Globalization and the challenges of National Development in Nigeria


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ABSTRACT: Globalization, similar to every other human endeavour comes with its ‘pros’ and ‘cons’. While the benefits is visible in terms of creating competitiveness and access to factors of production (Anya, 2009) as well as improved national development occasioned by the rush by organizations the world over making concerted efforts to attain a ‘global status’ thus increasing their investments and expanding their horizons (Marquardt and Reynolds, 1994). In the words of Jack Welsh, CEO of General Electric, “we either globalize or we die”. While David Whitman of Whirlpool stated that “the key to globalizing an organization is to get everyone in the organization to think globally, not just few”. Thus, it expected that globalized organizations will have a higher comparative advantage in terms of a wider market and patronage in relation to their non-globalized counterparts. But in spite of the positivity associated with globalization and the “worldwide madness” about it, it is not without its negative sides which limit it particularly in less developed countries (LDCs) of the world. The LDCs based on their relatively weak economic status are confronted with enormous economic challenges occasioned by globalization. This paper identified the challenges of globalization on the economic development of Nigeria. Strategies to overcome these challenges were also proffered such as improving the standard of education, investment in research and development, striving towards trade equilibrium as well as infrastructural and industrial development. To effectively manage these challenges, this paper suggested among other things, effective and efficient management of the nation’s resources, setting and implementing realizable strategic development plans as well as sincere fight against public and private sector corruption.

Keywords: Globalization; National Development; Nigeria.

I. INTRODUCTION

The fact that Nigeria is a part of the global community cannot be over emphasized; therefore, it was, is and will continue to share in the brunt of any global issue ranging from economic, political, social, natural disaster, etc. According to Massamba, G.; Kariuki, S.M; & Ndegwa, S.N. (2004), globalization “is an extensive integration of education, production, trade, finance, and information across states and societies such that these economic, cultural, and often political consequences of actions in these realms become increasingly undifferentiated and impact each other across national and regional boundaries”. Although the concept of “societal interdependency” is an old phenomenon, but its current application in context of globalization have shifted existing economic, political, and social boundaries in addition to the emergence of new ones. The role of international institutions in this regards cannot be underestimated. Globalization is a phenomenal case study, because of the imperative of its effects on the global scenery. The current Nigerian economy is on the brink of precipice, essentially in the face of fluctuating crude oil prices which is the main stay of the economy in the international market. This has continued to dwarf the petro-dollar accounts. This is in spite of a promising 2012 budget predicated on oil production of 2.48 million barrels per day (mbpd) up from 2.3mbpd for 2011; a benchmark oil price of USD70/barrel, a cautious revision from the USD75/barrel in the 2011 amended budget, and a projected GDP growth rate of 7.2% and projected inflation rate of 9.5% (Nigerian Budget Office, 2012).

In contrast to official figures that indicate a robust and healthy Nigerian economy, the reality is that the economy has been long ailing. With an estimated oil revenue exceeding $9 trillion (over USD63 billion) in 2012, yet almost all sectors of the economy remained largely underdeveloped, a situation partly attributed to corruption, misappropriation, and bad governance. The current trend of globalization is premeditated on neo-liberal capitalist principles. These anti-people policies of deregulation, subsidy removal, commercialization of education, and privatization of public corporations had ensure that our collective patrimonies are sold by the government under the guise of “the government have no business doing business”. While the government and its crones through their fronted
companies acquire decayed public companies at very low costs, transform them and use them to offer goods and services to the citizens at exorbitant prices, leading to poor standard of living for the majority. This terrible state of affairs in Nigeria has impacted negatively on the economy (Babawale, 2006).

Objective
The objective of this paper is to look into the challenges of national development in Nigeria in the face of globalization and identify strategies needed to manage the said challenges.

