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# *Globalisation and Developing Countries: A Blessing or a Curse in Nigeria*

**Samuel Adetola Ogunwa\***

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## **Introduction**

Following the new world order propagated by the US government, economies of the world had taken a new dimension that countries now adopt the philosophy of Western economists situated in globalisation. Globalisation is a paradigm shift from autarchy to trade liberalisation which encourages nation-states to open their borders from the obstacles and hindrances that hitherto prevented movements of goods, services and peoples into their territories. Thus, globalisation ‘summarises a number of international features of the world economy; rapid advances in communication and transportation technology, expanding geographical scope for business activities of private corporation and financial institution, the integration of markets across national borders, and higher degree of uniformity in policy and institutional environments that set the rules of the game for economic actions and interactions on the part of private agents based in various countries’ (Court and Yamagihara, 1998, cited in Alimi and Atanda, 2011, 345).

While this indeed is a paradigm shift, it denied the developing countries self-development, self-reliance, self-growth, self-independence and self-absolutism eroding the powers, initiatives, autonomous and autochthonous for growth and development. For decades now globalisation and its branches like privatisation, commercialisation, deregulation and trade liberalisation have become global philosophy and currency that virtually all countries use to run their economies. No thanks for the fall of Berlin Wall in 1989.

Developed economies have imbedded the philosophy of globalisation, the developing countries are not left out, from Asia to Africa and to Latin America are scrambling for globalisation since global financial institutions such as World Bank

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(WB), International Monetary Fund (IMF), and World Trade Organisation (WTO) tied their supportive measures to this currency. Globalisation has encouraged 'international mobility of capital, result from advances in communications technology and liberalisation of financial markets has intensified as the world economy witnesses the unleashing of market forces' (Onwuka and Eguavoen, 2007, 45).

Therefore, globalisation encourages the deregulation of domestic markets across the board in the name of privatisation and commercialisation of governmental owned enterprises. The spirit of globalisation is toward trade liberalisation of the world and domestic economies across the board encouraging foreign experts to invest domestically in economies of less developing countries. Thus, globalisation is about bringing: financial capital, investments, experts, technical know-how, technology, markets, services and goods into the less advanced countries with aim to ensure that these countries imbibe or accept in totality foreign goods and services, while at the same time discouraging local productions, local experts, local industries and other services as incapable of being produced by the host or peripheral countries.

However, the politics of globalisation has two dimensions within one world. The trade debate between the North and South (Adeniran, 1983) produced different views for the one world. Adeniran commented that Bretton Woods system was created to ensure 'monetary stability and economic expansion of the North-the North in this context implying the industrially more developed areas of the world, to the disadvantage of the South which comprises of the nations from the Third World' (1983, 154). Thus, globalisation has continued to create asymmetrical relationship between the North and South. For instance, the North as a result of advancement and quantum resources dictated economic and developmental strategies for the South. Such strategies included: good governance, democracy, accountability, transparency, Structural Adjustment Programme which had severe consequences on some countries in the South. According to Blake and Walters 'the benefits of such international economic relations between rich and poor states are distributed asymmetrically in favour of the rich. This continued asymmetric in the distribution of benefits forms a basically exploitative relationship between dominant and dependent states that is seen by adherents of radical thought as the explanation for the existence and the widening of the gap between rich and poor countries' (1976, 8). South reliance on the North continues to encourage economic dependence devoid of autonomy and political independence.

Indeed, this is basically zero-sum relationship between both the South and North countries, and the intension of globalisation is to continue the trend which started in 1940s following the establishment of Bretton Woods and has its relations in WB, IMF, and WTO. These institutions dictated strategies and policies for Third World '... but also because the United States was in a peculiarly advantageous position to benefit from international economic transactions conducted in accordance with the norms

established by GATT and the IMF. ... An international economic order based on the principles of free movement of goods and capital served perfectly America's domestic and foreign economic interests and capabilities' (Blake and Walters, 1976, 13).

As argued above, globalisation gave birth to privatisation and commercialisation for governmental owned enterprises in developing countries. This allows new-comers into the economies to provide basic amenities, determine the availability and the prices of such goods and services that the government in the first instance should provide. The trend of globalising economies and its varieties are not new to the Nigerian government neither to the people. The government decision is to ensure that all publicly owned enterprises are privatised and commercialised with the aim to ensure the theory and practice of globalisation is adhered to strictly. What then is the trend of globalisation in Nigeria? To what extent is globalisation beneficial to the Nigerian people? Can Nigeria economy grow under globalisation? Is globalisation useful for us now? Does government has sufficient mechanisms to sustain, adapt and adopt globalisation? What are the effects of globalisation on the economy since 1999 to date?

