could not expound the advance in economy made by Asian Tigers (Arrighi et al 1996).

The founder of this school of thought, Immanuel Wallerstein, was inspired by neo-Marxist development philosophy of the dependency school. World-systems theory was derived from two key intellectual sources, the neo-Marxist literature on development and the French Annales School and Fernand Braudel, and integrated some of their notions into world system theory (Grieco and Holmes 1999).

Wallerstein proclaims that world-systems theory is a protest against the way in which social scientific inquiry is structured for all of us at its inception in the middle of the nineteenth century. He goes on to criticize the prevailing conception of dependency theory, and argues that the world is much too complicated to be classified as a bimodal system, a system with only cores and peripheries. It is in this light that one of the main tenets of world-systems theory appeared, the belief in the semi-periphery, which created a tri-modal system consisting of the core, semi-periphery, and periphery. A semi-peripheral state intermediates between core and periphery. In this direction therefore, he gave analysis as follows; Core: regions that benefited the most from a capitalist economy; developed strong central governments, extensive bureaucracies, and large mercenary armies. While Semi-Periphery: core regions in decline or peripheries attempting to improve their relative position; And Periphery: lacked strong central governments or were controlled by other states; exported raw materials to the core, and relied on coercive labor practices; unequal trade relations existed between periphery and core. From his analysis, it is evidence that the core regions always benefit at the expense of the peripherals and that it has brought about an asymmetrical development in which economic and social disparities between sections of the world economy have increased instead of providing prosperity for all (Wallerstein 1975).

In his definition, Wallerstein refers world-system as a "multicultural territorial division of labor in which the production and exchange of basic goods and raw materials are necessary for the everyday life of its inhabitants. He sees "World-system as a social system, one that has boundaries, structures, member groups, rules of legislations, and coherence. Its life is made up of the conflicting forces which hold it together by tension and tear it apart as each group seeks eternally to remold it to its advantage. He asserts that it has the characteristics of an organism, in that is has a lifespan over which its characteristics change in some respects and remain stable in others (Wallerstein 1998). He summarized world that capitalism is a historical social system and has always incorporated difference labor forms within a working division of labor (capitalist world economy). He describes The Capitalist World Economy like this: “*I mean by that term that it is based on the assumption, explicitly, that the modern world comprises a single capitalist world economy, which has emerged historically since the sixteenth century and which still exist today. It follows from such a premise that national states are not societies that have separate parallel histories, but parts of the whole reflecting that whole*”

To better understand world system in a globalized world, one needs to point out here, that there is a global economy which all countries belong. Therefore countries are interdependent and development in ones country depends on the country’s position in the global economy (world system). Kema Irogbe while acknowledging this interdependent holds that poverty and backwardness in peripheral nations are caused by the peripheral position that these nations have in the international division of labor. He further states that there is a financial and technological penetration by the developed capitalist centers of the countries of the periphery and semi-periphery; this produces an unbalanced economic structure both within the peripheral societies and between them and the core (Irogbe 2010)

According to Gold frank, human activities can only be examined within the global system. World Systems Theory completely dispels the central role that states, nations, and territorially based political entities (e.g., empires) broadly maintain in the social sciences. The importance of understanding and explaining processes within the capitalist world-system can only be done at the global scale – states, nations, classes, and races are merely the social constructs of systemic, capitalist processes (Gold frank 2000).

In his analysis Chirot and his colleagues recognized that there are worldwide conditions that operate as determinant forces especially for small and underdeveloped nations, and that the nation-state level of analysis is no longer the only useful category for studying development conditions, particularly in Third World countries.  Those factors which had the greatest impact on the internal development of small countries were the new global systems of communications, the new world trade mechanisms, the international financial system, and the transference of knowledge and military links.  These factors have created their own dynamic at the international level, and at the same time, these elements are interacting with the internal aspects of each country (Chirot et al 1982)

Olorode submits that chief among the complex whole of world system is a power rank between core and periphery, in which powerful and wealthy "core" societies control and exploit weak and poor peripheral societies (Olorode 2008). A key factor in positioning a nation in core or periphery is technology (Onimode 2004). By extension, Odekunle argues that peripheral nations lack the structures to compel them to experience a kind of development that lift their subordinate status (Odekunle 2008). The unequal strength of the various states within the system is crucial to maintain the system as a whole, because strong states strengthen and intensify the differential abundant resources to the core zone (Madunagu 1999). To Wallerstein, this is unequal exchange, an orderly movement of surplus resources from the periphery to the high-technology, industrialized core. The result is capital accumulation by the core, and the peripheral surplus is allocated and changed to the advantage of the core. The unending accumulation of capital, which Wallerstein identifies as the most important internal factor of the capitalist world economy, is also its driving force (Wallerstein 1975).

According to Marfleet’s position, the current world system encourages the periphery to concentrate on backward mode of production that deters development. He contends that trade and investment in its current form removes capital from the periphery and necessitates a form of reliance in which the periphery will be debtors to international financial institutions (Marfleet 2002).

Wallerstein lays emphasis on the specific characteristics which made the capitalist world system last, and as the only one of its kind, flourished throughout the world. He focuses on the internal mechanisms of the system as the main reason. He identifies the endless accumulation of capital, as the most important internal mechanism, and the driving force of the capitalist world economy (Wallerstein 1774).

## Neo-liberalism

At the end of World War II, allied leaders converged in New Hampshire (USA) to discuss the way forward for world economic system. This meeting aimed to marshal out a detailed plan of action for the postwar capitalist world economy in order to create a favorable international trading environment (Spero and Hart 2010). Bretton Wood, as it came to be known, created International Monetary Fund (IMF) and the International Bank for Reconstruction and Development, which later became World Bank (George 1999). To provide a structure for the rapidly expanding international trade system, Bretton Wood bloc came out with the General Agreement on Tariffs and Trade (GATT), which provided a forum, and a legal regime, within which countries were encouraged to negotiate and reach agreement to remove or lower tariff on any bilateral or multilateral trade (Jackson 1969). All were contrived for the purpose of making international trade as stable and free as possible, as configured in liberalism dominant ideology.

Liberalism dates back 200 years ago, as one of the main engines of development for the Industrial Revolution (Robbins 1999). Adam Smith, in 1776, published his book, The Wealth of Nations. He is seen and regarded as the father of modern free market capitalism and his influential book, suggested that for maximum efficiency, all forms of barriers and government interventions in economic matters, should be eliminated and there should be no restrictions or tariffs on manufacturing and trade, otherwise, there will be no visible development. He emphasized the role of the free market and individual freedom in economic progress. Individual, unrestrained by the state, uses his inventive talent to benefit all. Therefore, he prescribed only three (3) functions for the state to perform: (1) defense of national sovereignty, (2) the protection of citizens’ right against violation by one another, and (3) the provision of public or collective goods (Martinez & Garcia 1997). These are the argument of the Neoliberal school of thoughts.

