

GLOBALIZATION AND NIGERIA'S SOVEREIGNTY

BY

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DECLARATION

I hereby declare that this research topic (project) for the award B Sc. Political Science, Usmanu Danfodiyo University, Sokoto (UDUS) is the product of my research findings.

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Date

CERTIFICATION

This research topic entitled ‘Globalization and Nigeria’s sovereignty’ by Abdullahi magaji has been read, assessed and certified to have the requirement governing the award of Bachelor of Science in Political science of the usmanu Danfodiyo University, Sokoto (UDUS).

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DEDICATION

This project is dedicated to Almighty Allah who gave me life, strength, ability and good health to undertake my programme of studies in UDUS.

Secondly, this project is dedicated to my parents Alhaji magaji Danjuma Achilafiya and Hajiya Rahane Achilafiya.

Finally, to my brothers and sisters who stood by me throughout my study programme.

CHAPTER ONE

1.1 Introduction

“Globalization represents the reality that we live in a time when the walls of sovereignty are no protection against the movements of capital, labour, information and ideas nor can they provide effective protection against harm and damage” (Higgins, 1999).

This declaration by judge Rosalyn Higgins, the former president of the International Court of justice, presents the contraventional wisdom about the future of global governance. Many view globalization as a reality that will erode or even eliminate the sovereignty of nation-states.

The typical account points to at least three ways that globalization has affected sovereignty. First, the rise of international trade and capital markets has interfaced with the ability of nation-states to control their domestic economies.

Second, nation-states have responded by delegating authority to international organizations. Thirdly, a “new” international law, generated in part by these

organizations, has placed limitations on the independent conduct of domestic policies.

This development has placed Nigerian sovereignty under serious pressure. But the decline of national sovereignty is neither inevitable nor obviously desirable, Nation-states (Nigeria) maintain the current world order.

Sovereignty allows nation-state to protect democratic decision-making and individual liberties or international cooperation.

The new international law, the rise of international trade & capital market, the power of international organizations forced Nigerian sovereignty to cooperate and obey the principles of globalization.

In fact, over the past decades, globalization has become an ubiquitous term in as wide-range of academic and popular discourses.

It is a concept that has now been used to describe almost every aspect of contemporary life, from the complicated machinations of contemporary capitalist, to the erosion of the nation-state system and the rise of

international organizations and cooperation, to the threat posed by global culture to the local culture and tradition to the communications revolutions introduced by the new technologies such as the internet, the terms seems to capture a genuine sense of the changes that have transformed the world.

It is important to emphasize that globalization though refers to the present but it is imperative to highlight that the phenomena it describes are hardly new. For instance, there has been discussion about the possibility of a global economic order or system, a world culture or a world literature.

In the wealth of nations, Smith (1976) identifies the global character of western capitalism form as the “mutual communication of knowledge” and “an extensive commerce form all countries to all countries that would be of benefit to all parts of the world”.

The International Monetary Fund (IMF) in its own line of thinking sees the concept globalization as the rapid integration of economies world-wide through trade, financial flows technology-spillover, information networks and cross cultural currents.

The world bank on its own side contends that it is about the increasingly interconnected and interdependent world, it is about the increasingly interconnected and interdependent world, it is about international trade investment and finance that has been growing far faster than national income.

It is all about technologies that as already transformed our abilities to communicate in ways that would have been unimaginable in far years ago. It is all about our global environment, communicable diseases, crime, violence and terrorism. It is all about workers of all countries to develop their potentials and to support their families and jobs created by the greater economic integration.

However, it is crucial to ideas behind his concept are very dangerous for the Nigeria as a third world country, this is as a result of the fact that participation in any international affair in this new world order is justice, like a wrestling competition where the stronger would always show the weaker one way out of the ring either in life or death.

1.2 Statement of the research problem

Politically, economically, socially and culturally globalization plays an influential role in Nigeria. Its activities has resulted in the crippling of the economy, because globalization to some extent determine the price of the Nigerian commodities in the international market. Nigeria needs to develop but due to extensive dominance by the foreign powers through the activities of globalization in territorial boundaries of Nigeria (Giddens, 1999).

Nigeria as a state lacks the sovereign power to control its economy due to the lack of good governance of the Nigerian leaders, lack of control over MNCs, dependency over technological aspect, dependency over foreign powers economies, political aspect, foreign aid which resulted to indebtedness of the country. Therefore, it must be controlled by the capitalist economy through the term globalization (miller, 2003).

Similarly, with the aid of globalization capitalist economy throw Nigeria in a state of confusion on how to administer the political affairs of our country by bringing the political disruption to make Nigeria's political and economic system ineffective and inefficient.

The primary role of globalization is to create for capitalist accumulation and ensure steady and cheap sources of raw materials and expanding markets for finished goods from the capitalist economies. Therefore, this research examines how globalization erodes the sovereignty of Nigeria.

1.3 Aim and Objectives of the Study

- i. To examine the nature of globalization in Nigeria.
- ii. To examine how globalization erodes the sovereignty of Nigeria.
- iii. To provide the possible way through which Nigeria may benefit from globalization.

1.4 Significance of the Study

This research work is significant for the fact that it is directed towards examining the activities of globalization and how the activities influencing Nigeria over its political and economic sovereignty.

The study is also significant or important as it bring an observation for Nigeria's economy to ripe maximum benefits out of globalization.

1.5 Methodology

In this research, documentary research methods are utilized. Data are sources from the books, journals, internet, research reports, newspapers,

magazines, dissertations etc. the methodology of data analysis is quantitative.

1.6 Theoretical framework

The theoretical framework that informs this thesis is the dependency theory. This is because most if not all the third world countries including Nigeria are been dependent through globalization to the world political and economic powers. The political economy of the dependency theory sees development and underdevelopment in relations to production, distribution, consumption and exchange of material benefits (Kano, 2013).