The rest of the paper is divided into literature review, Nigeria in the age of globalisation, 1999-2012, panaceas for the parasites of globalisation in Nigeria, and conclusion.

### **Literature Review**

The word 'globalisation' means different thing to different people. For Maku (2007) it is a world debacle which means different things to different people and different things to the same people across time and space. These differences according to Held, *et al.* (1999, 27) opined that 'globalisation is best understood as a multifaceted or differentiated social phenomenon' because there are 'dynamics and consequences of globalisation' (Held, *et al.*, 1999). While we are not yet concerned with dynamism and consequences of globalisation, globalisation is 'the widening, deepening and speeding up of worldwide interconnectedness in all the aspects of contemporary social life, from the cultural to the criminal the financial to the spiritual'" (Held, *et al.*, 1999, 2). This is what Friedman (2005) called the world is flatten, emphasising that 'individuals (not just countries and companies) can now communicate from anywhere to anywhere collaborating and competing for the first on a level playing field (cited in *Response*, 2007, 28)'.

Therefore, globalisation is a new approach in human history. Scholars like Ohmae (1995), Wriston (1992), and Guehenno (1995) argue that globalisation is condition in which primitive or traditional nation-states have become unnatural, even impossible business units in a global economy. This emphasize that nation-states are no longer relevant in contemporary economy that is unfolding. This is as a result of 'denationalisation' of companies or governments investment hitherto in the hands of governmental employees or appointed agencies. 'Denationalisation' or control of

economies by the multinational corporations fitted properly into privatisation and commercialisation of essential services such as health, education, security, energy sectors, etc.

In the age of globalisation, the nation-state lost its sovereignty and became 'borderless' since the government act on the scripts of multinationals. According to Held, *et al.*, (1999, 4) 'since the national economy is increasingly a site of transnational and global flows, as opposed to the primary container of national, socio-economic activity, the authority and legitimacy of the nation-state are challenged: national governments become increasingly unable either to control what transpires within their own borders or to fulfill by themselves the demands of their own citizens'. The forces of globalisation render the powers, influences, and authorities of national governments irrelevant actors. Strange (1996, 4) argues 'the impersonal forces of world markets... are now more powerful than the states to whom ultimate political authority over society and economy is supposed to belong... the declining authority of states is reflected in a growing diffusion of authority to other institutions and associations, and to local and regional bodies'.

The political consequences of this according to Held, *et al.*, (1999, 3) '... economic globalisation is constructing new forces of social organisation that are supplanting, or that will eventually supplant, traditional nation-states as the primary economic and political units of world society'.

While globalisation is eroding the necessity of national government, and other national stake-holders 'partially', globalisation is a philosophy of the winners and loser's syndrome as far as international economy is concerned. The growing gap between the North and South is leading to economic dependency on the North by the South, eroding the inter-dependence, but emphasising dependency.

The mover of globalisation are multinationals or transnational corporations what Hirst and Thompson (1996) describe as internationalisation, that is 'interactions between predominantly national economics as a result of integrated global market' (cited in Held, *et al.*, 1999, 5). The consequence of this is the continuous economic marginalisation of many Third World states as trader and investment flows within the rich-North intensify to the exclusion of much of the rest of the globe. The economy inequality, notion of cultural homogenisation, a global culture, global taste, global governance, and economic internationalisation are 'as primarily Western protects'.

Another thesis of globalisation is the fact that there is no distinction between the international and domestic, external and internal affairs (Rosenau, 1990). According to Rosenau (1990, 4-5) the growth of 'intermestic' affairs define a 'new frontiers', the expanding political, economic and social space in which the fate of societies and communities is decided. Thus globalisation has become a propeller or agent for transformation of as Giddens (1996) put it 'shake-out' of societies, including

its economies, institutions of governance and philosophy of world order.

Therefore, the politics of globalisation is here to restructure nation-states to enable these states meet demand of globalising economy system in foreign investment, direct investment, 'Netscape web browser, work-flow software, outsourcing offshoring, and supply-chaining' (*Response*, 2007, 28) and render the national government passive.

To this end, according to Jinadu (2010, 20) 'This new globalisation is propelled by the trans-nationalisation of finance capital, in search of new market, and the logic of capital accumulation'. The contemporary globalisation has been likened with the New Scramble for Africa which is 'mediated and facilitated on a world scale by technological advances, world trade regimes, and by hegemonising and universalising or homogenising cultural and intellectual institutions, even as they generate their contraries or competing responses, in the form of the dialectics of domination and liberation'. Globalisation or 'new imperialism' is characterised according to Casanova (2004, 384) the expansion of production in metropolitan markets; control of world markets, especially by multinational corporations, seeking to control the most profitable industries in these markets; movement of manufacturing facilities by multinational countries to lower-wage countries; rise of an industrial-military complex; the articulation of the 'new' imperialist countries to the periphery through transnational corporations and dependent national comprador bourgeoisies.