Neoliberalism as an intellectual shadow of liberalism, without doubt, is inherently about making trade between nations easier (Onimode 2004). It is about freer movement of goods, resources and enterprises in a bid to always find cheaper resources, to maximize profits and efficiency (Petras and Veltmeyer 2004). In order to actualize this, theorists of neoliberalism say it requires the removal of various controls considered as barriers to free trade, such as: Tariffs, regulations, certain standards, laws, legislation and regulatory measures, restrictions on capital flows and investment (Soros 1998). It claimed to lead to global freedom, prosperity and economic growth through “deregulation, liberalization and privatization” (Martinez and Garcia 1997). This has become the credo and promise of all neoliberals. In the Western world, Neoliberals favors supply side of the aggregate of economic policies and the privatization of public corporation. In underdeveloped nations, Neoliberal school advocates for freer markets and the dismantling of public ownership, centralize planning, and government regulation of economic matters. They argue that underdevelopment results from poor resource allocation due to incorrect pricing policies and too much state intervention (Sachs et al 1995). Furthermore, they believe that allowing competitive free market to thrive, privatizing state owned firms, promoting and eliminating excessive government regulations and price twisting in factor, products, and financial markets, both economic efficiency and economic growth will be stimulated (Porter 1990). In repugnant disposition to the claims of World System theorists, Neoliberals posit that underdeveloped nature of Third World nations is not caused by “cut throat” activities of the West and the international agencies that it controls but rather because of the interventionist approach and lack of economic incentives that characterized the economies of Third World countries. What is needed, they argue, therefore, is not the alteration or restructuring of the existing international economic system, but rather, promoting global free market economy (Rodrick 1996).

Following these arguments is the assertion that, opening up of national markets draws additional domestic and foreign investment and therefore increases the rate and in flow of capital (Smith 1994). A largely unregulated capitalist system, a free market economy not only incorporates the conception of free individual choice but also achieves most favorable economic performance with respect to efficiency, economic growth, technical progress, and distributional justice (Allyn and Bacon 1999). Neo-liberalism contends that if the state is assigned a very limited economic role: defining property rights, enforcing contracts, and regulating the money supply, underdevelopment would be a thing of history (Adejumobi 1993). State intervention to correct market failures is viewed with suspicion, on the ground that such intervention is likely to create more problems than it solves (Brown 2000).

The policy recommendations of neo-liberalism are concerned mainly with dismantling what remains of the socialist welfare states. These recommendations include deregulation of businesses; privatization of public activities and assets; elimination of, or cutbacks in, social welfare programs; and reduction of taxes on businesses and the investing class. These reform measures collectively were called “the Washington Consensus.” In sum, market forces, not government intervention in the economy, would bring about development in stagnating economies and in Third World nations (Contreras 2007).

 In the international sphere, neo-liberalism calls for free movement of goods, services, capital, and money across national boundaries. That is, corporations, banks, and individual investors should be free to move their property across national boundaries, and free to acquire property across national boundaries (Khor 2003). Neoliberal policies advocate market forces and commercial activity as the most efficient methods for producing and supplying goods and services in order to achieve the desired development needed. At the same time they shun the role of the state and discourage government intervention into economic, financial and even social affairs. The process of economic globalization is driven by this ideology; removing borders and barriers between nations so that market forces can drive the global economy (Oyejide 2001). In his contribution, Williamson concludes that in the past it might have made sense to impose tariffs to protect so-called "infant industries" or cushion economic instability. But in the information age, integrated global marketplaces will accelerate the transfer of technology. And it is only by accelerating the transfer of technology that poor countries have a chance of growing rapidly. The goal is to be able to allow the free market to naturally balance itself via the pressures of market demands; a key to successful market-based economies (Williamson 1990). In confirming the above assertion Harvey writes that the main point of neo-liberalism includes rule of the market freedom for capital, goods and services, where the market is self-regulating allowing the “trickle down” notion of wealth distribution. He further states that in doing these, the labor force must be de-unionized (Harvey 2007).

Todaro and Smith hypothesized that increased economic ties between nations offer many potential benefits, such as expanding the availability of goods and services and employment opportunities available to people and their communities (Todaro and Smith 2008). In line with the above Brenner and Theodore argue that "open, competitive, and unregulated markets, liberated from all forms of state interference, represent the optimal mechanism for economic development" that would see a fast acceleration of development in the less developed nations (Brenner and Theodore 2002: 2).

Regardless of the nomenclature, the World System theorists that argue that underdevelopment is as a result of external induced phenomenon, or the Neoliberal theorists that claim the problem is an internally induced caused by too much government intervention and not conforming with global market policies, lies a certain group both in developed and developing world, merchants, entrepreneurs, shareholders in multinationals who maximize profits, enjoy high social status and political power constitute a small elite ruling class whose principal interest , knowingly or unknowingly, is in the perpetuation of the international capitalist system of inequality.

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# Empirical perspectives

## Introduction

Until Nigeria attained independence in 1960, Agriculture was the main stay of the economy, accounting for more than half of the Gross Domestic Product (GDP), and more than three quarters of export earnings. However, with the discovery of oil and the rapid expansion in the petroleum sector, agricultural development was given the back seat, and the sector entered relative decline (Linda Van Buren 2001). Between the mid- 1960s and the mid – 1980s, Nigeria moved from a position of self-sufficiency in food production to one of heavy dependence on imports. Oil has taken over and the oil boom of 1970s boosted its dominance. It now accounted for about 97% of export earnings and 80% of federal revenue. The United States of America and the United Kingdom are Nigeria’s main trading partners and foreign investors with investment mostly in the energy. In order words, Nigeria economy became mono-economy, with oil. Here detailed economic policies of Nigerian government geared towards globalization is presented to illuminate and enlighten us as the argument of this paper progresses

## The Economic Policy Thrust of Obasanjo’s Administration

Nigeria had started adjusting her economic programs in line with global trend since the Ibrahim Babangida’s Structural Adjustment Program, (SAP). Former President Olusegun Obasanjo administration’s guiding principles were on positioning the economy in line with the rapidly globalizing world, which had democracy as a major plank. Therefore, it was not surprising that the Obasanjo’s economic policy thrust was in the following areas:

* The Government shall be honest, efficient, co-operative, and operate on the basis of extensive devolution of power and shall therefore function as a facilitator.
* That government shall, in co-operation with the private sector ensure adequate and efficient provision of infrastructure especially energy, telecommunications, water and financial services so as to promote internationally competitive environment for economic activities.
* That private enterprise, private effort and non-government actors shall play the major role in achieving the set targets.
* That effort shall be made to promote strong work ethics and induce productivity. That, it is envisaged that the economy would be market- oriented, private sector led, highly competitive, internally and globally, particularly in the areas of comparative advantage, technologically driven, broad-based, humane open and internationally significant (Nigerian Economic Review 2000:23)