In its original form, they evolved from attempt by Latin American intellectuals to offer an alternative interpretive perspective of development partners in different countries. Dependency theory or development of underdevelopment represents a more radical approach to the nature of social development and is also associated with the name Andre Guner Frank, who was the first scholar to formulate it.

Frank's argument is that underdevelopment is the part of the process of development. Therefore, far from today's underdeveloped countries being in some kind of original or traditional stage of history, through which

developed countries passed long ago, underdevelopment is naturally a product of the structure of the metropolitan capitalist development itself.

Historical evidence that exists demonstrate two facts, first is that the nature and character of the international division of labour and trade were designed first and foremost to facilitate the process of western accumulation aimed at the speedy transformation of western economies.

Secondly, history demonstrates that development and underdevelopment are not only comparative terms but that they also have a dialectical relationship to one another (Rodney, 1984:84).

This is to say that the two help to produce each other through interaction. Thus, the development of the industrialized capitalist countries of Western Europe and America was made possible only because of the underdevelopment of the developed countries including Nigeria.

Likewise, the root of underdevelopment and its reproduction in Nigeria is traceable directly to the development of western capitalist countries, which are proponent of globalization.

Samir Amin has argued that third world countries are all characterized by extreme forms of underdevelopment. This situation according to him, is produced by the dependency of third world countries on more developed countries which is a consequence of their common historical experience of

economic exploitation by European organized mercantilism, the slave trade, imperialism and colonialism. Moreover, via the mechanism of neo-colonialism perhaps even increased during the achievement of political independence over the past three decades.

Amin maintain that the development of capitalism in western Europe led to the creation of an international political economy characterized by a worldwide division of labour in which metropolitan capitalist countries achieved dominance over underdeveloped areas. This Amin calls dependent – satellite type or center-periphery type relationship because the underdeveloped nations lack sufficient resources to act independently in their international political and economic relations.

Dependent countries, (Nigeria) because of its subordinate role in the world capitalism system, is unable to make autonomous policy or decision concerning the pace and directions of growth of its national economy. Rather the issues of what to produce, how to produce, for whom to produce are decided by the international structure and processes outside the control of Nigeria as a sovereign entity.

Dependency ideally is a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected (Frank, 1986).

The relation of interdependence between two or more countries and between these and world trade, assumes the forms of dependence when some countries (the dominant ones) can expand and can be self-sustaining, while other countries (the dependent ones) can do this only as a reflection of that expansion which can take either a positive effect on their immediate development.

Simply put, an economy is dependent to the extent that its position and relations to other economies in the international system and the articulation of its internal structure make it incapable of auto centric development.

The general argument of dependency theory is that underdevelopment is a product of unequal exchange which exists in the present global system (globalization) which enables European countries to develop at the expense of so called developing countries.

1.7 Hypothesis

- i) Nigeria's participation in the system of globalization forced it to surrender its sovereignty to world developed economies.
- ii) Globalization is an instrument of capitalist by implication, it serve as an instrument of exploiting underdeveloped economies.

1.8 Scope and Delimitations of the Study

The research work will be restricted to cover the role or activities of globalization in Nigeria's economic and political aspect only.

This study will also concentrate on power of globalization as an instrument of exploitation by the world capitalist states. Given the nature of the study, a general assessment on many countries is not possible. Therefore, the study has to be restricted to Nigeria only.

1.9 Definition of Key Concepts

- i. Globalization:** Globalization is a concept used to inform the unification, incorporation and to large extent marginalization of the entire world into a particular way or system (Ldama, 2006).

Globalization consists of the process that leads towards global interdependence and increasing rapidity of exchange across vast distance (Mazral, 1998:21).

It is also defined as a process by which event, decisions and activities in one part of the world come to have significant consequences on economic activities on wealth and other range of options upon the government, firms and individual employees and consumers in quit distance part of the globe (Susan, 1995:5).

Globalization as the name implies refers to the liberation and intensification of international linkages in trade, finance markets, production, research, transportation, energy, medicine, education, politics, culture that is accelerated by discoveries in macro-electronics, information, processing, communication and biotechnology (Beck, 2000).

- ii. **Sovereignty:** This may be defined as the power of state to make law and enforce the law with all the coercive power it cares to employ. It is that characteristic of state in virtue of which it cannot be legally bound except by its own will or limited by any other power than itself.

In other words, it is the power of the state to decide on its own activities without any external or internal influence. The modern state claims to be sovereign, to be subject to no higher human authority.

1.10 Outline of Chapters

This research work contains five chapters:

- Chapter one introduces the study, in this case statement of the research problem, objectives, significance and scope of the study will be highlighted. Also research hypothesis, methodology of data

collection, definition of the key concepts regard the topic and outline of chapters will be given.

- In chapter two, literature on the subject of the study is reviewed, or will be reviewed.
- The chapter three examines the emergence and development of globalization.
- Chapter four analyses the globalization and Nigeria's sovereignty.
- The chapter five deals with summary of the findings, recommendations and conclusions.

CHAPTER TWO

2.0 Introduction

Globalization is the interconnection and interdependence between all parts of the world, particularly at all levels of the economy and communication such that former national barriers to the movement of information, finance, goods and services and entrepreneurship are being drastically reduced and everybody now has to compete with everybody in what now becomes a global village and single global market.

2.1 Literature Review

Globalization according to Baylis and Smith (2001) is the process of increasing interconnectedness between societies such that events in one society or part of the world have effects on people and societies far-away. These events could conveniently be divided into three types: social globalization has also been described as current and fundamental phenomena shaping the global market place. With the current wave of globalization, independent economies are being interlinked, physical and natural are becoming irrelevant and geographical limitations for economics activities, capital movement, technology and goods and services are disappearing (NIM, 2004).