Furthermore, the transfer of surplus from the periphery to the center increased considerably to extent that this greatly has negative effects on the periphery. Casanova (2004, 384-385) argued that '... the exploitation of the periphery by world capitalism has intensified ... data on capital transfers and declines in standards of living in the countries of the periphery... indicate that the imperialist exploitation and domination of these countries is now thorough than ever'.

Jinadu argued that like the old imperialism, the new is 'anchored on structural foundations, which are complemented and reinforced by a number of universalising cultural, legal, political and social factors which constitute its ideology' (2010, 21). This ideology is what is moving the world and is recolonising the nations' economies, political, social and cultural resources, and while at the same time 'they confer power and influence on the new imperialists without political responsibility and accountability to us' (Jinadu, 2010, 23).

Therefore, since the relationship between the North and South is not a political responsibility, but for the North to consolidate their economies and government. As such Held, *et al.*, (1999, 4) advice that 'Against this background, governments had to "manage" the social consequences of globalisation' and for others who are yet to embrace globalisation 'having been left behind, want not so much a chance to move forward as to hold others back' (Ohmae, 1995, 64).

### **Nigeria in the Age of Globalisation, 1999 – 2012: Historical Approach**

The incorporation of Nigeria into global economy is traceable to the Berlin Conference of 1884/85 (Jinadu, 2010, 16) when African societies were balkanised into segments for easy administrative maneuvering. The official incorporation became visible when British government lunched its offensive into the territory through the Lagos Lagoon in 1861. Here the process of official colonialism started from the Yoruba territory and later spread to other part of the country ‘... the phenomenon of globalisation came to Nigeria for the first-time, not just in the last century as it is generally thought, but when the Portuguese and the British landed on our shores before the end of the nineteenth century to establish new trade links and to spread Christianity’ (Iwara, 2004, 21).

The need for new trade made the ‘sphere of influence’ (Jinadu, 2010) spread to other parts of the country. To operate successfully, the British imposed its own political system (Iwara, 2004) on the people. The policy of Indirect Rule was used to govern the cultural diversities in the country. The policy of colonialism in Nigeria transformed the mode of governance. The indigenous system of government was replaced with foreign typologies. According to Agbebaku and Aidelokhai (1995, 227) ‘...Migration of new structures from metropolitan Europe without the underlying cultural and social imperatives favourable to their successful operation in the metropolitan centers: constructs like “Democracy”, “Rule of Law”, and institutions like the “Military”, “Bureaucracy” and elected “Parliaments” among others are some of the migrated social structures engrafted into the new colonial situation’. These imported concepts institutionalised into the Nigerian society practically challenged and changed in all ramifications all the existing structures which African societies once cherished and applauded.

It is important to say that the peoples contact with British government disrupted existing trade network, denied industrial development and discouraged local production, also discouraged local industries and compelled the indigenous peoples to divert to primary production in order for the British stooge to feed their industries in the metropolitan states. Furthermore, a colonial type of trade was established leading to money-economy and made the European currencies to become the medium of exchange. The establishment of the Bank of British for West Africa in 1894 was the launcher of Nigeria, its people, its resources into the World Capitalism (Agbebaku and Aidelokhai, 1995, 230).

Thus, colonialism, conquest, and integration of Nigeria economy into World Capitalist System were indeed the beginning of globalisation in Nigeria. Onimode (1983) argued that as the capitalist mode developed extensively, it confronted the non-capitalist mode of production which it forcefully transformed the alien country, its kind resources and products into commodities for the international capitalist system in the effort to create a dependent capitalist economy.

The incorporation of the country has severe consequences on the polity. They include: the creation of an unviable and unhegemonic state; the establishment of weak and non-productive ruling class; the dependent of Nigeria on the production of narrow range cash crops for foreign exchange; the vulnerability to price fluctuations; domination of economy by the multinational corporations; reliance and dependent on foreign experts and loans; low level of technology; finance of national budget by the World Bank; rely on the advice of the institutions of capitalist system – WB, IMF, and WTO; and finally, the integration of Nigeria's economy at the periphery and at the same time as a Junior Partner. Thus, the gory politics between the G8 (Developing countries) and G20 (Industrialised countries) will linger on.