In a nutshell, the economy under former President Obasanjo was positioned to participate in the global stage and be the hub of the West African Economy. Even the quality of personnel in his economic team suggested the same thinking. Then Finance Minister, Dr. Ngozi Okonjo-Iweala was brought from the world bank where she worked as a vice-president (she has since returned as the Managing Director of the global financial institution and now reappointed as the Finance Minister in the current Goodluck Jonathan’s government); Professor Charles Soludo was a former University teacher and consultant to the world bank-who saved, first as Economic Adviser and later as Governor of the Central Bank of Nigeria; Dr. Oby Ezekwesili is also from the rightist school, who served as Special Assistant to the former president on Budget Monitoring and Price Intelligence Unit and later Education Minister, now back to world bank as Vice president for the African Region, among many others in the economic team. They were basically neo-liberalists who believed in free market economy, privatization and commercialization, monetization and commoditization etc.

The administration promoted privatization and generous incentives to local and foreign direct investment. It also tried to create the enabling environment by signing bilateral and multi-lateral agreements on investment protection by setting up the Nigerian Investment Promotion Commission (NIPC) which was saddled with the task of co-coordinating and monitoring all investment activities in the country. The commission acts as a vehicle to attract, promote and co-ordinate foreign investment to enable the economy grow at an annual rate of ten percent (10%), generate employment and respond to the forces of globalization (Awosolu & Esugbohungbe 2002).

## Yar’Adua Administration Economic Policy

When the Umaru Musa Yar’Adua was inaugurated on May 29, 2007 as Nigeria’s third democratically elected President, he vowed to provide the nation with the kind of leadership that would steer it out of its toga of underdevelopment and propel it to enviable heights. He pledged to accomplish this by motivating his team to implement a seven-point agenda in areas of Power Supply, Electoral Reforms, Education, and Agriculture, including the Niger Delta Crisis, Health and Employment Generation. And after one year in office, an opinion poll conducted by the Guardian Newspaper, June 1, 2008 scored the administration very low on performance on the listed seven-point agenda. Although the former President was generally regarded by Nigerians as a very good man who has foresight and respects rule of law, the performance index in his seven-point agenda can be attributed to the forces or vagaries of the global economy which Nigeria has subscribed.

Analysts who assessed the performance of the former President readily point to the impact of globalization as the cause of the lack-luster performance of the administration, especially in the area of power supply, agriculture, education, the Niger Delta crisis and the likes. It also shows to a large extent that this agenda may have suffered due to the forces of globalization.

## Poverty in Nigeria

Poverty is a relative term, which transcends every human society. It is described as a state of inability by an individual to possess or have access to some basic resources for the purpose of maintaining acceptable standard of living. In developing countries like Nigeria, poverty may be measured by one’s inability to have basic food supply, shelter, clothing, education, and healthcare. It is characterized by unemployment, environmental hazards, lack of basic infrastructure like electricity, good water supply (Abimbola & Aremo 2002).In 1992, 56.6% of the population of Nigeria lived below poverty line and by 2010, and the figure was 45%. In 2010, only 40% of the population had access to safe drinking water (UNICEF/FOS 1997). The United Nations classify absolute poor persons as those whose earning is $370 per annum (the Guardian, 2000). It has also been observed that only 1% of the population earns 48% of Nigeria’s national income and 50% earn only 1% of the national income (Falade 2001).

**Table 3.4.1: Indicators of Social Conditions in Nigeria**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Zone**  | **Grouping of State**  | **Access to safe water (% of household) 2009/2010** | **Access to electricity (% household) 2009/2010** | **Average population per doctor 2010** |
| North East | Adamawa BauchiBornoTarabaYobe | 23.18 | 14.8 | 44.55 |
| North West | Kano KatsinaKebbiJigawasokoto | 25.76 | 11.94 | 88.52 |
| North Central | Benue KadunaKogiKwaraNiger Plateau  | 28.55 | 34.22 | 9.05 |
| South East | AbiaAnambraEnugu EbonyiImo  | 35.93 | 38.43 | 6.38 |
| South West  | Lagos OgunOndoOsunOyo | 44.36 | 66.7 | 6.90 |
| South-South  | AkwaIbomCross RiverDelta Edo Rivers  | 30.7 | 35.1 | 81.80 |

Source: Democracy in Nigeria: Capacity Building Series 10, P. 157

According to the United Nations Development Program (UNDP), findings on human development report for the year 1998 on Nigeria, the following are revealed.

“The life expectancy for Nigerians is 52 years compared to

75 years in developed countries. While one third (1/3) of the people will not live up to 40 years, infant mortality rate is 79 out of 100 births as compared to 10 in developed countries. Children under the age of five are stunted due to mal-nutrition, while 44% of adult population are literate, 49% and 70% respectively have access to safe portable water in the urban and rural areas. 49% have no access to basic health facilities and 48.5% live in poverty” (Guardian 2010).

In terms of specific regional disparities in Nigeria, the United Nations Development Program (UNDP) Report 1999, Pg 99 says Nigeria’s regional disparities are among the worst in terms of Human Development Index (HDI). The report, the ranking 19 states of the federation puts Borno state at lowest of the table with an HDI of 0.156; lower than any country in the world. It says average life expectancy in the state is only 40 years and put adult literacy of less than 12%. It concluded that the pitiable situation has the potential for a major social, economic and political unrest.

**Table 3.4.2:Highest and Lowest Regional Disparities in Nigeria**

|  |  |  |  |
| --- | --- | --- | --- |
| **State**  | **Life expectancy**  | **Adult literacy**  | **H.D.I** |
| Edo  | 59.5 years  | 79.5%  | 0.666 |
| Borno | 39.6 | 12%  | 0.156 |

Source: UNDP Human Development Index Report 2010. Pg 157

The Nigerian Economic performance, from estimates in the Federal Ministry of Finance put the real per capital income and the real per capita consumption at N11,000 (about US $140) and N9,000 (about US $120) respectively. While re-current expenditure has been increasing, capital expenditure has been comparatively lower. And, in the face of the two-digit inflation, sluggish macro-economic performance, and in the absence of adequate social net, the per capita income and consumption figures indicate weak purchasing power of the citizens.

**Table 3.4.3: Nigeria’s economic Performance (at a glance) for the under listed years.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Item  | 2006 | 2007 | 2008 | 2009 | 2010 |
| GDP | 2.2% | 3.25% | 3.77% | 2.36% | 7.5% |
| External Reserves  | N1b | N 37b | N 5b | 7b | 57b |
| Internal Rate | 21% | 16-21% | 18-21% | 18-21% | 13-15% |
| Re-current expenditure  | N 66b | N 79b | N 101b | N 153b | - |
| Capital expenditure  | N 44b | N 51b | N 100b | N 122b | - |

Source: Federal Ministry of Finance Publication, Nov. 2009, Nov. 2010.