On the other hand, liberalization, privatization and technical change have become the order of the day (NIM, 2004).

Hyperglobalist such as Ohmae defined it (globalization) as a “new era in which people everywhere are increasingly subject to the discipline of the global market place”.

To the skeptics such as Hirst and Thompson (1996) globalization is a myth “myth which conceals the reality of an international economy increasingly segmented into major regional blocs in which national government remain powerful (Usman, 2006). The transformationists believed that globalization is “Historically unprecedented such that states and societies across the globe are experiencing a profound change as they try to adopt more interconnectedness by highly uncertain world (Usman, 2006)”.

The benefits of globalization could also be seen in terms of improved system such as jet, aero planes that enable people and goods to move from one part of the world to another. The considerable number of improvement in the area of information technology due to the establishment of about 200 satellites in the world is an evidence of improvement in technology (Gidde, 1999). Improved communication system such as telephone, facsimile, computers and telegraph connect newspapers, magazine, music, films at the same time (Scholte, 2000). The rapid development or advance in

telecommunication and technology and has reduced the cost associated with foreign portfolio and direct investment without moving from one location to another. A foreign investor could also deploy funds across the globe with the aid of telecommunication facilities (Obaselci, 2000).

Though, there has been rapid development or advance in telecommunications among developed countries, it has been discovered that rapid technological change and global connectivity has generated information and knowledge gap between countries, the so called “digital divide”.

About half of the world’s population has never made a phone call. For example, Africa has only 2% of the world’s telephone main lines. It is also important to note that only 2.4% of the world’s population are users of the internet.

Roughly 90% of internet host computers are located in high countries that account for only 16% of the world’s populations (Soubbotina, 2004).

To the skeptics, globalization is merely an ideological expression, which will enable the neoliberal or legitimize global free market in order to make the Anglo-American capitalist strong. It is also perceived as a way through which politicians and government make people meet the needs of the global market. That is why the neoliberal have been embarking on ways to make

more influence through institutions such as international monetary fund (IMF). World Bank and formulating project such as the Washington consensus of deregulations, privatization and structural adjustment. It is therefore believed that economy of the world is being controlled by the powerful countries of the world in which their policies and preferences are being safeguarded (Held, 2000).

According to Solomon (2004), globalization has brought in its trails immense benefits to the international community, but it has also impacted negatively on certain sections of international community.

To a certain extent, globalization is a bias phenomenon tailored to yield greater benefits to developed nations. This is because their rates of growth of output and per capital output are versatile and strong to support and sustain development, while the developing economies (like Nigeria) are economically being retarded by very poor macro-economic policies, external debt, imperialism, civil wars, slowness to modernization and industrialization.

It is needless to say that developed capitalist constitute the driving forces of the phenomena of globalization as it provides them with leeway to further advance their economic and imperialist penetration of the less developed countries (Solomon, 2004).

The economic status of Nigeria has placed it at advantaged position, which restricts it to benefit from the globalization opportunities. Therefore, the inactuality of globalization which sharpens the dichotomy between developed and developing economies has threatened the less advantage (developing) economies to the extent of not putting more concern on the issue talkless of identifying the meager opportunities designed to attract their absolute participation.

Milone (2002) posited that;

Most advanced countries and Asian countries have reported rapid economic development and growth many African and Latin American countries have continued to report low rate of growth of real income per capital... thus, most African and Latin American countries.

It is true that, globalization is deliberately silence about equality of the world economies, even though, developing economies are identified as economically less privileged nations; unable to resolve their basic economic problems as well as weak enough to support effective economic growth and development in their territories. Beside, the economic environment of the developing nations are not capable to support domestic industries to

externally compete and withstand the rigour of cut-throat competition in the world market of single economy.

The myriads definition of globalization is not only on the ideological and authors dispositional differences but also because of ill-conceived and bias structured to favour developed economies at the detriment of developing economies. Constituent upon mentioned, few definitions were regarded in this write-up. Earnest (2004) said globalization connotes a presence, the process of “making global”. “Being present worldwide”, “at the world stage”, or global arena.

Entails universalization whereby the object, practices or even values transcends geopolitical boundaries, penetrating the hitherto sovereign nation – state and impacting the orientation and value system of people.

Globalization could also be defined as the process of shifting autonomous economies into global system of production and distribution (Kwanshe, Inchika, 1994). Likewise, globalization is the rapid integration of productive and investment decision across the world by economic agents desirous of taking advantages of the environments where their competitive edge can manifest in high returns (CBN Annual Report, 1997). Globalization does not

provide benefits automatically, but rather requires some enabling environment so that maximum benefits could be realized.

Philips Inchika (2004) buttresses that “democratization, economic growth, effective banking system, well organized and developed profit-motivated private sector, discipline citizenry, liberation etc. would ensure maximum benefits from globalization”. Ades in Kurya (2006) described globalization “as that which present a phenomenon where historically distinct and separate national markets are becoming huge global market place, with resulting internationalization of production and selling to the world as one market. In deed, the main motive of globalization is to compress world economies into a single economy in order to effectively ripe the available opportunities through integration sovereign via the output of technological advancement. Hence, technologically advanced nations (developed)’ stand more chance and have greater opportunities to benefit from the globalization.

Globalization by its nature promotes trade through integrating countries to become a single market place with liberalized operations under the auspices of technology. This will result creation of socio-political relationship among them.