While the incorporation was done many decades ago, the discovery of crude oil in Oloibiri in the Niger Delta area (Obi and Okwechime, 2004, 348) opened another prospects of integration of economy than what we are used to in pre-colonial, and colonial eras. The fact that oil was discovered in large quantities in Nigeria without technical-know-how by the country to explore and refine the same made the advanced societies in technology-know-how through multinational corporations to come to Nigeria and invest in the oil sector of the economy. The giant companies include: Shell Petroleum Development Company; Chevron Texaco, Total Fina Elf, Exxon Mobil, Pan Ocean, Trans Ocean, Conoco, Philips, Statoil/BP, Adax, Agip, Abacan, Du Pont (Obi and Okwechime, 2004, 341).

The establishment of oil corporations in Nigeria was an aspect of the country's incorporation into existing partnership of trade, while at the same time opening avenue for further incorporation 'In the post-colonial era, with the transformation of Nigeria into a petro-state, oil multinationals became the sole agency for the subordination of the region to the imperatives of globalised extraction' (Obi and Okwechime, 2004, 348).

In the mid-80s, the military president, I. Babangida made the country formally as an appendage of International Division of Labour following the introduction of Structural Adjustment Programme instituted by the regime to bill the country out of economic mess committed by the civilian administration of Alhaji Shehu Shagari 'necessary for bringing about rapid and large-scale improvement in the levels of living for the masses of poverty-stricken, malnourished and illiterate Nigeria' (Fakiyesi, 2004, 389).

Fakiyesi argue further that the reason for Structural Adjustment Programme (SAP) is because 'Nigeria's public policy has been in disarray, devoid of any consistent ideology; policy consistency was anathema, corruption, bad governance, social insecurity, unstable political economy and hence a free and *laissez faire* environment for rent seekers and rent seeking behaviour were the norm. It was in this sorry state of affairs that Nigeria discovered that the fund situation in the country could no longer support the unbridled profligacy of succeeding regimes

and hence the first touch of the many “fingers” of globalisation was the Structural Adjustment Programme and its several branches’ (Fakiyesi, 2004, 389-390). Thus, according to Anyanwu (1993, 243) ‘The Nigerian SAP was designed to fit the standard of IMF-World Bank structural adjustment package and meant to effectively alter and restructure the consumption and productive patterns of the Nigerian economy, as well as to eliminate price distortions and heavy dependence on the exports of crude oil and imports of consumer and producers goods’. Yesufu (1996, 93) commented that three factors necessitated the policy and adoption of SAP namely: an excessive dependent by the nation in imports, especially consumer goods including food; almost total neglect of domestic production in all the five sectors of the economy: agriculture, industry, construction, commerce and transportation; and finally almost total dependence on earnings from oil exports alone for boosting government revenues as well as for accumulated foreign exchange reserve.

The implication or practicality of SAP was directed towards three aspect of national economy. They include: monetary: deregulation of the interest rate; establishment of a market-based foreign exchange (FOREX) system; and, pursuance of a restrictive monetary policy. Second, Fiscal - privatisation and commercialisation of several public enterprises; adoption of cost recovery measures in health care delivery; and educational services; and lastly, Trade - abolition of import licensing system, and, general reduction in the level of import tariffs (Anyanwu, *et al.*, 1997, 456).

SAP as a panacea is therefore meant to heal Nigeria economy, but the healing balm was soaked in globalisation since globalisation has become world order, propagated by the Bretton Woods and its siblings. The fact that SAP is a brain child of IMF, the conditionality and supporting mechanisms is of the World Bank, and World Trade Organisation.

Therefore, institutionalisation of SAP into the country is meant that globalisation has become the doctrine, and philosophy of Nigerian government that is, the government needs to meet several conditions of IMF before SAP as a paradigm and panacea is implemented. These conditions include: devaluation of currency; tight fiscal policy; reduction of money in circulation; withdraw of subsidies on socio-services such as health, education, etc., retrenchment of work force across all the levels of government including private companies, introduction of new taxes and levies, etc.

The acceptance of principles of SAP and its conditionality made the country the ‘full’ member or appendage of new world order, since globalisation has become way of Life in Nigeria. The national budget is tied to WB, IMF and WTO advices. In other words, the government and peoples are tied to whims and caprices of globalisation, the oil prices and foreign exchange earnings are determined by these agencies. The effect of SAP is enormous: reduction in purchasing powers of workers; astronomical increase in the level of inflation; reliance on the import materials by the industries; increase of unemployment; increase in crime rate; increase in mental illness; and

chronic poverty. These are essentially flipside of SAP and globalisation.