In comparative terms, Nigeria falls below her neighbors on expenditure on health, education and social security benefit. This is a sure recipe for poverty.

**Table 3.4.4: comparative public expenditure on health, education, social security, etc.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Country**  | **Health**  | **Education**  | **Social security**  | **Agric** | **Labor force**  |
| Nigeria  | 2.7% | 0.9% | - | 37% | 31% of population  |
| Ghana  | 3.5% | 3.3% | - | 53% | 58% of population |
| Cote D’Ivoire  | 3.3% | 3.5% | 0.5% | 38% | 39% of population |

 Source: UNDP Human Development Report, 2009, Pg 164.

With less natural endowment, neighboring countries like Ghana and Cote d’Ivoire spent more on health, education, social benefit, agriculture production and percentage of labor force to the population. As shown above, Nigeria spent 2.7% and 0.9% of its income on education and health in these vital social services while it had nothing for social benefits for those who are not working. Only Cote d’Ivoire devoted 0.5% of its earning for social benefit.

In Agricultural production and percentage of labor in relation to population, Nigeria led 37% and 31% respectively in contrast to Ghana which had 53% and 38% in the same category. Cote d’Ivoire recorded 38% and 39% respectively.

In the classification of countries in the human development aggregates, Nigeria fell within the low HDI as against Botswana which is in the medium HDI and Australia which is the High HDI. Nigeria HDI was 0.400 and ranked 17 out of 174 countries surveyed in the world in 1996. It hibernates with countries like Pakistan, Sudan, Zambia, Cameroun, etc which do not have as much human and material resources as Nigeria. Again, countries like Malaysia, Indonesia and Thailand which were in the same HDI with Nigeria in the early sixties were now comfortable in the middle HDI and scrumptiously inching towards the high HDI.

**Table 3.4.5: Classification of countries in the Human Development Index**

|  |  |  |
| --- | --- | --- |
| **High HDI** **(0.800 & above)** | **Medium HDI** **(0.500 to 0.799)** | **Low HDI** **(below 0.500)** |
| Australia  | Botswana  | Nigeria  |
| Brunei | Gabon  | Ghana  |
| France | Malaysia  | Pakistan  |
| Germany  | Philippine  | Sudan |
| United Kingdom  | Thailand  | Zambia  |

Source: UNDP Human development report 1999,

The above situation, no doubt, reveal that most Nigerians live in abject poverty and that if no serious measures are taken, the scourge of poverty may live with us for a very long time. Although successive government have made lofty programs to tackle the problem, the factor of corruption, nepotism and commitment at solving the problem remain the bane at finding the solution to the intractable problem (Falade2001). Introduction of program like National Poverty Eradication Program (NAPEP); War Against Corruption with the establishment of Economic and Financial Crime Commission (EFCC), Independent Corrupt Practices Commission (ICPC) were aimed at reducing poverty and discouraging corruption in all facet of life in Nigeria; there were equally macro and micro economic policies of government as exemplified by National Economic Empowerment and Development Strategy (NEEDS) in the Federal and State Economic Empowerment and Development Strategy (SEEDS) in the states.

Though the success of these programs is largely seen as dependent on the commitment of government in executing it, critics see them as agents of globalization. While Mr. Kofi Anan, the former Secretary General of the United Nations posited that globalization will user in higher living standard in Nigeria in on his visit. But, Neo-Marxist like Dr. Edwin Madunagu, a columnist with the Guardian Newspaper has been vehement in seeing all the schemes as the capitalist poly to continue to pull the country down the valley of poverty.

# Implications of Globalization and the Nigeria Economy

## Trade Liberalization, Deregulation, Privatization and the Economic Life of Nigerians

A prominent feature of the last two decades has been the increasing globalization of the world economy, particularly of production and finance. The role of transnational companies has grown. Take over and mergers of companies across national boundaries have multiplied, helped by the explosive growth of international private flows. The spread of deregulation of financial movement and electronic trading in developed countries has opened the way for massive transfer of funds and trading in countries stocks and shares, bonds and other financial instruments among the major financial centers as well as facilitated capital flight from the South. Private financial flows have become a substantial multiple of world merchandize trade.

These very large cross-border movements of assets tend to cause more frequent shift in exchange and interest rates, affecting the competitive position of individual countries. A more pervasive dimension of the era of globalization is the building up of a network of relationship among private bodies like banks, investment houses, and transnational companies in the leading developed countries like the United States of America, Britain, France, Germany, Japan and Canada and of late some of the South East Asian countries. These have served to strengthen the influence of decisions made by private entities on world economic activities and to that extent, to limit the effectiveness of government policy decisions especially in third world nations.

Because of the precarious position of Nigeria as evidence by their peripheral contribution, they are left with little or no option than to accept the side effects. To substantiate, this claim, it is evidence that the West has a self-serving interest in advancing the cause of liberalization of trade, finance and technology. Increasingly, the agents of globalization e.g. The World Bank, the international Monetary Fund, the World Trade Organization and the Multinational corporations are putting pressures (through covert and overt means) on the government of Nigeria to accept policies that best serve the neo-liberal agenda.

Joseph Stiglitz (2002:6) a former Chief Economist of the World Bank reinforced this view when he states: “*The critics of globalization accuse the Western countries of hypocrisy, and the critics are right. The Western countries have pushed poor countries to eliminate trade barriers, but kept up their own barriers, preventing developing countries and so depriving them of desperately needed export income… the West has driven the globalization agenda, ensuring that it garners a disproportionate share of the benefits, at the expense of the developing world. It was not just that the more advanced industrial countries declined to open up their markets to the goods of the developing countries for instance, keeping their quotas on a multitude of goods from textiles to sugar-while insisting that those countries open up their markets from goods of the wealthier countries; it was not just that the more advanced industrial countries continued to subsidize agriculture; making it difficult for the developing countries to compete while insisting that the developing countries eliminate their subsides on industrial goods. The result was that some of the poorest countries in the world were actually made worse off”*

From all indications ranging from Neoliberal scholars to Neoliberal politicians and IMF etc, the success of globalization is premised on the important factors like privatization and commercialization, de-regulations, trade and financial liberalization. Despite been a major player in the international oil market, the federal government of Nigeria in July 1988 promulgated the privatization and commercialization Decree N0.25 to formally launch the scheme as part of that regimes effort at re-structuring the Nigerian economy in tandem to global market. According to (Hinds and Phohi 1991), (Ayoade 1994), (Gala 1996), cited in (Usman and Ijaiya 2000), privatization is an essential aspect of price and market reforms which entails both enhancing private sector development through government removal of restrictions on private economic activities, and divestiture of state assets particularly state-owned enterprises into private hands.