Even though, globalization is economical in nature, but political and cultural in practice. All about globalization is economic because it is concerned with

the deregulation of economy by which was socio-politically harmonized among nations (Milone, 2002). Therefore, globalizations may be considered as a process that enables free entry and exists into a single created world market purposely to increase economic benefits from outside economy. Obviously, liberalization of the world would enable the world, developed economies to lead the whole world, due to all the double – demand, that is buying their products and to buy raw materials. The process improves their competitive advantages as well, because they stand to achieve double gains – the advantage in sales of their products at high cost unit and purchasing raw materials at a low cost.

In other words, globalization is a process that brings various agents, issues, events, actions into a complex web of relationships and interactions.

As a global phenomenon, globalization is driven by factors and forces that are beyond the control of any sovereign state. For example, globalization is demonstrated in situations where events, such as poor agricultural harvest in Thailand, could affect the price of rice in Nigeria and other developing economies; a temporary crisis in Niger-Delta region in Nigeria could affect the price of crude oil in United State of America or international system.

It could be demonstrated where an economic crisis in United State would not only spread to other countries, but would have devastating implications on

the world economy. Globalization as a complex web of relation IPs and interactions is a process of interdependence and mutual awareness among economic, political, cultural and social units and actors in the world (Guilen, 2001). However, in its broader sense, globalization is about gradual integration of economics, politics, and societies, essentially being driven by new technologies, new economic initiatives, and policies of various kinds of actors including but not necessarily limited to international organizations, business, labour, civil societies etc.

Palloix, (1979) viewed globalization as a process where borders, involving nation-states and markets, thus creating capitalist world market. It was Mary and Engels who in trying to describe this phenomenon, remarked in the communist manifesto, that in fulfilling the retirements of a constantly, expanding market for its products, the bourgeoisie (the owner of finance capital) sows up everywhere, settle everywhere and establishes connection everywhere (Ostence, 1998:2). As capital expands, it affects the social formation, which she nestles and settles in.

Globalization has also been defined as “a coalescence of varied transnational processes and domestic structures, allowing the economy, politics, culture and ideology of one country to penetrate another. The chain of causality runs

from the spatial reorganization of production to international trade and to the integration of financial markets...” (Mittelman, 1997:3).

The international labour organization (I.L.O) sees globalization as a phenomenal process of growing interdependence in world where people are linked together economically and socially by trade, investments and governance. The links are powered by liberalization and information, communication and transformation technologies under the guidance and protection of the national states. The global process has historically been driven by increased international trade, the growth of multi-national corporations (M.n.Cs), the internationalization of finance and the application of new technologies in these operations, especially computers and other information technologies (www.ilo.org/labor/globalizationprocess.html) .

Otoba (2003) argued that global operation and global competition have created the drive for more capital and recapitalization that in turn fuel greater competition and global search for profits and markets, so elegantly testified to be merged and took over hostiles of firmedly.

He (Otoba) noted that dramatic development and communication technology (internet, satellite, broadcast system etc) are consequences of globalization, not course, since global operation competition required among other things, speed transmission and vast amount of data. Meanwhile, he did not hesitate

to implicitly and explicitly describe banks and MNCs as principle agents of economic development. Thus, he conceived globalization stands for creation and sustenance of socio-political and economic conditions that facilitates the easy flow of movement of fund or capital around the world so that investment or investors may earn highest return on investment.

Jega (2002) puts that globalization has not collapsed at national border and boundaries; indeed, there is a sense in which it has helped more powerful countries to further erect new barriers and strengthen old ones in order to more in creatively promote their global economic interest.

All the dimensions issues and trends are becoming more globalize under an ideological power concentrated and welded by those who can after meaningful systems and mobilizing ritual that make plausible sense of the world in which we live. Ideological hegemony is the galvanization of economic through MNCs, military and political power that largely concentrate under the dictates of western civilization. However, western civilization (let alone hegemony) in its widest implications; according to Yahaya is secularizing value system that controls world economy in the last two hundred years for the benefits of few and condemned millennium to poverty and starvation through the use of industrial, scientific and technological development, financial and banking institutions, coercive

power of states, intellectual manipulation and the control of mass minded through pleasurable policies and mass democracy.

Jega also asserts that issues such as free trade, investment, foreign direct investment and increased role of MNCs characterized the flow of capital. Thus, these dimensions and their issues tool of further vindicate increased exploitation; debt burden, dependency, also it increased hierarchy of authority and uneven development.

Steven staples argues as quoted by Gwynkirk and Margo Okawa-Rey (2000) that “the relationship between globalization and military should be seen as two sides of the same coin”.

Globalization is deeply controversial, however, proponents of globalization argued that it allows poor countries and their citizens economically and raise their standards of living, while opponents of globalization claim that the creation of the western world at the expense of local enterprises, local culture and common people.

Resistance of globalization has therefore taken shape both of a particular and at government level as people and governments try to manage the flow of capital, labour, goods and ideas as has manifested itself in the form of westernization, modernization, liberalization and now globalization.

Its instrument of cooperation and conflicts are multinationals, IMF, World Bank and NGOs. The simple exploitative concept it conjoins with other worlds is “free” (like free trade, free flow of capital etc.) and therefore, respects no boarder and no culture.

As globalization become increasingly associated with the breaking down of national borders or barriers, the international trade, financial activity and growing power of transformational corporations and international financial institutions (Khor, 2005), proponents seem to give credence to it as the panacea to world socio-economic, cultural and political problems. The consequence of this according to Koshy (2001) is the integration of nations into the vicious circle of imperialism, or simply the global market of western economic exploitation of the south. Although, the opportunities of this process have been stressed by supporters, recently there has been increasing disillusionment among many policies – makers, analysts and academics.

Khor (2008) suggested that globalization is the process that has increasingly extended its outreach trade and production activities to territories all over the world with a long historical evolution.

