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# Nigeria and the socio-economic globalization of the 20th century: A historical re-consideration

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## Abstract

Globalization: a multifaceted contemporary economic and socio-political phenomenon has elicited diverse interpretation and reactions, some of which are positive, while some are negative, depending on the context and situation of the perceiver. However, experiences show that the Nigeria masses, have suffered great-untold hardship, consequent upon the forceful incorporation of the country into this web of the socio economic dictation of the colonialists and their allies in the country. The negative effects of globalization have taken toll of all the realms of our national life, ranging from economic, political, social, ethical and religious. We have been eroded away by the great flood of globalization that we have become rootless, in our own soil, without personality or identity. We have become mere appendage to the world history. In the midst of this confusion, the question becomes what do we do to escape from the onslaught of the west, who wants to enslave us perpetually? However, before we chart a reasonable course, we must assess the extent of the damage. This paper is therefore dedicated to carry out the required survey.

**Keywords:** Nigeria, Socio-economic, Globalization, 20th century re-consideration

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## 1. Introduction

*I have a dream of a nation where no man is oppressed, an egalitarian society. That is what we are working towards We desire a nation, a true federal state where all the Nationalities will have equal access to political power, where justice, equity and the rule of law operate. We want to leave a good legacy for our children ... There is nothing I am looking for again. But that our children and children's children must not be slaves in their own Father's land (senator Adesanya 2004:1-42).*

The above citation has been the dream, desire of all countries, all states and all races their skin colour notwithstanding, and yet not many nations, especially in Africa and in the third world, have achieved such noble ideal state. In the case of Nigeria, this has remained a good dream that has not been translated into a reality despite the pains-taking efforts of our leaders since our political independent in 1960. Consequently, the socio-economic and political history of Nigeria has been a tale of woes as we shall notice in our historical excursion in this paper. This situation was created artificially consequent upon our interaction and relationship with the Western world, whose mode of relationship is "dependence". The Nigeria "dependence" on the Western world was orchestrated, first of all by our forceful incorporation into global capitalism, which dates back to the 1880's. This assertion was given full credence by Ali (1980) as he says; 'The most important century in African relation with Europe is the century from 1880's to 1980's. It was in the 1880's that the conference of Berlin was held to agree on the terms of the European partition of Africa. It was in 1880's that Egypt was occupied, that Nile was scrambled for and that the repercussions for the rest of the continent were released' (37).

The vision that informed the scramble and partition of Africa vis-a-vis Nigeria by the Europeans was couched in their assumption of the racial inferiority of Africans. Accordingly, James Ford (1969) echoed this presumption when he says, "it was believed that the modern science had proved the black is distinctly inferior to the white... Therefore slavery as a system is seen as a social control of an inferior race" (34). In the same vein, Arthur (1990) observes that "the chequered history of Nigeria is a long catalogue of injuries caused by slavery, colonialism and neo-colonialism" (1). Rodney (1972) states that "the effect of this dependent relationship on Africa was a consistent exploitation of surplus produced by African labour out of African resources, this means the development of Europe as part of the same dialectical process in which Africa was under-developed" (3). In their own contribution, Okereke and Ekpe (2002) underscore the fact that the underdevelopment of Africa (Nigeria) was due to her forceful incorporation into international capitalistic system under three main stages namely, slavery, colonialism and Neo-colonialism, (100).

In his own contribution Omimode maintains that Africans relationship with the European world took four stages. Namely, the Pre-colonial era, The Colonial invasion era, the neo-Colonial era and the systematic marginalization since 1980. The last is the stage of campaign for world integration through the open market system. It is the globalization stage. Both Okereke and Onimode are quite correct in their periodization of Nigeria economic history. The only difference is that Okereke and Ekpe stopped at the third stage without touching the current (fourth) stage called globalization.

## **2. Nigeria and the global socio-economic through colonialization**

“Colonialization is all about the domination of alien powers over a subjugated people. It is also a process whereby the values (ideological and materials) of the dominant powers are translated into the colonized territory” (Nahu, 1994: 146). “Colonialization is always forced on the colonized people through the use of the Maxim gun and the cudgel colonial power and powder. These were the primary instruments used by the so-called civilized invaders from Europe for toppling the regimes of great Nigeria leaders” ( Okereke and Ekpe, 2002: 2). The situation described above lasted between 1861 when Lagos was seceded as British Colony and 1960 when political independence was attained. The process in Nigeria political history was immediately followed by the abolition of slave trade in the 19th century and this was motivated by economic factor. In fact, Nigeria was quite important to the world as a vast field of adventure, for asserting imperial supremacy and for experimentation by different “civilizing” missions. “The Berlin conference of 1885 threw a watershed on the destiny of the country” (Ejiofor, 1981:11). In this conference, “Nigeria became an appendage to British colonial powers” (Berg, 1989: 16). The consequence therefore, “is arrogant brutality with fire-power with which they subdued the Black race. Once subdued, the people become reduced to instrument or tools of labour for boosting the ego and economy of the colonizers” (Ejiofor, 1981: 9).