The Nigerian Economic Review, 1993, conceive privatization as the transfer of government owned share holdings in designated enterprises to the private shareholders comprising individuals and corporate bodies. (Kay and Thompson 1995) see it as a systematic transfer to appropriate functions, activities or property from public to the private sector where services can be regulated more efficiently by market and price mechanism. Therefore, privatization involves competition and ensures hitherto owned government enterprises operate with an eye on maximizing profit. There is also deregulation and, trade and financial liberalization. This involves the prescription or removal of measures that regulate how companies and market operate. Trade and financial liberation is the removal of restrictions on tariffs on imports. This is a major prescription of the World Trade Organization (WTO) or its predecessor General Agreement on Trade and Tariff (GATT), which are basic elements of globalization. Trade and financial liberalization make it easier for investors to move their money or capital with ease across national borders.

The resultant effect is that Nigeria is induced to embark on polices such as currency devaluation to compete in the global market. The implications of the above mentioned policies are obvious and therefore have effects on the Nigeria economy. The different phases of privatization handled by the National Council of Privatization (NCP) and its implementation agency, Bureau of Public Enterprises (BPE) saw to the sale of government owned commercial and merchant Banks, cement plants, etc, in the first phase which lasted between 1999 and 2001. The phase two and three saw government shading its principal shares in hostels, motor assembly plants, Nigeria Telecommunication Ltd (Nitel), Nigeria Airways, petroleum refineries, etc.

The results of these sales were felt in the following ways:

1. Removal of subsidies on services and goods which government had been providing at marginal or no cost to the people.
2. Removal of price control measures especially on some essential goods like petroleum products, for the private companies and new owners to make profit.
3. Remove regulations and rules that impose some control on private companies in specific areas such a wages, working conditions, method of employment, and hereby established a free labor market system in favor of the sector.
4. Reduce income taxes on profits to encourage investment for private companies in the production of their goods and services (Nigeria Tribune, 2000).

The effect is that, with the withdrawal of subsidies on essential services, individuals have to pay more for these services. Education and health services become costlier after deregulation. By implication, more children are out of school while university education has become more expensive. Other essential tariff like power and prices for petroleum products have been reviewed upward by the government, and lately by marketers because the oil sector has been deregulated and therefore been left to the vagaries of international force of demand and supply. These are the rippling effect of globalization and its concomitant effect on the social and economic life of Nigeria. For the record, the government between 1999 and 2009 increased the prices of Premium Motor Spirit (PMS) otherwise known as petrol a record of ten times. The incessant hike in the prices of petroleum products, especially in the regime of President Olusegun Obasanjo, disguised as the effect of deregulation of the downstream sector, is considered the immediate cause for the reflection on the legality and morality of the policy of deregulation and the implication it has on democratic sustenance.

During data collection of the this study, as I interacted with Bamidele Aturu, a legal practitioner in Nigeria, maintained that deregulation is a capitalist buzz word which may sound its death knell; that the Africans are already questioning the relevance of states that justify their existence only by deregulation of everything but the process of political succession. He said that unknown to its apostles, the ultimate aim of deregulation is the withering away of the state, which itself will spell down for capitalism; that Africans and Nigerians in particular continue to revel themselves as the weakest link in the global capitalist chain.

It is an open secret that Nigerians are not happy with this increases which affect every facets of their lives in a country where there is no welfare system for its citizens or provision of essential services at subsidized rates. Deregulation has created more problems than, it is hoped, it solved. First, the government did not put any mechanism in place to check the likely shocks that this change will have on the economy, among these is a good transport network where all the means of transport, air, water, rail and roads are functional. The absence of functional infrastructure, epileptic power supply, water, etc, have made most firms their local government as they provide these services for themselves, all of which add to high cost of doing business which translates to high prices of goods and services. A major implication of deregulations is that it has a negative multiplier effect on the economy which leads to inflation. The Guardian Newspaper in a 2010 edition captured it all in the following editorial “*By the time privatization would have been fully implemented, Nigerians will discover that their wealth have been sold to, and taken over by private individual and companies*”.

Globalization, by its design, is meant to benefit industrialized nations, hence, the formation of the World Trade Organization (WTO). This organization pursues the police of trade liberalization, especially the removal of restrictions on trade. This has got adverse effect on Nigeria industrial sector. Many manufacturing companies have folded up because of the influx of foreign goods into the country. Essentially, tariffs and other important restrictions are meant to protect home industries. However, globalization has made Nigeria one of the dumping grounds for foreign goods and services, and this has led to the gradual decline and underdevelopment in the industrial sector. The result is loss of job and grinding poverty. Even the palliative called poverty Alleviation Program, which itself is a component of globalization has not lived up to its name. Critics are bound to conclude that rather than alleviate poverty in developing countries, it rather does so in the developed world as a result of the new markets and economics opportunities it creates for them. The scenario is captured in the rhetorical questions asked in (Abimbola & Aremo 2002) thus “how many industrialist nations are willing or ready to “diffuse” their technology to the less developed countries as argued by the proponents of globalization?”

The gospel of trade liberalization and openness espoused by globalization has done a lot of havoc to the Nigerian industrial sector. (Awosolu & Esugbolungbe 2003) posit that trade liberalization has made cost of producing local product very high, aside lack of government incentive to encourage local production and the subversion of local production through high importation. For instance, local rice is hardly available in the market as a result of influx of cheaper imported brands from Thailand, Italy and other places. And when there are incidences of scarcity as recently experienced in Nigeria, the population is threatened with scarcity and the exorbitant prices. Globalization has hardly made Nigeria compete in the global market place because here, there are hardly local rules, governing the economy in terms of production, credit facilities and budgets. The aftermath is that the local manufacturers are left on their own and cannot compete with the foreign products, and having to cope with high cost of product and non-existent machinery to work with. As a result of the removal of administrative bottlenecks to international movement of goods and services (liberalization), Nigeria has become not only a jumping ground for all sort of goods, but also gullible consumers of products that have little connection to their struggle for existence, for example, Nigerian’s sense of movies, music and fashion is skewed to the western world. These have practically killed fashion and music etc industries.

Equally, the major driving forces of globalization, International Monetary Fund (IMF) and the World Bank are known for their overbearing influence on developing countries national budgets, especially when such nations approach them for loans and facilities to develop their economies. (Galbraith 1999), cited in (Awosolu&Esingbohungbe2002) quoted an instance when IMF issued a query to Nigeria in respect of the N400bmeant for capital expenditure in the 2001 budget. He also intimated that the world financial institution contributed in drafting that year’s budget. Interference in the internal affairs of sovereign nation is a hallmark of globalization perpetrated by its driving forces.