Here emphasis is simply on economic interests that profess breaking down of national economic barriers; the international spread of trade, finance and

productive activities, and the growing power of transnational corporations and international financial institutions.

The concept of globalization could be likened to the story of the “seven blind men” who went to identify an elephant; each describing the elephant base on the part of the body he touched (Chatterji and Gangopadhyay 2008:4-5).

Mckinnon (2002) conceived globalization to include many things such as culture, politics, technology, etc as well as offering “plentiful opportunities for countries” that are willing and able to face challenges. The implication is that globalization is fraught with a lot of challenges. However, globalization in this context refers to the process of integration of poor nations into the world of imperialism. By imperialism it means the process whereby the dominant political – economic interest of one nation appropriates for their own benefits, land, raw materials, markets of another people (Parenti...).

Thus, the sophisticated brought by globalization of countries and actors through suggests interconnectedness and interdependence, however, there are varied and unequal “gains and loses” among major players (Wad, 2008).

Thus, it is the extent of the economic and technological advancement as well as social and political democrateness of a country and/or organization that help in containing the negative implication of globalization and exploring its

positive advantages it could also be argued that the participation of a country in this global process vis-à-vis gain thereof is a function of its technological advancement, economic development and democratic stability.

CHAPTER THREE

3.1 Emergence and development of globalization

The historical origins in Nigerian globalization are the subject of on-going debate. Some scholars argued that, by its nature globalization seems not to be a new phenomenon in the world. It is assumed to have existed since when individuals and countries decided to satisfy their needs from outside environment; through trade and in fact the genesis of trade. The earliest phases of globalization dates back to the (1400 and 1600) rise and development of trade with commercial expires seeking to extend their outlets (David in Ebijuwa, 2002).

The early period of globalization phenomenon largely differed to some extent with the most recent ones. The present globalization is more passionate and speedy, the benefits are most often instant and can easily be controlled at any distance within a blink of an eye.

The end of the Second World War brought another great expansion of the globalization with the development of multinational companies interested in producing and selling in the domestic markets of nations around the world.

The emancipation of colonies also created New World Order. Air travel and the development of international communications enhanced the progress of international business.

Another milestone in the origin, history and development of globalization is the establishment of World Economic Reconstruction Organization that is the World Bank, International Monetary Fund (IMF), World Economic Forum (WEF) immediately after the Second World War in 1945.

Similarly, the General Agreement on Tariffs and Trade (GATT), World Trade Organizations (WTO) and Organization for Economic Cooperation Development (OECD) have added an impetus to the recent globalization process (Hirst and Thompson, 1996).

Besides, the demise of Russian government as a World Leader of Socialism (a socio-economic ideology), United Nations (UN), and Northern Atlantic Trade Organization (NATO) also added impetus to the birth of globalization. In other words, all the WB, IMF, WEF, GATT, WTO, NATO, OECD and UN discussed above are regarded as the major players of globalization in the world today. They control each and every political activities as well as economic transformations not only between states but also between individuals (Umar, 2014).

Globalization is a model of colonialism, therefore regarded as universalization of developed economies, political and socio-economic system over the developing economies. It is doubtless that, knowledge of

technology serves as a medium for propagating globalization and its opportunities are easily and cheaply derivable via technological gadgets.

Even though, the present term of globalization develops through series of logical capitalist plans, but however, it was outwardly started from regionalization, regarded from as the lat form while the globalization; emerged.

Generally, historical development of globalization could be traced to the development of imperialism, which was specific stage in the development of capitalization as well as a from of relationship between two economies (Sulaiman, 2004).

3.2 Origin and Development of Globalization in Nigeria

Though, there are several interpretations into when Nigeria became into globalization. Some scholars have the opinion that the country was integrated into globalization since it collaborated with multinational corporations in producing crude oil (Gilden, 1987).

Historically, these multinational corporations are creations of capitalist countries and they helped in promoting the concept of globalization in the world.

According to Gilpin (1987) these MNCs are directly or indirectly exploiting the economy of Nigeria and other Third World Countries.

Other scholars including Adamu (2003) have the opinion that Nigeria was integrated into globalization with the introduction of the structural adjustment program (SAP).

Most scholars adopted the year 1986 as when Nigeria probably first integrated into the globalization process with the trial of SAP (Adamu, 2003).

It is also important to note that Nigeria was one of the 118 countries that were signatories to the Uruguay Round Agreement in 1994 at Marrakech in Morocco (Adeyemo and Bankole, 2003).

In 1986, government of Ibrahim Badamasi introduced the Structural Adjustment Programme (SAP).

SAP are loans from International Monetary Fund (IMF) given to a nation with certain conditions.

The Nigeria is required to follow these conditions for approval of the loan. These conditions are also technically known as conditionality.

Some of the conditionality that are enforced to Nigeria are cutting social expenditure also known as austerity, devaluation of currencies, trade liberalization, privatization, deregulation of the oil sector etc.

3.3 Factors Contributing to the Development of Globalization

Basically, the following could be regarded as the agents to the development of globalization.

- **The Rise of Information and Communication Technology:** the explosion in global communication has been facilitated by a number of important advances in technology and world telecommunication infrastructure. In the First and Second World War Era, there has been a profound transformation in the scope and intensity of telecommunication flows. Traditional telephonic communication which dependent analogue signals, send through waves and cables with help of mechanicals cross bar switching has been replaced with/by integrated system in which verse amount of information are compressed and transfer digitally.
- **Economic Factors:** Globalization is also economic driven forward by the continuous integration of the world economy. It contrast to previous era, the global economy is no longer primarily agricultural or industrial in its bases. Rather, it is increasingly dominated by attitudes that are weightless and intangible (Quah, 1999). This weightless economy is the one which products have their base information as is the case with computer software, media, entrainment product and internet based services.

