

## THE CHALLENGES TO DEVELOPMENT IN NIGERIA IN THE ERA GLOBALIZATION

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***Abstract:** The study to establish if Nigeria and other third world countries have the opportunity to develop under the process of globalization and the obstacles to the development of the Nigerian economy in the era of globalization. The statistical techniques adopted in this study were simple percentage and analysis of variance (ANOVA). The ANOVA intends to know if there is any significant relationship between globalization process and the possibility of Nigerian economy to develop under it. The stratified sampling technique was employed in this study. The determining factor of distribution of the questionnaire was judgmental. This was informed by the simple fact that the target group in each of the institution was research department made up of research fellows who are expert in the field under study. The findings show there is no significant relationship between globalization process and the development of the third world economies. The interest of globalization is on profit maximization but not to develop local economies. The study recommended among other things that there is need for educational and technological development.*

**Keywords:** Challenges, Nigeria, Globalization, Development

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### INTRODUCTION

Globalization is the transcendence of the economic, social, and political environmental constraints across territories. Omoweh (2000) defined it as process but not policy on internationalization of capital. It is not new to Africa and Nigeria in particular. The process has been in practice for long. It manifests itself in different phases and dimensions. Such as Democracy and Deregulation, Transparency and Good government among others. A brief literature on globalization shows that, the concept has always been an integral part of human history mainly because there have been competing forces that have been pushing consistently for greater integration of human activities (Olobo 2004). Tijani (2000) argued that globalization is not new but ongoing process of imperialist capitalism. This process started with penetration of slave trade, the entry of the two religions in Africa and Nigeria in particular that is Christianity and Islam. Globalization in its present phase is a process of increased integration with the rest of the world to create a

more cohesive global economy. What really makes the current phase of globalization new is the revolution in information technology. Nigeria was incorporated into the international capitalist system in 19<sup>th</sup> century ( Anyam 2006) and then into the global world system. The nature of Nigeria economy is monoculture and dependent on one product oil for export. A major research question, is will developing economy like Nigeria and other third world countries develop under globalization? The problem here is that, the structure of the Nigerian economy is categorized as a dependent national economy. It is inefficient, mono-cultural and import oriented. This weakens Nigeria in pursuing our interest in the international community (Alkali, 1987). Anyam (2006) argued that globalization has impact a lot on Nigeria's economy without ever attempting to develop it industrial base. Ake (1981) concludes that the state of Nigeria's technology is a critical aspect of her dependence. As long as Nigeria depends wholly on foreign technology it cannot make significance process towards economic independence.

Development is a relative term for the purpose of this study Nigeria will be regarded as developed when she has developed her industrial base rather than depending on foreign technology for everything. In agreement with Ake (1981) as long as Nigeria depends wholly on foreign technology it cannot make significant process. This research seeks to establish the impact of globalization on Nigeria's economy and to know if Nigeria has chance to grow under globalization.

#### **Hypothesis to be Tested**

H<sub>0</sub> = Globalization has a Tendency of Keeping Third World Economies like Nigeria into Perpetual Dependency.

#### **Conceptual Issues in Globalization**

Many authors have used trade openness to measure globalization. Oaikhenan's and Udebunam's (2012) empirical result shows a short-run positive and significant impact on Nigeria economic growth. There is dominant feature of global economic trend in contemporary world. Akingboye (2008) maintains that this is being driven particularly by a new wave in information technology that is unparalleled in the history of mankind. The country is then parts of the "global village" given the unprecedented level of inter-connectedness of economic, social, political and technological forces that drives the economy. Many non-economists believe that in attempt to harness whatever benefit of globalization for the growth of the economy, the country exposes its economy to external aggressions and the adverse effects of globalization, while others emphasis caution and complete restructure and transformation of the economy in order to confront contemporary global challenges. Goldberg and Paverik (2006) note that one uncontroversial insight of trade theory is changes in a country's exposure to international trade, and world markets more generally, affect the distribution of resources within the country and can generate substantial distributional conflict. The authors noted that while globalization was expected to help the less skilled who are presumed to be the locally relatively abundant factor in developing countries.

There is overwhelming evidence that these are generally not better off, at least not relative to workers with high skill or education levels. Thus, globalization has a mechanism in which it affects inequality since there are other forces at work that could override the effects of globalization, such as "too stylized" to capture the reality in the developing world like Nigeria (Goldberg and Pavrick, 2006). However, it has also been argued that the consequence of globalization for inequality has improved and that such effect depends on many factors, several of which are country and time specific; a country's trade protection pattern prior to liberalization, the particular form of liberalization and the sector it affects, the flexibility of domestic market or its ability to adjust to changes in economic environment, especially the degree of labour and capital mobility within the country and available skill based on technology in the country. On the whole, there exist two contracting paradigms about globalization; interdependence and imperialism. The interdependence paradigms is of liberal persuasion and sees it as a frame work of complex and growing interdependence among nations that will lead to economic growth. The imperialism paradigm is of radical persuasion and insists that globalization represents nothing but capitalism and neo-colonialization, a way of transformatory capitalist project, which impoverish the already underdeveloped countries. Akingboye (2008) observe that the phenomenon of globalization has numerous implications for both developed and developing countries, with powerful force of shaping world economics for good or bad

#### **METHOD OF STUDY**

The primary and secondary sources of information are employed in the course of this study for the collection of data. Under the primary source, Information was gathered through the administration of questionnaire. Ninety (90) questionnaires were administered and collected in three institutions, 30 per institution. They are the Nigerian Institute of International Affairs (NIIA). Ministry of Foreign Affairs Abuja (MFA) and the national institute of policy and strategic studies (NIPSS), kuru, Jos. The types of questionnaire used in this study were structured and unstructured. The secondary source used here include, use of documented materials such as newspapers, magazines, journals, text books and monographs. The research also made use of internet facilities. Sampling techniques used in this study was stratified sampling method. The determining factor of distribution of questionnaire was judgmental. This was informed by the simple fact that the target group in each of the institutions was reached fellows who are experts in the fields under study. The statistical techniques adopted in this study were two. These were simple percentage and f-test analysis or variance (ANOVA) to know if there is any significance relation between globalization process and the development of third world economies.