II. CONCEPTUALIZATION

National Development
The concept of National development has been defined from different perspectives. The growth rate of a country’s per capita income compared to those of other countries can be used to describe its level of National development (Lucas, R.E. Jr. (1988). This increase in per capita income must however be accompanied by an unprecedented shift of the society from a condition considered to be unacceptable to a more acceptable one in terms of poverty level, employment, creativity, efficiency, productivity and quality. Furtado, 1964 cited in Portes, A. (1976) analyse National development in economic terms as a transformation process whereby countries or societies achieve rapid rise in their National Product (NP) sustained over a relatively long period of time in addition to overcoming “decision centres” in their manufacturing sector, all of which is required to guarantee its autonomy and shape its future. www.wiki.answers.com defines National development as “the ability of a country or countries to improve the social welfare of the people by providing social amenities like good education, pipe borne water, etc.”

As observed from the respective definitions above, ensuring human welfare is the ultimate goal of national development. Thus, an overwhelming improvement in the quality of life occasioned by a rise in productivity, energy, employment, etc. indicates national development. Providing answer to the fundamental question of what is happening to poverty, unemployment, and inequality about a society will no doubt help us to determine whether there is development or not since these three indices have a direct effect on the standard of living of the people, therefore, an upward directional movement of these three indicates a “no development” situation in the society under review, and vice versa (Dudley Seers, 1972). The United Nation Development Programme (UNDP) report, 2002 cited in Akingbola (2008), identified the key attributes of national development to include;

- Regard for fundamental human rights and freedom;
- Citizen’s involvement in taking decisions that affects them;
- All inclusive rules, practices and institutions governing social interactions that is fair to all;
- A system that enables citizens to hold accountable their decision makers;
- Equal opportunities for all irrespective of gender, race, nationality, ethnic background, etc.;
- Secured future;
- Sound socioeconomic policies aimed at addressing the needs and aspirations of the citizenry;
- Improved standard of living guaranteed by poverty reduction strategies.

In a related World Bank’s World Development Report (WB-WDR), 1991 cited in Akingbola (2008), national development attributes stated are;
- Better and qualitative education;
- Clean environment;
- Effective and efficient utilities;
- Adequate and functional social and economic infrastructures;
- High quality of health and nutrition;
- Increased and equality of opportunities.

Meanwhile, the recent statistical information released by the National Bureau of Statistics on the poverty level in Nigeria calls for concern as it portray the country to be on the ‘brink’. The results show Sokoto State as the poorest state in Nigeria, with a poverty rate of 81.2%. Katsina is second with 74.5%; Adamawa is next with 74.2%; Gombe has 74.2%; Jigawa 74.1%; Plateau 74.1%; Ebonyi 73.6%; Bauchi 73%; Kebbi 72% and Zamfara 70%. States with lowest poverty rates were Niger (33.8%); Osun 37.9% and Ondo (45.7%); Bayelsa (47%) and Lagos (48.6%). Although these figures are supposed to be guiding instruments to shape social and economic decision making in the country, they are however been ignored by the policy makers in favour of unproductive and self-centred ideologies. National development efforts notwithstanding when or where involves certain stages which Jacobs, Roberts, &MacFariana, (1998) identified as follows;
 Initiation: at this stage, national development programme is conceived and initiated by individual or group of individuals within the society. Programmes are expected to be all encompassing covering all aspects of human endeavour. Key players at this stage are known as the “initiators”.

 Multiplier effects: this stage is characterised by public enlightenment programmes by the initiators to endear their programmes to the citizens through education, orientations, public speeches, publications, adverts on electronic and print media, etc.

 Resistance: as with every change effort, this stage depicts the expected resistance to the changes by individuals or groups reluctant to change.

 Acceptance: this precedes the resistant stage. At this stage, national development programmes is welcome and accepted by a vast majority of the citizens.

 Organization: once the majority accepts the national development programme, it is then reorganised into enabling policies, laws, edicts, decrees and acts of parliaments.

 Institutionalization: at this stage, the new laws, policies, etc. are enshrined into the existing institutions or newly created ones to attain the implementation of the programmes.

 Assimilation: this is the stage at which national development programme is integrated into the everyday life of the citizens.