- **Transnational Corporation:** Among the many factors that are driving and making globalization to develop, the role of transnational corporation is particularly important. Traditional transnational corporation are companies that produced goods or market services in more than one country. These may be relatively small with one or two factories outside in which they are based on gigantic international ventures whose operation crises, cross the globe, some of the biggest transitional corporations are companies known all around the world. Coca-Cola, Sevroll, Shell, Mobile, Nestle, PZ, Mitsubishi etc. the activities of the multinational corporations are to some extent led to the development of the globalization in Nigeria.
- **Political Changes:** Development of contemporary globalization is also related to political change. Firstly, the collapse of soviet style communism that occurred in a series of dramatic revolution in Eastern Europe and culminated in the dissolution of the Soviet Union itself in 1991. since the fall of communism countries in the former soviet bloc including Russia, Ukraine, Holland, Hungary, Czech Republic, the Baltic State, and many others have been moving towards western style of political and economic system. They are no longer isolated from the global community, but are the coming integrated within it.

Furthermore, other factors that driven and leading globalization to development include information flows without barriers, the electronic economy which led to the situation in which banks, corporation funds managers and individuals investors are able to shift funds intentionally with the click of a mouse, the transfer of vast amount of capital among others.

Development of trading blocs, growth of multinational corporations (MNCs), reduction and removal of trade barriers are all among the factors.

In conclusion of this chapter, since the end of World War II and particularly in the part 10 to 15 years, there seen the process of globalization drive forward at an unprecedented rate.

A large part of this is down to legal, economic, political and technological developments which have facilitated trade across national boundaries, both in product and in factor input (Maziar Homay Ounnejad).

CHAPTER FOUR

GLOBALIZATION AND NIGERIA'S SOVEREIGNTY

Globalization is a phenomenon that believes to be multifaceted and multidimensional, but in reality its main target is expansion of economic activities. This is because globalization is the process of increasing the integration of countries economies to create more coherent global economy; creating global market place leading to the emergence of a global system of production and distribution and increasing global economic policy making, harmonizing of the economic rules that govern relationship among nations and creating structures to support the independence (Mou cited by Bananda and Idama, 2006).

It is an undisputed fact that, the central focus of globalization is development, which is efficiently and effectively attainable by vipping not only a nation's economic benefits, but also by benefiting our countries economic advantages. Development in this wise is a function of effective interaction of both internal and external environmental economic units.

Naturally and otherwise no economy has ever developed independently, hence the service for globalization.

Asekukono (2004) cited Ajayi (2001) sees globalization as the increasing interaction among the integration of the activities (especially economic

activities) around the world. Beside, benefiting from the advantages of outside economic environment, interdependence ensures sustainability of development in any economy.

Before discussing the effect of globalization on the Nigeria's economy and sovereignty, it is very important to highlight the basic fact that implementation of the global tenets are not done in a vacuum, it is carried out by some agencies and organizations such as the World Bank, IMF, World Trade Organizations and other United Nations Agencies and Multinational Corporation and other private organizations, world leaders etc. These are the pipes through which the concept globalization is carried out.

By its nature, globalization concurrently provides economic opportunities and at the same time with economic threats.

That is while globalization brings about economic development to the developed economies, it is also at the same time lead to the dependency and under development to the developing economies (Nigeria).

More so, globalization seems to be biased and has unequal consideration on countries. Above all, developing economies are hold-out for benefiting from globalization due to their economic status cross country capital flows are growing rapidly, and domestic systems are consequently increasingly exposed to schools emanating from abroad.

Since cross-boarder financial flows tend to be more volatile than domestic flow especially equity flows, heighten the risk of financial crisis in many developing countries (Earnest, 2004). Really, exposure to developing economies to external shocks of global financial integration raises capital flight and inflows. This affects exchange and interest rate, hence pose new challenges of macroeconomic management of the economy.

Dos Santos as cited in Suleiman (2004) believed that “unequal exchange led to the development of dependency relationship where third world has their economies conditioned by the growth and expansion of other economies (developed).

Nigeria as an example experienced dependent economy which is considered among the factors responsible for economic slow growth rate.

Globalization imposed a dependent capitalist social system and western values in the forms of industrialism, market principle and institution on Nigeria. A culture of dependency also was institutionalized through internationalization of capital and social life under development and inferiority complex were also instituted as a cumulative product of western hegemony on Nigerians (Suleiman, 2004).

Obviously, liberalization of trade will certainly pose serious challenges on industrial development of the developing economies like Nigeria.

Increase competition in a single developed market will put away developing economies (Nigeria) far from benefiting the global market, because economically Nigeria cannot compete with the developed nations like France, British, America, Belgium, and Germany among others. Nigeria cannot protect its industries, hence multinational corporations dominate its soil thereby ripping the benefits suppose to be ripped by Nigeria. To a large extent Nigeria is being denied its rights and chances to benefits from trade comparative advantage due to mass production which lessen cost unit. More so, absolute advantage will doubt be shared among the developed economies.

In other words, globalization foster global governance of global economy by developed economies and international institution in the so called grouping of G-7, G-10, G15 and G-22 where international economic issues are most often discussed by the grouping without due consultation of developing economies, or their representatives. This has posited the superiority complex and/or reintroduction of colonialism (i.e. Neocolonialism). Exotic brand of politic (favoring world developed economies) has been nurtured to developing economies (I.J.E.D., 2010).

Globalization in real sense has set new global rules that have further marginalized the third world countries in taking decisions on policies that

concerns them, some of the big decisions affecting the developing nations are more or less imposed by the globalization players such as the World Bank, IMF, WTO and their agents.