While SAP has failed to yield positive result on the living standard of the people across the board, the Nigerian government since 1999 has continued to toe the line of globalisation, and 'IMF, IBRD and WTO have remained in the forefront of the propagation of globalisation' (Fakiyesi, 2004, 391). Thus, the Nigerian government has continued the policy of globalisation through the privatisation, commercialisation, and deregulation, and trade liberalisation. Privatisation refers to the reduction or total withdrawal of public sector intervention in economic activities. It involves the relinquishment of part or all of the equity and other interest held by the government or its agency in enterprises whether wholly or partly owned by the government, reduction in state provisions, reduction in state subsidies and reduction in state regulation of industries (enterprises) (Anyanwu, *et al.*, 1999, 459).

On the other hand, commercialisation is the reorganisation of a public enterprise in such a way as to operate as profit-making commercial ventures without subvention from the government even though the government still retains its full or part ownership.

All these definitions or conceptualisations made the policy of globalisation to work effectively. Similarly, measure was taken by the government to privatize and commercialise publicly owned enterprises. The public enterprises were either sold fully or partially. Some of them were NEPA now PHCN, NITEL, Nigeria Airways, etc. (See Anyanwu, *et al.*, 1999, 463-466). According to Fakiyesi (2004, 393) 'privatisation, deregulation and demonopolisation can be seen as part of a wider policy response (if not always conscious strategy) in the restructuring of the relationship between state, market and society'. This restructuring is multidimensional:

Budgetary squeeze (or even contraction in some sectors) which has had a direct impact on the scale of resources and of state personnel;

Deregulation, a many-layered phenomenon comprising, for example the dismantling of controls (notably in the currency markets) and over-priced the reduction of administrative formalities (often in planning), and the simplification of administrative procedures;

Liberalisation, or the breaking up of monopolistic or dominant market positioning to encourage and facilitate greater contestability or entry into the market (notably in financial markets and in the transport and telecommunications sectors);

Financial market modernisation and the creation of new financial instruments to ensure growth, greater transparency and increased efficiency: the creation and strengthening of more effective competition policy; marketisation/commercialisation terms which mean the introduction of competitive forces into the purchases and sales of public goods and the provision of public services;

Customisation-the pressures to see citizens as clients whose need (and not those of suppliers) should be viewed as critical;

The introduction of a new management techniques and organisational structures, often borrowed from the private sector;

De-centralisation-the enforced or voluntary devolution of administrative and political authority and implementation to elected local governments. ... in some cases, a desire by central governments to reduce their financial commitments by transferring service responsibilities to the local level is legitimised in the name of strengthening local democracy;

De-concentration, which is the devolution of authority down to non-elected state officials at the local or regional level; and diffusion – a policy of transferring to semi-autonomous agencies, appointed by the government, or to voluntary or charitable organisations, tasks previously managed by central state administrators (Fakiyesi, 2004, 393-394).

All the above were transferred into Fourth Republic Nigeria that commenced in May 29, 1999. The take-over of civilian rule made the policy of globalisation easy to operate under the liberal democracy housed in liberty, equity, egalitarianism, and trade liberalisation. The period witnessed water-flooded foreign investments in Nigeria and other part of Africa. The signing of Trade Agreement by the Nigerian government and World Trade Organisation was a formal 'removal of trade barriers and the unrestricted operation of laws of market forces. Under these rules of trade liberalisation and the free movement of goods and services and people. Nigeria is entitled to trade with any country of its choice in the world' (Iwara, 2004, 29). While, Nigeria is free to trade around the globe, are Nigerian goods acceptable over the seas? What are the Nigerian goods can be exported under a homocultural economy? Yet, other countries have invaded the country from all angles to every angle in Nigeria. Nwoke (2010, 64) argues that 'US presence in the Gulf Guinea and USA-AFRICOM constituted one sold leg of the scramble for Africa, and the presence in Africa of the emerging economies of Asia, including China, India, South Korea, Malaysia, Indonesia' are some elements facilitating globalisation in the country.

One of the new comers into Nigeria economy is China who has 'showed a great interest in the government's privatisation programme in the early days of the Obasanjo administration, 1999 – 2007' (Alli, 2010, 109). This country has invested more in the area of chemicals, electronic components, intermediates textile machinery, textile computers and consumer household items.

The trade between the two countries is worth billions of dollar 'Trade with Nigeria alone was worth US\$ 2.9 billion as at 2006, up from US\$ 178 million in 1996' (*The Punch*, 2006). Other assistances from China flown to Nigeria covering economic, social, health, military and others areas are gallons. Loans were part of the assistance given to the Nigerian government. Other countries equally made a giant stride in

Nigeria. For example, communication industries such as MTN, Etisalat, Airtel all are having their plant offices in the country.