The multi-national companies, a major instigator of globalization are known to be the “pain in the neck” of independent states where they operate. In some instances, they actually run their host governments, though behind the scene. Companies like MTN, Shell Petroleum, Mobil, UACN, PZ have Nigeria directors but what happens to the high profits they realize? MTN, a communications network as reported by the ThisDay Newspaper in 2004 made the highest profit ever realized in any country within a year of its operation. The question has been why NITEL and MTEL, even with a foreign technical partner, did not realize the same level of success. The intrigues of globalization at play, you would say.

There is also the issue of Foreign Direct Investment (FDI) where multi-national companies are encouraged to invest in a country. The haughty multi-national companies (MNCs) make all kinds of demands like tax relief’s, infrastructural facilities, and waivers and so on. And before anybody knows it, they seized the economy and dictate how the government is run. They threaten *force majeure* anytime there is disagreement and usually found excuses to bring in their nationals using various schemes, to the detriment of the locals in spite of existing labor laws in a country like Nigeria.

Environmentally, the Niger Delta in Nigeria, in spite of the high profits from oil companies is a sorry sight and has been restless for quite a while. The World Bank in 1955 noted that the impact of oil exploration in the Nigeria Delta has decreased agricultural productivity and fishing; degrade the environment, leading to the prevalent of poverty. Punch Newspaper (2003) wrote in an editorial “Oil exploration has not done much to improve the economic life of the people in terms of resettling them to other viable environment”. The Ogoni Bill of Rights and the Kaiama Declaration in the Niger Delta are the direct result of the neglect of the environment where oil companies make billion of dollars. In the USA, when there was an oil spill, the government had to temporarily suspend the British petroleum from its operations until a cleanup of the oil spill was done, and compensation paid to those affected. Recently, also in Brazil the government had to temporarily suspend Chevron from operations until a fine was paid and cleanup done for oil spill. The foregoing is absurd given the fact that, these agents of globalization that are pushing for removal of trade barriers etc, at the same time encourage the abuse of Rights, including the denial of Rights to economic equality, are the ones who propagate the clamor for respect of human rights and fundamental freedom. The predicaments of the people of the Niger Delta in Nigeria present the paradox.

## Globalization and the Nigeria Society

Various policies by successive administration have been perceived as anti-people. Such include deregulation, trade liberalization, privatization and commercialization, decentralization of Labor Union etc. All are schemes tailored into fitting a globalized world. The result has been an uneven spread of economic opportunities in Nigeria and the increase discontent among youths, poor and disadvantages groups. Equally affected are social and health insurance policies; that are cardinal and central functions of developed nations to maintain social cohesion and domestic political support.

Culturally, the world is increasingly interlinked. The communication revolution is steadily enlarging the access to information for Nigeria and its people. Cultural influences from advanced countries are increasingly going stronger, pervasive and even pernicious as they surreptitiously undermine the rich values that have engendered identity, citizenship and community over the years. This cultural dimension is intensified by the Western control media organization like the CNN, BBC, DSTV, etc and the advertising of consumer products associated with affluent life-styles of the advanced countries. Recently, there has been same sex relationships which is not common amongst the people of Nigeria, and in a bid to stop such the Senate of the Federal Republic of Nigeria passed an anti gay marriage bill.

Equally, there has been rise in global criminal activities by exploiting the advantage of new communications and transportation technology. Organized crimes such as weapon trafficking, money laundry, terrorism, drug trafficking, traffic in children, woman and body parts and war lord politics are now common place. Nigeria has to find a way to cope with cross border criminal activities because it has to adhere to the protocol, of the regional integration mechanism of Economic Community of West African State (ECOWAS), African Union (AU) and the world at large. This raises a lot of concern on human security.

The issue of human security represents a paradigm shift in the discourse on national security. It has become a central concern not only to Nigeria but also to the world at large. The importance of this dimension to the understanding of security in a globalized world is underscored by the failure and capacity of the military model of guarantee state peace and collective security. This in itself is a reflection of the failure of capitalism (neo-liberalism) to assure conditions of safety, well-being and meaningful existence of human life (Nnoli 2006).

Human security is concerned with the prioritization of the security of the individual in terms of meeting the material needs, getting involved increasingly in the life of the community and the realization of human dignity. It is a concept for understanding global vulnerability whose proponents challenge the traditional notion of national security by arguing that the proper referent for security should be the individual rather than the state. Human security holds that a people-centered view of security is necessary for national, regional and global stability.

The notion of security has also been a subject of multi-dimensional interpretations. This idea of security suggests so many things to many people. According to (Makinda 1998; 282, cited in Adelugba & Ujomu 2008) ‘security is generally regarded as a “contested concept” because it does not have a clinical definition’. It is not only this but also the idea that security is fundamental to human existence and is a carrier of value, culture and prestige. It is in fact, a battlefield of ideological contention.

Ujomu provides an elaborate discourse on the multinational interpretations of security. These include the following: classical, realist or state- centric realist, the international security, the security dilemma, community security, non-traditional security, societal security, comprehensive security, cooperative security, women security, gender identity and security, and human idea of security.

In this analysis, focus is on the issue of human security as noted marks a much needed departure from the conventional security. It is an approach to security which focus on the prioritization of the security of the individual and it is achieved only when basic material needs are met and meaningful participation in the life of the community is realized. The argument by neoliberals that trade liberalization, deregulation and privatization would bring economic development have indeed shown the opposite, rather than liberate, has exacerbated poverty and keep Nigerians in perpetual servitude thereby endangering human security. In the view of (Hoogensen & Rottem 2004: 157) ‘human security embodies a positive image of security’ this image of human security is embodied in what (Suhrke 1999: 269) refers to as ‘part of a vision for a ‘people oriented’ economic development’.

The government’s deregulation of petroleum downstream sector, privatization of state owned hospitals, and inability to effectively fund education also undermine human security as well-being of the people in this respect will be negatively affected. In view of the social dislocation and economic disarticulation that these could cause for the poor and the vulnerable group in Nigeria, the possibility for violence, crisis and political instability remains very high.

In new democracy like Nigeria, the threat to democracy is very real. Also as it is in Nigeria where politics is played on the basis of a zero-sum game and monetization, the political freedom of the human security continuum will be undermined because people will either become apolitical on the basis of the imperative of struggle for survival or simply excluded from participating in the political process due to inadequate financial capacity. For rich members of the society, their security are undermined as most people that are affected by these neo-liberal programs (deregulation and privatization) taken by the government, resort into crime as a means of survival, thereby unleashing terror on the populace, especially the affluent. The widening gap between the rich and the poor both at the micro and macro levels, in order words; globalization has accentuated both horizontal and vertical inequality. At the international level, it has worsened the danger associated with immigration of Nigerians moving to developed countries. The effect of this on human security is such that the emigrants are exposed to more risks of infringement on their rights; unwarranted death in the deserts by those trying to cross from Nigeria to Europe through Sahara desert as well as loss of freedom by illegal immigrants.