In Nigeria for example, these institutions are influencing the formulation and implementations of its major policies and programmes such as removal of oil subsidy by the Federal Government, inability of controlling the exploration of its crude oil.

It has been argued that Nigeria cannot control the process of how to explore its oil which is it's the major sources of the revenue.

Multinational corporations and other world developing economies determined how to produce, distribute and determined even the prices of the oil.

In Nigeria today there are several cases of oil bunkering by the World Powers and their companies incorporation with comprador bourgeois, but Nigeria cannot stop it as a result of its inability to provide with plan on its own without consulting the world powers.

Globalization affects the sovereignty of Nigeria, it is an eye opener to everybody in the developing nations that our leaders do not act indecently, and rather policies and programmes are teleguided by the western world.

No state in developing countries takes any international decision without seeking approval from the international players such as America, Britain, France etc. (Modibbo, 2002).

National governments has seen its power eroded by globalization as a condition of joining the global market, national governments surrenders much of their powers to create policy autonomously and poor countries, in particular, have had policies forced upon them.

Some of these policies have undermined state sovereignty, not only in areas of macroeconomic policy, but also in area such as taxation, social welfare and human development (NJPS...).

Distributional injustice, whether real or perceived is central to today's response to globalization.

For Hardt and Negri (2002) globalization needs to be understood as a 'grid of power informed by the ways in which capitalism copes with the overproduction, high capitalist process once markets are saturated.

For Stiglitz (2002) however, the issue is not the intractable logic of the capitalist, but the way in which globalization is implemented and how rich countries use their power to their advantage in institutions such as the IMF, World Bank.

In other words, globalization brings about dependency. Dependency or development of underdevelopment is a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more countries and between these and World Trade, assumes the form of dependence when some countries (the dominant ones) can expand and can be self-sustaining, while other countries (the dependent ones) can do only as a reflection of that expansion which can have either a positive or negative effect on their immediate development (Frank,...)

From the above, we can simply understand that, an economy is dependent to the extent that its position and relation to other economies in the international system and the articulation of its internal structure market it incapable of autocentric development.

In the case of Nigeria, it should be recognized that before the country become voped into the European system of global commerce, various forms of manufacturing initiative could be found or identified. Cloth weaving, iron costing and bronze works were prevalent in various parts of what is today Nigeria.

The manufactured of these goods necessarily involves the embodiment of some degree of technological development.

Involvement of Nigeria into the globalization leads to the presence of multinational corporations which hindered the development of our economy as well as underdeveloped our local industries, because the local industries cannot compete with them both in national and international market.

The activities of multinational corporations is a detrimental to the Nigeria as a sovereign state, this is because MNCs have sought both economic and political controls, mainly through co-opting and corrupting willing indigenous comprador bourgeois in order to dictate events in their exploitative interest.

They have also established plans to serve their markets. Foreign banks insurance companies, public utilities and services companies have come into Nigeria. These companies did not specifically come just because they love the indigenous or they have any genuine interest in developing Nigeria.

In fact, they have keen interest in Nigerian underdevelopment. They are here mere because the country offer them excellent investment terms which include cheap labour and agreement to allow them to export profits. It is in the light that whoever attempts to temper with this interest of these companies even if the policy stands beneficial to the society, (host country),

they with the aid of their parent countries (superpowers) make sure it is done away with or filtered. MNCs therefore, control most of the meaningful economic activities in developing countries like Nigeria.

In many cases, this excessive power brings about political and economic disruption in host countries. For example, the assassination of Murtala Ramat Muhammad, the late Nigerian President, as a result of his nationalist policy (Muchisk, 1983).

Characters, values, ideas and norms of developing countries' citizens are intelligently and logically being controlled, regulated through the power of world media and communication gadgets to enable the developed countries transmit their mission which will be placed at the advantage position from the globalization's integration. For instance, much of the Nigerian citizens do not believe in Nigerian Medias.

One cannot believe in the news unless and until he read or hear it from BBC, CNN, FRI among others. People are not very much interested of Nigerian films; they are much more interested in American, Indian, Chinese and other European films. In a nutshell, globalization seems to be initiated to serve as conduct for transmitting modern colonialism by the power of technology across the globe or world.

Alternatively, it is considered as a mechanism to efficiently influence rapid development in the developed countries and partially provide opportunities for economic development in developing countries (Nigeria) with bearable hardships at any different stage to break through (Abubakar, 2010).

Prospects of Globalization in Nigeria

Globalization is not a curse in totality but rather in all ramifications. It has threats and opportunities to each economy (that is whether developed or underdeveloped). In fact, nations can only drive and enjoy the opportunities or suffer from the threats as a result of economic level attained by nation.

The opportunities of globalization are proportional to the economic level and/or inversely proportional to the threats of globalization. Therefore, for any country to passively benefit from globalization and as much as possible projects itself from the consequences of its threats must employ everything possible to ensure effective and sustainable development.

The realities of today's fast globalization, knowledge and technology driven world make it incumbent upon African leaders to work greater political and social economic integration within the continent (Yar'adua, 2008).

Yar'adua further added that;

Good governance could make Africa surmount her
numerous developmental challenges... these

challenges are surmountable only if we all sufficiently subscribe to the tenants of democracy, good governance, accountability, transparency, due process, equity, justice and focused pro-people leadership across the continent.

Therefore, globalization needs viable economy, just ad visionary leadership to yield its benefits in the economy. From the perception of late president is that any economy can benefit from globalization but the country can only drive r enjoy the benefit if there is good governance, strong economy, due process, equity, justice. But my problem with Yar'adua's statement is that there is no good governance in most of the third world (Nigeria). As such, it is difficult for the Nigeria to benefit from the globalization as a result of lack of due process, equity, justice, good governance, and respect of democracy.