Thus, globalisation has opened and continues to open avenues for trade liberalism. According to Jinadu (2010, 20)

‘This new globalisation is propelled by the trans-nationalisation of finance capital, in search of new markets, and the logic of capital accumulation. Typically, this contemporary globalisation, which has transferred the old globalisation which the Scramble exemplified, with new centers, emerging centers, and a new peripheries, ...’.

Over the years, Nigeria and China trade relationship have increased with the volume of oil and non-oil sectors as shown in

**Table I**

<b>Region/Country</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
North America	758,995.0	600,373.9	1,236,018.5	2,086,689.1	3,167,959.8
South America	133,076.7	120,961.7	243,799.1	528,878.1	394,449.7
Europe	480,120.5	378,513.8	655,525.3	582,489.1	1,107,132.6
Asia and far East	339,695.7	425,398.9	575,102.3	899,706.7	1,092,011.0
<b>China</b>	<b>17,960.0</b>	<b>7,107.7</b>	<b>12,941.7</b>	<b>44,670.2</b>	<b>69,923.4</b>
Africa	128,047.5	129,669.7	259,215.4	349,044.5	396,303.6
Total	1,839,935.4	1,654,918.0	2,969,660.6	4,446,807.6	6,157,856.7

Source: Oche 2010 ‘Nigeria – China Relations: Sources and Patterns of External Interests’ in O C Eze, and C A Anigbo, (eds.) *New Scramble for Africa*. Lagos: NIIA, p. 149.

According to Oche (2010, 149) ‘increase in Nigerian trade with China is reflected in China’s importation of Nigeria’s oil’. China’s importation of Nigeria’s oil almost tripled between 2001 and 2005.

Similarly, on the non-oil sector, trade between the Nigeria and China has increased astronomically as shown in

**Table II**

<b>Origin</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Industrial countries	886,631.46	926,527.14	987,567.77	1,192,783.54
Africa	49,065.55	113,682.05	113,163.76	138,111.78
Asia (excluding Japan)	343,721.04	476,728.22	453,940.10	573,373.14
<b>China</b>	<b>93,733.23</b>	<b>178,719.14</b>	<b>187,307.16</b>	<b>251,112.32</b>
Others	104,447.71	198,671.76	232,263.26	118,334.24
Total	1,363,865.76	1,715,609.17	1,786,934.89	2,092,602.70

Source: Oche 2010 ‘Nigeria – China Relations: Sources and Patterns of External Interests’ in O C Eze, and C A Anigbo, (eds.) *New Scramble for Africa*. Lagos: NIIA, p. 149.

Globalisation has served as positive development in China and other part of the world. China invested in the country's technology, telecommunication, ICT, etc. amounted to trillions of dollars on daily basis. In Nigeria globalisation has some consequences on the country's quest for development, because 'when the Scramble for Africa really started about three centuries ago, there was no Nigeria, South Africa, Senegal, Kenya, Algeria and their diplomatic representatives to sensitize their governments and leaders about the consequences of engaging the scramblers' (Ariyo, 2010, 134). So there was no Nigerian representative at the White House when the new World order, that is, globalisation was being decided on the countries including Nigeria.

While globalisation is meant to transform the battered socio-political economic system of Nigeria and to encourage quantum investments, this has not been possible as a result of host government inability to articulate autochthonous policy for its operations. Also, investors have capitalised on the weaknesses of the host countries to ensure profitability of their investments as far as globalisation is concerned. What are the effects of globalisation on the host community, that is, Nigeria? Has globalisation been feared to us?

1. The global economic management has been structured in such a way that it protects the industrialised societies, 'the odds are heavily tilted in favour of the industrialised world given that the current participation of Africa in world trade is only two percent' (Iwara, 2004, 21). Thus, this is where the politics of globalisation kick-started. The activities of WTO, WB and IMF are all tilted to protect and to ensure the hegemony of western societies and not to benefit Africa vis-à-vis Nigeria.
2. The availability of multinational corporations in the country that engage in all kinds of activities including oil extraction and money laundries from billions to trillions monies are being exported to the metropolitan countries to feed the home government and local industries. No development has been recorded in the communities where they operate, expect oil spillage and killing of people in the host communities through the private securities and the state apparatus.
3. Globalisation has equally crippled the small scale industries in the country. The reliance of indigenous industries on the importation of raw materials from abroad to feed their industries created unprecedented illusion, and disappearance of local industries because of exchange rate fluctuations and crack in the world market. The local economy becomes the receiver of the fall-out in global economic system.
4. Globalisation has equally led to retrenchment of all categories of workers both in public and private sectors of economy. Of recent, the CBN government of Nigeria advised the federal, state, and local governments to retrench their workers nation-wide (Sanusi, 2012, 1). The banking industry has become no go areas for

Nigerian school leavers since phenomenon of globalisation has made the banking industry to be recapitalised, down-sized, reorganised. News recently reported that 65 percent of Nigerians were unemployed.