 Culture: this stage marks the inculcation of the national development programme into the society’s norms, values and beliefs. At this stage, the families as agent of socialization play critical roles in ensuring the transmission from generations to generations.

 Each of these stages is crucial to the achievement of national development in Nigeria.

III. GLOBALIZATION

Globalization means the rapid rise and ease of movement of humans, products and capital through many international boundaries (Acker, J., 2004). The term globalization was derived from ‘Globe’ which literally means worldwide. The high rate of interdependence and inter-linkages among nations of the world occasioned by high speed economic, social, political, technological and cultural interactions can be used to describe globalization (Eboh & Ogbu, 2010). To this end, globalization can be considered as a very complex as well as a multifaceted phenomenon, thus we have political globalization, economic globalization, technological globalization and socio-cultural globalization. Globalization aimed to eliminate racial, ethnic, gender and all other forms of discrimination as well creating a “global free market” by removing all boundaries through accelerated relocation and reorganization of the production process (Acker, J., 2004). According to Wikipedia (2010), the concept of globalization is used to reflect the “integration of national economies through trade, foreign direct investment, capital outflow, and migration”. Globalization is an age long phenomenon with traces of globalization visible in virtually every facet of human life for example, as noted by Marquardt & Sofo, (1999), many international companies such as Xerox, Motorola, Honda, and Samsung, do their productions and marketing mainly outside their country of origin. Thus, we find it difficult to distinguish between French, Japanese, or even American companies. The process of commencement, means, and dimension however varies for instance, economic globalization dates back to early 1800s. The Cold War was fundamental to the emergence of what is today’s modern globalization. Historically, three main eras of globalization have been experienced; firstly, the ‘Known World’ globalization of the Roman Empire, secondly, the 15th and 16th century globalization championed by the Europeans, and lastly, the post-World War II globalization (Moore, K. & Lewis, D.C., 2010). Three stages of economic globalization have similarly been witnessed; the first period (1800-1940), the second period (1940-1970), and the third period (1970 to date) (Eboh & Ogbu, 2010). The first period marked the commencement of economic globalization and was characterized by international capital flows championed by Britain through its foreign direct investment and portfolio investment. Telegraphic communication, as well as rail and ship transportation was used to facilitate the global economic integration. The second period was a product of the Bretton Woods Conference of 1944 which gave birth to International Monetary Fund (IMF), the World Bank and the General Agreement on Tariffs and Trade (GATT). Economic integration in this period was facilitated by increased transportation and communication technology and was characterised by reduction in trade barriers and increased multinational investments. The third period witnessed the offshoot of industrial giants of East Asia (Japan, Malaysia, China, etc.), globalization at this stage is faciliteted by high transport technology and information technology leading to rapid movement of goods, people and ideas across the globe. The current stage is posing a great challenge to many nations particularly those at the lower level of ladder in terms of development as they struggle to catch up with the speed of developmental requirements of globalization.

IV. GLOBALIZATION AND NATIONAL DEVELOPMENT IN NIGERIA

Historically, many colonized nations are products of the early form of globalization occasioned by the desire of their colonial masters to ensure an uninterrupted supply of human and material resources to their fast
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Globalization like other global phenomenon is not without its challenges in spite of its positive impact. It has threatened the national development of both thick and thin countries. The challenges to Nigeria include among others;

Trade imbalance: globalization aims to facilitate trade relationship between countries, but the trade relationship between colonized countries and their colonial masters is often characterized by exploitation and unequal bargaining power, thus, there is a great imbalance in trade between the developed and underdeveloped countries. During the colonial era, Nigeria provides free labour to British plantations through slave trade in addition to cheap raw materials while they receive in return expensive finished good (Ikpamejo, 2010). The post-colonial era witnessed a shift to supply of crude oil by the thin countries in exchange for weapons and machinery.

The International Capitalist System: capitalism has become a “World Order”. Although an idea of the developed European countries such as United Kingdom, France, Germany, etc. it has spread like the ‘wild fire’ to all parts of the globe. Nigeria like other underdeveloped nations came in contact with it through colonialism and subsequently through trade and related activities. The desire to embrace the global concept created distortions to the existing national development programmes, thus, forcing it to continuously depend on the developed world for growth and survival (Babawale, 2006). This constitutes a great challenge on the national development of Nigeria.