In a globalized world economy and highly integrated financial market, there is the preponderant of global, regional, national or local shock much more than in the past when the financial markets were less integrated. It has been observed by the CBN (2000) that portfolio shift affects the exchange rates, interest rates and economic activity. As a consequence, the volume of financial intermediation and currency transaction is enormous nowadays.

The shocks are greatly amplified in more or less synchronized fashion with destabilizing effect on Nigeria economy. The financial volatility was largely unknown in the 1950s, 60s and early 70s in Nigeria when multi lateral lending aids and foreign direct investment dominated global investment. The effect of globalization is that fear of uncertainty and volatility on capital formation and productivity growth with its negative consequences on economic growth.

It should be noted that problem of uncertainty is not from within but externally generated problem. Nigeria, as a developing country has not developed a mechanism that can absorb the shock. The type of domestic policy response put in place like privatization, deregulation, etc have always increased the impact of these shocks in Nigeria and the people are worse off by increasing their suffering.

The social effect of globalization is another fear since globalization is associated with instability of output, employment and job insecurity. Majority of people derived their income from labor. In Nigeria, anything that affects their job is socially disruptive and thus brings tension to the fabric of the society. This has created industrial conflict.

The elements of globalization and the various agents that drive it go to show that where infrastructure facility is not available, technological know-how absent, government losing their sense and responsibility to their citizenry and the market forces determining prices, supply and demand, then an economy like Nigeria is bound to witness varied distortions.

For one, the gap between the center and the periphery will continue to widen where unequal exchange of economic relationship is the order of the day. The Nigerian economy in a globalized world spells unfathomable woes for Nigeria and a superfluous opulence developed nations, the reality has since been felt.

## Summing up

Globalization as a universal concept, according to its proponents is desirable. They look at the ‘borderless’ state and development in information technology, new technologies in transportation, democracy as being favorable to its germination and growth. Critics, on the other hand, vehemently posit that globalization is skewed in favor of countries that have the technological know-how, industrialized and entrenched in democracy as having the upper hand in the unequal exchange against the developing countries that are far from acquiring those necessities which make the competition inherent in globalization, healthy. With key elements such as deregulation of national economics, privatization of common patrimony of states, commercialization of services and products, trade liberalization, movement of capital across borders without hindrance and favorable investment conditions demanded of host countries, particularly unhealthy economic, political and social conditions are evident in Nigeria. Driven by multi-national companies, international finance organizations and world trade bodies, the phenomenon of globalization assumes a larger than life image and would dominate global socio-political and economic issues in years to come.

The resulting effect has been the various distortions this global concept has left in its wake. Nigeria as a developing country is faced with grinding poverty, insecurity as a result of unemployment, debt overhang, trade deficit, unstable government, and the likes. Though no nation should isolate itself from the global going-on, most developing nations like Nigeria should introduce some measures with which to cushion the debilitating effect of globalization. Such should be in building social infrastructure to cope with the demand of free market economy and its attendant social distortion. For instance, Nigeria should not be forced or blackmail to remove subsides in petroleum produce and other social services such as education, health etc. Nigeria should accept globalization with a social or human face.

# Conclusion and prospect

## Summary

The concept of global village or globalization assumed a worldwild sensitization when Marshal McLuhan, in his thesis in Gutenberg Galaxy in 1962, alerted the world of the phenomenon of shrinking world of continental mass to a diminutive village.

He draw his analogy from the activities and operations of multi-national corporation like Coca-Cola, McDonald’s, Kodak, Mercedes, etc. he said that every business, though acting local was thinking global. Today, new businesses are done beyond their metropolitan boundaries. Cable Network News (CNN), Microsoft, MTN, CELTEL, Globacom, etc, are looking beyond the boundaries which they are domiciled. Globalization is the new fad. Equally, business lexicon is replete with terms lie emerging market, Asian Tigers, Emerging Super power like China, Taiwan, India, Malaysia, Hong Kong, etc. Every business is looking for a market niche. Competition is stiff. They are business buy-out or buy-ins. Your products or services must be able to compete in the market place. This is the only way to think global.

In dissecting this global concept, the study took into cognizance the conceptual framework, the various views of scholars, the canons that shape the operation of globalization and the argument for and against it, drawing from ideological underpinnings.

After giving a global picture of the concept, the study situated the Nigerian experience in coping with this rampaging concept. How has globalization impacted on the socio-economic, political and cultural life of the Nigerian? The summary of these findings would suffice here

## Economic consequences

Nigeria and indeed, most third world countries, because of the level of its infrastructural development are ill-equipped to compete in the global market place. With globalization which hinged on free and unhindered trade, packaged through World Trade Organization and its, the General Agreement on Trade and Tariff (GATT), and with Nigeria, with monolithic products like agriculture and oil, and which prices are controlled and fixed abroad, it will be very difficult to compete with developed countries.

In fact, Professor Ken Kamoche of Hong Kong School of Management captured it most succinctly when he wrote on the outcome of one time WTO ministerial meeting in Hong Kong that “*currently the countries which economics reply almost entirely on Agriculture, like Guinea-Bissau, Congo, and Sierra Leone are among the worlds poorest*”. He cited particularly Guinea-Bissau which GDP is almost 70% from Agriculture. And considering the vagaries of weather, the declining prices of agricultural products on world market which prices are determined by auctions or through rules such as those ‘negotiated’ within the WTO framework, “*these countries will need nothing short of a miracle to improve their fortunes through trade*”, he contended.

Nigeria, with its dependence on oil which prices it has no control is also a victim of such vagaries. And distortions in oil market like the restlessness in the Niger Delta or global price shift wholesomely affect the local economy. And with virtually no local production to support its economic based or export, it becomes very difficult to compete in the global market place.

And the result has been the influx of import of all imaginable goods. Nigerian markets are flooded without any capacity for reciprocity of trade. Nigeria’s infrastructural base like power supply, roads, transportation system is so bad that local production is hindered and virtually non-existent. How then does Nigeria compete in the global market place?

## Social consequences

With a bad economy coupled with decaying infrastructure, there is bound to be social degeneration. Nigeria educational system, with Bretton woods “no subsidy” conditionality is almost collapsing. Healthcare is none existing, and very demoralizing with government officials going abroad for treatment. Transportation is Herculean with potholes in every road in the land, and the daily carnage witnessed on our roads. Life expectancy as shown in the United Nations Development Program (UNDP) table is 45 years and infant mortality is alarming. The human development index is nothing to write home about.