#### **RESULTS**

The result showed that 37 (table 1) responds (i.e. 41%) of the population indicates that Nigeria and other third world countries have high chances of developing under globalization. Which 34 respondents of (i.e. 38%) say they have low chances Meanwhile 13

of the respondents (i.e. 14%) says they have very high chances and the least group of 6 respondents of (i.e. seven says they have low chances of developing under globalization (table 1).

**Table 1: The Chances of Nigeria and other Third World Countries Develop.**

S/N	Response	NIIA	MFA	NIPSS	Total	Percent
A.	V. High	5	7	1	13	14
B.	High	10	10	17	37	41
C.	V. Low	15	11	8	34	38
D.	Low	0	2	4	6	7
TOTAL		30	30	30	90	100

Source: field work 2014 computation from the questionnaire.

- Nigerian Institute of International Affairs (NIIA).
- Ministry of Foreign Affairs Abuja (MFA)
- National Institute of Policy and Strategic Studies (NIPSS)

Based on statistical analysis made to determine if Nigeria and other third world countries have the chances of developing under globalization the result revealed that the calculated F value (0.06) is lower than the critical value of F at 0.05 level of significance. Therefore, the null hypothesis was accepted that globalization has a tendency of keeping third world economies like Nigeria into perpetual dependency.

## DISCUSSION

The opinion survey revealed that majority says Nigeria's have high chances of developing under globalization but the statistical analysis proved in the contrary. In the observation of Alkali (1987) globalization weakens Nigeria in pursuing her interest in the international community and it also corroborates with Anyam (2006) who argued that globalization has impact a lot on Nigeria's economy without ever attempting to develop it industrial base. It is as a result of this that Alabi (2003) postulates that our local industries are closing up because they cannot compete with similar goods produced by foreign companies, which are imported into the country. This has led to the closure of many of our local industries, which has resulted to unemployment and high rate of inflation. It is pertinent to note that there is almost total absence of an engineering industry in Nigeria. It therefore means a heavy dependence on import particularly machinery chemical and transport, among others. Ake (1981) concludes that the state of Nigeria's technology is a critical aspect of her dependence. As long as Nigeria depends wholly on foreign technology, it cannot make significance progress towards economic independence, which means Nigeria will remain in perpetual dependence to the west.

## CONCLUSION

Globalization has impacted on Nigerian economy both positively. It has increase foreign direct investment into Nigerian economy; the emergence of GSM has helped a lot in communication and the employment it generate. However, the opening up of market has

led to the closure of many local industries that cannot stand competition with foreign goods which throws many people into job market. It is worthy of note that, globalization in one way impacted on Nigeria and other third world becomes; but its interest is not to develop the local economies but its major aim is to maximize profit and repatriate it back to Europe or their home countries, Keeping these countries like Nigeria in perpetual dependence.

## RECOMMENDATIONS

- Globalization, especially in economic, finance and technology are not myths, the process is inevitable. This means that we have to accept it and not reject it and not reject it, each nation state must work out its own strategies for adjusting to the globalization process. Strategies that will tap globalization processes for their economic development. Strategies such as developing the knowledge base technology, which will lead to the development of the industrial base. Which without it a country will be lost out scheme of things.
- Leadership is a crucial factor in the process of globalization. Give the complexities of the globalization of the world. Nigeria not only needs a visionary leader, but one who understands the globalization process. A sagacious leader who is caring and responsible, the one that knows what the citizens want, the one that protects the interest of all not just a few. The one that will unite us despite our differences. The one that when discussion on international issues, puts the interest of the country first. Such a leader needs diplomacy to negotiate for our benefits. A selfless leader who is not to be served, a leader that is transparent. In the present global world, Nigeria needs a leader who understands globalization process, and the leadership must learn how to manage the complex problem arising from globalization for economic development of Nigeria.
- The Nigerian economic is mono-cultural and dependent on one major product oil for export and the economy is import-oriented. This present structure of the Nigeria economy needs to be structured because it makes the economy sensitive and vulnerable. It is known fact that apart from oil, there is an inexhaustible stock of solid minerals buried in the bowels of the earth, which are yet to be tapped. Nigeria needs to tap these recourses to diversify the Nigeria economy, particularly overhauling the agricultural sector.
- There can be no meaningful development in Nigeria does not pay attention to educational development. We are living in a competitive market economy and if you do not have good technology, you will be put out of it and the resultant effect of it is marginalization and continuous dependency order countries for foreign goods and expatriates. Ake (1986) argued that the state of Nigeria's technology, it cannot make significant process toward economic development.

- In order for this country to move forward. We have to pay attention to education, technological development and again we must emphasize on research and development if we are to move towards economic dependence.
- Nigeria state should make laws to regulate the internal working of global policies that came about as a result of globalization process.

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