Brain Drain: described as “a large scale departure of educated and talented people from one country to another, usually for better pay or living conditions (answers.com, 2010). Globalization has opened up the world and happenings around the globe are known with a “mere click” on the internet. The best brains from Nigeria have left the country in search of a ‘greener pasture’ in developed countries of Europe and America. This has left the country short of the required human capital to attain national development. Nigeria is among the top three most affected countries in Africa (globalissues.org, 2010). Brain drain is a major threat to Nigeria’s national development.

The roles of the International Financial Institutions: Although established to safeguard the interest of both developed and underdeveloped countries of the world, the International Monetary Fund (IMF) and the World Bank (IBRD) has been guilty of sympathising with former at the detriment of the later (Isa, 2010). This biasness and purported imposition of relationship between the financial institutions and Nigeria through their deliberate policies have increased the level of dependency of the country on the developed countries rather than lessen them. In addition, these financial institutions are located in the United State thus, limiting their knowledge about the developmental requirements of Nigeria. They have however amidst this limitation gone ahead to impose economic policies that serve as drawbacks to the country’s quest for national development and ends up increasing its problems rather than solving it. Common example is the Structural Adjustment Programme (SAP) of Babangida’s regime.

Technological imbalance: globalization has been driven by technological advancements and most technological breakthroughs are products of the developed world who used them to enhance their global dominance. Most of the technologies required to foster national development in Nigeria such as transportation, information and communication, etc. are imported from developed countries with strings attached. These strings
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are made to further subordinate Nigeria to the dictates of the western powers. This has been considered a major impediment to Nigeria’s National development.

Leadership: the growing interest of the developed world in the underdeveloped countries for the sole aim of protecting their investments and asserting their control has cost Nigeria’s national development efforts. Over the years, the western powers have planted their puppets as leaders of the country using their agents within. Most of these leaders come into power to protect foreign interests rather than pursuing national development. This terrible state of affairs in Nigeria has impacted negatively on national development.

Environmental pollution and degradation: globalization has attracted a lot more interest in Nigeria’s crude oil. The activities of western multinational companies such as Shell, Chevron, Total, etc. has caused environmental damages in the Niger Delta region of the country with oil spills causing massive losses of marine lives and other economic valuables worth billions of dollars.

Insecurity: globalization has eased communication around the globe. This in addition to technological advancements has made it possible for criminals to link up and perpetrate high degree crimes including crimes against humanity such as terrorism. The current terrorist activities in Nigeria by the dreaded boko haram sect is been heavily linked to the Al-Qaeda. And there activities as well as other related ones are a stumbling block to the countries strives for national development.

Managing the Challenges in Nigeria

The obstacles posed by globalization to countries in their quest to achieve national development are enormous. However, they are more challenging to the underdeveloped ones than their counterparts in the developed world considering the fact that the later are more equipped with sophisticated means of tackling some the challenges (Jibo, 2009). To this end, managing these challenges calls for special attention if Nigeria aims to neutralize them and achieve the desired objectives of national development. The following steps among others can be taken to manage the challenges;

Investment in Research and Development:; the world is moving on a fast lane with new technologies emerging by the day. Technology has been a major driver in the globalization trend and countries seeking national development must struggle to become key players in the technology world (Ushakang, 2010). Nigeria requires technological advancement to improve its productivity and increase its contributions to the global economy. This will grant it more recognition globally and provide it with opportunity to speak rather than remain a perpetual listener of the dictates of the super powers. Research and Development is a major ingredient of technological advancement.

Improving the standard of education: knowledge is a major contributor to the globalization drive. Thus, education has been a critical tool for nations’ development, and this is evident in many nations such as Singapore, Malaysia, and others’ desire to become the ‘educational hub’ of the world (Kalu, 2009). Improved quality of education in Nigeria can empower it to participate actively in the globalised world and reduce the high degree of dependence on foreign initiatives.