Nigerians, according to Mike Awoyinfa’s “press clips” in The Sun Newspaper, are only hanging in. there is despondency in the land. Wages are now very frustrating, as most Nigerians do not earn salaries that are enough to buy a bag of rice! And most of them have dependants who must feed and go to school. The result is corruption-which has turned hydra-headed. Privatization is only meant for a few who can afford it, usually through corrupt tendencies or government patronage.

There are social distortions. Armedrobbery, kidnapping, and other social malaise are on the increase. The activities of the multi-national companies, a direct product of globalization are also a cause of the distortion. These are results of globalization which canon, information technology also aid and abet these crimes.

**5. 1. 3Political Costs**:-

Politics in Nigeria has become a do or die affair. As a direct coloration to the social and economic cost, it is true that in an economy ravaged by unemployment, poverty, mismanagement, harsh economic policies, Nigeria has witnessed shaky political foundation. Politics has become an escape route where people run to secure economic future and social leverage. The result is that the hard won democracy has remained shaken. And for the fact that Nigerian can no longer afford the presence of military boys in governance, the last twelve years of democratic experience could have ended with a coup. Nigerian politicians, especially with the OlusegunObasanjo regime were disastrous in elevating the standard of living. And since democracy is a canon of globalization, Nigeria had no choice than to move with the global train. The point is that politics has not been spared the trauma of globalization. The removal of subsidies in virtually every facet of Nigerian life, especially in the social sector is externally motivated. And the governments are hamstrung to do otherwise in a global system. Nigerians have to live with democracy not minding its social and political cost.

## Cultural consequences

Information, key cannon of globalization has seen Nigerians indoctrinated into other cultures. From their dress code, to speaking mannerism and even the health and education system have externally indoctrinated. Their young women and men are almost walking naked a result of ‘imported” culture. This is in spite of the rich and dignified culture.

The local herbs for medicine which hitherto had been very potent are abandoned for the western type and the eating habit is devoid of local recipe for the fast food brand. This has implication on the new and hitherto unknown diseases, which are prevalent today. Respect for elders that was the hallmark of tradition in Nigeria is now a thing of the past. Women no longer breast feed their babies or even cook at home any more, rather resort to likes of McDonalds etc.

## Final remarks and recommendations

Against the backdrop of high poverty level in Nigeria as explained in earlier in this study, globalization clearly presents a dilemma. This is because one’s understudying of the canons of the new world order reveals an open society where competition buoyed by digital or cutting edge competition hold sway. Nigeria with its level of development cannot definitely compete in the global marketplace.

As mentioned earlier, the world has become a global village and Nigeria cannot be an Island on itself. Therefore, every effort must be made to patently address certain fundamental issues of socio-economic, political and cultural issues. Fortunately, there have been certain ‘visions’ (which, if they were religiously followed) would have seen Nigeria through. The vision 2020 is apt and can see Nigeria really develop their infrastructures to key into the global Millennium Development Goals (MDGs). But can Nigerian really trust the seriousness of their leaders? They have had the magic year 2000, Genral Abacha brought vision 2010 and it became a jamboree. This study thinks the real fear arises mainly from the trend of poverty in Nigerian society. It is important to point out here that the standard of living of Nigerians and the level of economic development in 1962 were at parity with that of current Asian tigers and that over 84% of Nigerians were safely above poverty line. It is equally regrettably to note here that, poverty levelrose from the time Nigerian government associated itself with the World Bank and IMF’s privatization, deregulation and commoditization.

The conclusion is that schemes like privatization and commercialization, a key ingredient of globalization, limited government, trade liberalization, activities of multi-national companies, Bretton woods prescription of non-subsidy economy, etc, are not helping the Nigerian nation. The answer is that Nigeria should not swallow the pill of globalization, hook, line and sinker but understand the dynamics that will help evolve measures that will reduce it devastating effects.

This study strongly suggests the following panacea to handling the scourge of globalization in Nigeria.

* Nigeria should limit it’s over dependence on Western powers. (Tendon 1988), (Amin 1987, 1990) cited in (Awoselu, et al 2002) have suggested the subordination of external relations to the logic of internal development.
* It is equally important that Nigeria’s revolutionary and activist classes should be actively involved or engaged in developing alternative structures of power for organizing production, based on new values of humanity, and care for the environment.
* The various components/canons of globalization, especially privatization, commercialization and deregulation should be treated with caution. Removal of oil subsidies, privatizing institutions like Nigerian National Petroleum Corporation, National Theatre, etc, should be done with utmost care. In a situation where public utilities are not working like electricity, health system, education system, etc would definitely being about social upheavals.
* There should be increase public expenditure on education, health services, roads, transportation, etc. In fact, yearly, education budget should be increased to the UNESCO benchmark of 26%. Every child should be made to have compulsory education to, at least, secondary school level and more technical schools should be built to develop functional indigenous technology.
* There should be constitutional provision on poverty eradication. Issues like redistribution of national wealth, human welfare and social security should be made a constitutional issue. Unemployed people should be given stipends to live on, to avoid stealing or engagement in criminal activities. Most developed countries made this a constitutional provision.
* To address the issue of corruption, there should be living wages. Take home pay should be able to take workers home. It should be across the broad. That is private sector inclusive.
* In stemming corruption, the anti-draft agencies like the Economic and Financial Crime Commission (EFCC) and Independent Corrupt Practices Commission (ICPC) should be strengthened and not made an arm of the executive which could be used to hound perceived political enemies. They should be truly independent.
* Nigerians in public office should not be allowed to travel abroad for medical treatment so that there would be serious efforts in developing health facilities. It is quite ironic that those who are saddled with the responsibility of developing the health infrastructure are those who would jump on the next available plane to go abroad for medical treatment.
* Nigeria must move away from monolithic economy for it to survive in the choking field of globalization. This is to avoid the vagaries of changing fortunes of a commodity like oil. Fortunately, there are abundant natural resources in Nigeria, and these should be tapped for national development.
* It should be a constitutional provision for Nigeria to sell only processed goods to other countries. This will add value to the products and ensure competitiveness in the global market place.
* There should be tacit control of the activities of Multi-national Corporation to checkmate their penchant for flouting state laws especially in employment, developing local workplace and neglect of the environment.
* Nigeria if possible should trade with countries that are ready to buy their own products or help them develop their natural resources for export, or help them develop their infrastructure.
* There should be integrated regional co-operation. For instance, countries within the same regions should be made to trade among themselves and exchange ideas on agriculture, education and other social services.
* Politics should be made less attractive in Nigeria. People of ideas should be encouraged to go into politics rather than making it for all kinds of characters.
* Culturally, there should be re-orientation of their national values.

Finally, this study however imperfect remains crucial to understanding Nigeria and globalization, as there has been limited work done on the subject matter. This study however in its own little way contributes to the body of existing knowledge, and eventually opens up new research project for me in the future as this study could not capture all in one shot.

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