5. Globalisation encourages devaluation of national currency and therefore made workers' peanut to be worthless. The Nigerian workers cannot buy what they produced. Three square meals are absent on their tables leading to suffocation of bodies and souls (Ogunwa, 2012, 6).
6. Another area where globalisation is punching many Nigerians is the area of deregulation of communication sector. While GSM services are revolutionary in Nigeria since 2000, yet, GSM providers have drained Nigerian scarce resources. The epileptic cum obsolete equipment which these GSM operators parade malfunctioned intermittently. None of these GSM services providers have embarked on developmental project like construction of roads, health services, but are pleased to repatriate their profits back to the metropolis. They have engaged on spurious advertisements and cheat Nigerians day-in and day-out on the so call programmes such as 'who wants to be a millionaire'. This programme is aired by the national and private stations.
7. Similarly, globalisation has made the national, state, and local government irresponsible. Globalisation has taken away their basic functions and handed them over to the multinational corporations who act as proxy to the government. It has 'withered' national governments away, since the multinationals are now in charge of political and economic matters. They decide on behalf of the states wherever they are located.
8. Globalisation has formally broken all barriers including national borders and let in all manners of goods including toxic wastes and weapons of mass destruction. This means that globalisation has remove national security including the police, army, air force, navy and other government apparatus that can make the state to establish its loyalty, its control and exercise its hegemony on the people who established the state and government.
9. Globalisation equally increased the problems of unemployment in the country. The World Bank Report in 2010 commented that '... 68 percent of Nigerians still live below US\$ 1.25 a day in 2010' (World Bank Country Report, 2010). This gory state of unemployment in Nigeria is part of globalisation nemesis that encourages retrenchment of workers in all ramifications.
10. Globalisation has reduced the reading culture of all categories of students across the national life. According to Okebukola (2012, 2) 'reading culture is poor, culture of spending endless hours on *facebook*, *Twitter*, and pornographic videos have gained ascendancy'. This attitude has punctured intelligent construct among the students, and teachers as well. The implication of this very act is that globalisation kills 'original' idea, 'think tank' and intelligent

needed for national development.

### **Panaceas for Parasites of Globalisation in Nigeria**

Either one like it or not, globalisation has been accepted by the Nigerian leaders, who Iwara (2004, 28) opined that 'the formation of a government led by a school-teacher whose primary assignment was to provide a stable ready market for British goods and a constant flow of raw materials to London'. Indeed, this is the achievement of globalisation in Nigeria, because privatisation, commercialisation, deregulation, trade liberalisation and other fabulous concepts are in favour of Nigerian 'prostitute' politicians whom Ake (2001) as described as parasite in the quest for national development.

We begin, the solution for globalisation as a parasite in the country as Iwara (2004, 21) commented that 'Globalisation has certainly opened our eyes to our needs, and it is up to us to be creative and competitive, and to find solutions to our many problems, including those of identity politics and the sustenance of our democratic institutions'.

1. Mechanisms like New Partnership for Africa's Development (NEPAD), Joint Energy Empowerment Programme Strategy (JEEPS) and Joint Economic Empowerment Programme Strategy (JEEPSY), Africa Peer Review Mechanism (APRM), National Economic Empowerment and Development Strategy (NEEDS). The availability of these mechanisms should guide the Nigerian leaders and other stakeholders on how to engage any investor in the quest for globalisation, and globalising the country's economy.
2. Nigeria need to put her mind straight whether she will embrace globalisation or not. Either way, if the country fail to industrialize, without political commitment and political will using the national and natural resources at its best, the globalisation compradors would take all these from the government and the foreign investors will help us to industrialise or de-industrialise, but when they industrialise 'US' (Nigeria), they will as well continue the internationalisation of our resources, our peoples, our government, and our culture. And like the old colonialism, the later colonialism in globalisation will lead to devastating consequences.
3. Nwoke (2010, 90) had advocated 'revolutionary path to re-ascertaining the economic independence of the countries of Africa' vis-à-vis Nigeria. While this seem not be right way to free Nigeria from both internal and external colonialism, engaging globalisation should be done at the roundtable conference where all parties to the quest of globalisation should engage in dialogue and put on the table benefits, counter-benefits, sanctions and counter sanctions before future globalisation take place.
4. China, a country in need of raw materials and markets has consistently yearning

for Nigeria partnership with several investments in oil and non-oil sectors. While she is happy to trade with Nigeria, Nigeria government should endeavour '... Though these criticisms are mostly leveled against the Chinese businesses in Nigeria the bottom line is that Nigeria should develop the capacity to better manage her own policies towards engaging China' (Oche, 2010, 153-154). Thus, Nigeria and her peoples' interests 'should carefully be factored into her relations with China, with the aim of maximising long term strategic benefits' (Oche, 2010, 155), including other prospective.