The proponents of globalization argued that, globalization has brought good governance in most of the third world countries. One of the most durable effects of globalization has been the growing recognition across many African and Asia and Latin American countries that good governance at all levels is essential starting point for economic progress. Globalization has helped many developing countries including Nigeria to better appropriate the importance of democracy and their democratic rights and to aspire to proper

functioning of democratic system that respect human rights and the rule of law.

Among the benefits there is therefore a strong push to develop political system that promote representative and honest government press freedom, is rowing along with the overall level of political activity established.

Standard of good governance arising from globalization are progressive taking hold in most of the developing countries. Globalization has also eased international trade and commerce, facilitated foreign investment and flow of capital.

Now in terms of trade, Nigeria find it easier to interact with countries like China, Australia, Singapore etc. despite the long distance between them, in the area of information technology and communication, and indigenous computer firms are springing up e.g. (Zinox Computer in Nigeria). Globalization has forced labour across boundaries and facilitated industrial development; take for instance, the development in most of companies in Nigeria by using machine rather than labour or human labour. This is as a result of globalization.

Globalization has brought about increase rate in private sector participation in socio-economic development in Nigeria in the telecommunication sector, MTN, Celtel, globalization are owned and controlled by private sector or

individuals, the Indian firm (Ispat Group) handling the Ajaokuta steel complex and the Henieken investment in the Nigeria Breweries are all organized private sector and all these are made possible as a result of globalization (Krueger, 2001).

CHAPTER FIVE

5.0 Summary, Conclusion, Recommendations and Bibliography

5.1 Summary

In summary, it is observed that some variables impact on the pace of globalization in Nigeria. These variables include external debt ratio, domestic exchange rate, domestic interest rate, political instability and domestic per capital income. These suggest that these variables are important policy variables.

Empirical findings have also shown that there is no co-integration between trade openness and economic growth in Nigeria.

Nigeria should therefore not just open up all products but should be connected about the complementary factors that would enhance the capacity of its local industries to enable them compete with imported product. In other words, the impact on Nigeria is the concepts, such as interdependence, interconnectedness, internationalization and integration.

Kwashe (2001) posit globalization as a process of integrating economic decision making such as consumption, investment and saving across the world. He saw it as a process of creating market place in which increasingly all nations are forced to participate.

The participation is what Kwashe conceived as “multiplicity of linkage” and interconnection between states and societies which makes up the present world system.

Globalization therefore, eroded Nigeria’s sovereignty by turning it into dependence in which cannot control its economy and have no independent political and economic policy. As any policy must be reviewed by the international capitalist powers and international organizations. For instance, Structural Adjustment Fund (SAP), Petroleum industrial Bill (PIB), can serve as an example. As such globalization is an instrument of exploitation by the world capitalists economies.

5.2 Conclusion

This study was attempted to provide the nature of globalization in Nigeria, the extent to which globalization eroded the globalization is biased and promotes dichotomy between developed, underdeveloped economies, the less privileged countries can efficiently derive effective benefit by implementing appropriate adjustments in their economy. The benefits could be achieved through transparent and accountable governance, application of standard in various economic activities. Some of the reforms should include, long-term financing with low interest rate of small and medium scale

industries, executing all necessary precautions and actions to put away corruption.

Unless developing economies provide economic environments that are conducive, capable of attracting foreign direct investment and strong enough to support the strength and capacity of the domestic industry, the globalization opportunity could only be seen and heard.

However, the positive effects need to be compared with negative ones so as to identify the trend of things in order to enable the less privileged countries (developing countries) initiate their way out to equally ripe benefit from globalization from developing economy such as (Nigeria) to ripe maximum benefits of globalization, the following need to be observed:

- Accountability, transparency, equity, due process, justice and pro-people leadership have to be observed by developing countries.
- Manpower development, (that is significant for economic and industrial development) needs to be given necessary considerations in Nigeria.
- Technology education needs to be accorded all necessary requirements, since it is Best Avenue to enable active participation in global affairs.

- Rule of law should be observed and form the main guide for governance in Nigeria.
- Nigeria should do everything possible (financially and otherwise) to encourage, stimulate and protect domestic companies so as to be strong enough to counterpart in world system.
- Clean democracy should be nurtured by Nigeria to serve as vehicle for stability that motivate and influence foreign investments.
- The technocrats of globalization should institute a mechanism of controlling Nigeria from under suffering.

5.3 Recommendations

Under neo-colonialism, the economic systems and political policies of independent territories are managed and manipulated from outside, by world capitalist powers through their agents the likes of Multinational Corporations (MNCs), International Monetary Fund (IMF), World Bank (WB), World Trade Organization (WTO) etc in the name of globalizing the world.

As they are today, there is no doubt in the fact that Multinational Corporations in Nigeria, why Nigeria should device a means of coping with the activities of the firms so as to make such corporations joint ventures as it exist, between Nigeria and Automobile Peugeot rance.

Based on my findings, the following recommendations are preferred. Appropriate policies and strategies should be put in place that will ensure the maintenance of stable foreign exchange rate as this is an important factor that could influence foreign direct investment (FDI). For instance, if the exchange rate increase or decrease by 1% then the effect of globalization will also increase or decrease by the same.

By implication, if the effect of globalization is perceived as positive and beneficial, then exchange rate should be kept high so as to increase the positive effect of globalization to the nation. Government should improve its investment especially on basic infrastructural facilities such as road, energy, power, telecommunication, and security to reduce the cost of embarking on business activities in Nigeria.

Interest rate should be kept high enough to discourage the negative effects of globalization and low enough to encourage investment.

Lastly, the government should be very careful about openness, as unbridled openness could be led to the detriment of local industries.

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