Effective and Efficient Management of the Nation’s Resources; Nigeria is abundantly blessed with natural resources. The resources are however mismanaged by the leadership of the country with large sums of money been invested on projects that have no direct bearing on the lives of the common people. This is evident in various reports that indicates lack of portable drinking water, poor sanitation, poor electricity supply, etc. (globalissues.org, 2010). The resources of the country if properly managed will boost national development.

Improved reward to Labour: talents in various spheres of life is required to neutralize the consequences of globalization on national development. In order to retain the best brains in the country, Nigeria needs to reward labour adequately by enhancing the purchasing power of the workers to enable them maintain a minimum standard of living worthy of a citizen (Anyaoku, 2010). Rewarding labour fairly will go a long way in reducing brain drain from Nigeria to the developed parts of the world.

Incentives to Local Industries and Small and Medium Enterprises; Nigeria’s local industries are not strong enough to compete with their counterparts from the developed world. They however must be encouraged and given the necessary support to survive in the midst of competition from global champions. Local content initiatives should be encouraged in major sectors such as oil and gas, and agriculture. While tax relief, tax holidays, bail-outs and grants should be extended to the manufacturing and service sectors.

Setting and Implementing Indigenous and Realizable Strategic Development Plans; most of the strategic development plans embarked upon by Nigeria are imported and most often imposed on it by the International Financial Institutions (IMF and World Bank). Most of them failed because they lack understanding of the real nature of the country, or because they are originally made to serve the interest of the developed world. For Nigeria to develop in the face of globalization challenges, indigenous and grass-root oriented strategies must be developed and implemented as in the words of the country’s president, “Nigeria cannot afford to continue with a ‘business as usual’ approach based on foreign crafted development paradigms as it will make the country to

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remain among the poorest countries of the world” (Dr GoodluckEbele Jonathan, quoted in Daily Trust 2010: 10).

Balancing the trade: Nigeria like its other underdeveloped colleagues suffers from trade imbalance against the developed world. This is so because it is more of a consuming nation rather than a producing one, and addition to been suppressed by the thick countries. To reverse this trend, Nigeria must strengthen its bargaining position through continental and regional integration, for example, African Union (AU), Economic Community of West African States (ECOWAS), etc. must unite and pursue common economic interests. In addition, Cartels such as Organization of Petroleum Exporting Countries (OPEC) must stand firm and resist the pressures of the developed countries.

Sincere Fight against Corruption: Corruption is a cancer worm that has eaten deep into the root and fibres of Nigeria. It has manifested in in the collapse of the country’s infrastructure, poverty, insecurity, unemployment, injustice, standard of education, health facilities, etc. all of which is directly connected to the national development. The country’s inability to properly regulate the private sector has also resulted in poor services and in extreme cases total collapse of the institutions (Ribadu, N., 2013). National development in Nigeria can only be achieved with a sincere fight against corruption. The leadership of the country must be courageous enough to lead the fight for it to be meaningful.

V. CONCLUSION

Globalization is an age long phenomenon. Colonialism and technological advancement however, gave the western powers comprising UK, Germany, U.S.A, France, etc. an edge and dominance over their colonised countries of Africa, Asia and Caribbean in the global economy. Globalization like every other phenomenon has its merits and demerits to all countries either developed or underdeveloped. The negative impacts of globalization are much more felt in Nigeria as compared to the developed countries. It is however noteworthy that dominating the globalised world can be considered as “two-sides of the same coin”, whereby the factors that empowered the developed countries to dominate the global economy is also responsible for the lopsided development of the underdeveloped countries like Nigeria which reduced them to ‘onlookers’ in the globalised world.

Although globalization posed a great challenge to national development of both developed and underdeveloped nations, Nigeria like other underdeveloped countries feel the heat more, thus, efforts to manage the challenges should be taken more seriously. In this regards, adequate attention must be paid to education, research and development, indigenous developmental plans, adequate reward to labour, fight against corruption and infrastructural development.
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