5. Multinationals institutions such as the WTO, WB, and IMF, if these institutions are serious about equality, symmetric relations, balance of trade between the South and North, they should be proactive and sincere in dealing or relating to both worlds. To prefer one part against the other will cripple equality, world peace, and will entrench dictatorship across the globe, that is, the Western nations would not be able to survive the crisis at the long run.
6. Similarly, Agbeba and Aidelokhai (1999, 227) have argued that foreign institutions were imposed on the country and peoples. No doubt these institutions produced two public or two citizens, the haves and the have-nots. This trend is now at volcanic level that later consequences will be unbearable on the part of the leaders. Alien structures that are inimical to the socio-political norms be eliminated to give way for an autochthonous model that will serve our social existence and foreign investments coming into Nigeria. For instance, the current multiparty system will do not country good, because the more political parties, the weakening are the opposition parties. Two party systems is emphatically important and necessary for our current socio-political configuration and existence (Ogunwa, 2009).
7. Political restructuring is another area that may make globalisation thick and viable. The needs to restructure the Nigerian state in all ramifications the better for the Nigerian people. This will eliminate socio-vices like criminology, corruption, unemployment, or joblessness, homelessness and other unacceptable characters.
8. Democracy is another avenue through which globalisation can strive and benefit the majority of our peoples. Transparency in selection of leaders and in decision-making will nevertheless encourage, accountability, responsibility, thoroughness, and fairness when allocating resources. The characters of decision-makers should tally with true statesmanship. A statesman will pursue truth, love truth, say truth, and die for truth. A statesman find telling lies, cheating and embezzling public funds entrusted to him, will sell the national wealth, prestige and her peoples to the metropolitan countries for porch houses, cars, and political asylum when the dice is cast.
9. The states in Africa including Nigeria is not viable enough to meet or to challenge

the spiritisation of globalisation because such amenities like good roads, intermittent communication, security, electricity, employment, technology, railways, good water and other basic facilities to support industrialisation in Nigeria, and globalisation in general are absent and lacking. These should be made available and functional.

10. According to Lemo (2012, 7) on the 2006 national census in Nigeria, 'the youths constitute about 70 percent of the population in Nigeria. It is therefore obvious to state no nation will experience development when the population that constitute majority of the population is idle and unproductive'. The Nigerian government including private organisations need to create job opportunities for the teeming youths who are being graduated year-in and year-out. Thus, in the quest for globalisation government and multinationals corporations should find a place for the youths or else the unemployed and unproductive youths would constitute a time-bomb waiting for detonation to explode. The explosion will lead to several consequences with both the government and multinationals would not be able to cope with.
11. Finally, Nwoke (2010, 81-90) provided some panaceas to help sustaining globalisation in Nigeria. They include: nationalist leadership with a sense of mission and vision; maximum economic policy-making space; well-calculated limits on imperialism; food security and basic needs; competitiveness; production-based regional integration; south-south cooperation; and natural resource-based strategic planning. It is our belief that if leaders and decision-makers consciously look into these and other permutations, both the giver of globalisation and receiver of globalisation will benefit immensely.

### **Conclusion**

The issue of globalisation in Nigeria since the world order has proclaimed is not new at all. Globalisation started many centuries ago, but the concept was not known as globalisation. It manifested in mercantilism, classical economy, neo-classical economy, colonialism, imperialism, now globalisation, and the new scramble for African resources and markets. The concept has reshaped, redesigned the world with only those whose political leaders and decision-makers are vast, fast, articulate and political will, will enjoy the benefits or unfolding benefits of 'The World is Flat' (Friedman, 2005) offers.

The paper is a warning signal for the Nigerian government and other African leaders to put their houses in order, so that the wave of globalisation which allow multinational corporations to decide the fate of others through the doctrine of nationalisation and internationalisation of national properties of peripheries to those of metropolitan cities who neither reside in the peripheries, but sent agents across the globe to monitor them in and out.

Also, the paper argued that these are benefits to be derived from the globalisation world, if both the givers of globalisation and the receivers of globalisation can create an atmosphere where political, economic, social, and cultural consensus can be made so that what becomes A, becomes B, and what becomes B, becomes A at long run.

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