Colonialism therefore aims at the exploitation of the mineral, human and agricultural resources of Nigeria. Against this background, “all the politics, polices, the amalgamation and the seeming development were directed towards ensuring that Nigeria become a site for capitalists investment from where their lots flow to the metro pole” (Nuhu, 1994: 147). In order to facilitate the exploitative essence of the colonial system in Nigeria the pattern of production, specialization and consumption in the colonies were deliberately changed. Whereas in the pre-colonial era, the European middle men changed Nigerian products for European goods, during the colonial era, the colonies were forced to send their raw materials only to Europe and were prohibited through elaborate laws from fabricating their own raw materials into finished goods. To achieve this aim “the colonial powers deliberately promoted the cultivation of cash crops in the country (Cotton, coffee cocoa, rubber) for European factories and consequently discouraged the production of food crops for the domestic population” (Onimode, 2000: 74). In order to ensure ready market for imported goods from the metropolises, the colonized Nigerians were programmed to consume imported goods and to export their raw material. It was this situation that Onimode described as, “the source of profound disarticulation, distortion and paradox of colonial and post-colonial economic system” (74). The paradox is that the native people produced what they did not consume (cash crops) and consumed what they do not produced (finished goods).

This exploitative agenda was captured by Okereke and Ekpe (2002) in this sentence, “we have stolen their land, now we must steal their limbs”. Compulsory labour is corollary of our occupation of the country (106). In order to further perpetuate fully the agenda of colonialism, the colonial authority would force farmers to produce cash crops even when prices are quite low. The techniques used were the imposition of taxes on numerous items including cattle, land, houses and of course the people. In order to be able to meet up with those range of severe taxes the indigenous people had to grow cash crops, work on Europeans farms or in the mines. They work for the colonial administration or the colonial private corporations. The irony of the entire

exercise is that these indigenes, who took the white-collar jobs, received fewer wage than their European counterparts did. Even in terms of employment, the native people suffer great discrimination. Ejiofor stated that “qualified Nigerians were denied employment into some senior cadre during the period of the colonial administration. And if perchance, some senior officers were employed they will not be placed at the same level with their European counterparts” (17). Therefore, only European companies had exclusive control (Monopoly) of trade, transportation, shipping and banking. These activities facilitated the exploitation and expatriation of the surplus produced by African labour (Okereke and Ekpe, 2002: 107). The consequence of the overall agenda is that while Nigeria was being socially and economically pillaged and development process stunted, Europe was developing at the cost of “body and blood” of the indigenous people of this country. This supports the argument of Rodney (1977), “that the development of Europe constitutes and contributes to the underdevelopment of Africa” {76}. It is therefore based on these pillars of oppression, exploitation, marginalization and the expatriation of the profit to Europe that the colonial regime in Nigeria erected a global system of unequal capitalist development being promoted by Europe.

### 3. Impact of neo-colonialism (globalization) in Nigeria

The period of active colonialism having achieved its subjective aim gradually led to the stage of neo-colonialism in the socio-political and economic history of Nigeria. Nkurumah (1995) defined Neo-colonialism as, “the final stage of imperialism. It is also a situation in which a country is in ‘Theory’ independent and has all the outward trappings of international sovereignty, while in ‘reality’ its economic system and political polices are directed from outside by its former colonial masters” (21). Accounting for the historical antecedent that led to the neo-colonial political economy in Nigeria, Onimode (2000), maintains that, “the discovery of the abuse of colonialism by the native elites, led to the elites struggle for independence” (75). However, this is not the only factor, the paralysis of Europe after the World War II and the emergence of U.S.A. at the centre stage of international politics facilitated the emergence of neo-colonialism in Nigeria. “Whereas the USA virtually had no colony in Africa, since she had no share in the partitioning, yet becoming the political and economic chieftain of the world provided the foundation for de-colonialism process” (Gidado, 2002: 16). In the light of the US emergence and their lack of colonies, they demanded for ‘Open Door Policy’ in the administration of the colonies and territories in Africa. Thus, with the adoption of the ‘Open Door Policy’ at the international scene, US. Transnational Corporations entered the erstwhile-monopolized colonial markets. Therefore, the stage for decolonization and the consequent neo-colonialization was facilitated by the joint factors of the struggle for independence by the indigenous elites and the US agitation for open door system in the international political stage. The result of these joint forces was the granting of independence to some African countries in the mid 20th century. Thus, Nigeria became independent in 1960, but it was a merely a nominal independence, since politically, economically and socially the new independent Nigeria was still under the colonial master’s order, Onimode aptly described the situation thus:

*This was the new era and system of new colonialism. It ensured that the post colonial economics remained trapped essentially in the colonial type regime of international capitalist division of*

*labour, in which they continued to specialize in the production of primarily products for the reproductive requirement of the economics of the North (76).*

Okereke and Ekpe citing the authority of Gavin Williams, “argue that the colonial political economy established the material and the institutional foundation for the development of the neo-colonial political economy in the colonized territories” (108). For instance, in Nigeria the integration of local producers into international exchange economy expanded their internal market to the point of sustaining the development of capitalism in Europe (Okereke and Ekpe, 2002: 109). This is not healthy for the development of a sustainable economy for the new independent nation. The limited political independence granted to Nigeria also limited her in her effort to laying a solid foundation for virile socio-political and economy system. This is clearly described by Williams (1980) thus,

*Neither the colonial government nor the colonial firms secured in their dominant commercial position, initiated the transition from trading to manufacturing “The Pricing policies of the marketing board delayed the development of industry in Nigeria by limiting the expansion of the market and the development of indigenous capitalism by denying African traders the opportunity to profit from the post war boom in the commodity price. The surpluses accumulated by the marketing board were sent to Britain, rather than (re) invested in Nigeria (33).*

Therefore, in spite of the claim to political independence, the Nigeria economic system was still characterized by European domination of the investment opportunities in Nigeria. The situation consequently reduced Nigeria entrepreneurs to the minor status of agents of these European transnational corporations.

#### **4. Instruments of globalization in Nigeria**

##### **4.1. Structural Adjustment Programme (SAP)**

SAP was introduced in Nigeria by the World Bank and the International Monetary Fund (IMF) as an instrument of achieving the overall capitalist exploitation of Nigeria economy. “Nigeria was entrapped into this exploitative web, owing to debt crises resulting from the general economic recession and consequent collapse of world commodity polices” (Ibhawoh, 1999: 158-167). Therefore, to support the weakening natural economies and to increase production capacity, Nigeria sought to obtain external loan from the IMF, The World Bank and from other Western nations and banks. The consequence of this loan from the International Financial Institutions (IFI’s), “was the increased level of conditionalites required for obtaining such developmental facilities” (Ibhawoh, 199: 159). It is these heightened conditionalites that became institutionalized as the Structural Adjustment Programme (SAP). In a World Bank Study, SAP is defined as, “the process whereby a national economy is opened by means of depreciation of the real exchange rate

through a combination of demand and supply side policies" (1998: 2). SAP, according to this study aims at "setting the economy of a country back on a path to sustainable growth, when it is faced with macro economic and external balances" (Ibhawoh, 1999: 160). "SAP aims to remove the structural distortion in the economy which are to be found in the exchange rate, tariff regime, the organization of parastatals, public expenditure and subsidies" (Dibua, 1994: 232). In essence, SAP seeks to roll back the frontiers of the state, especially in the area of economic production, distribution and planning and substitute it with the market as the major agent in the allocation of values, goods, services, benefits and cost.

The main arguments advanced for the justification of the introduction of SAP in Nigeria were as follows.

- It would stabilize the national currency.
- It would restructure and diversify the productive base of the economy and reduce over dependence on the oil sector.
- It would reduce the dominance of unproductive sector investment and enhance the growth potential of the private sector.

The main emphases of SAP are as follows:

- The devaluation and unification of the exchange rate.
- The elimination of exchange control.
- To curtail expenditure to alleviate budgeting deficits.
- To cut public wage bill and social sector programme.
- To introduce market liberation within the national economics.
- To eliminate subsidies and price control.
- The Compression of real earning and the liberation of the Labour market (Ibhawoh, 1999: 163).

The philosophy behind the introduction of the structural adjustment is the belief that the local purchasing power within national economics had been overvalued, relative to its real international worth. The object of the policy of devaluation, therefore, is to reduce the value of local currency, thereby stimulating internal production to make exported goods cheaper and increase their demand in the International market.

It was the ascendancy of Gen. Ibrahim B Babangida to the helm of affairs of this nation through a military palace coup d'état on August 27, 1985 that marked Nigeria as an orthodox, (SAP) adjustment nation. His socio-political and economic policies was described thus, 'General Babangida in his maiden broadcast to the nation, not only showed dissatisfaction with the nation's impasse with IMF but resolved to break the deadlock. The deadlock was eventually broken as Nigeria gradually acquiesced to all the IMF conditionalities and the logic of a monetarist Structural Adjustment Programme (SAP) (Adejumobi, 2004: 269). Babangida also allowed Nigerians to openly debate major national issues even the IMF loan and its conditionalities. Against this background of socio-political changes, Ibhawoh writes; "...Within weeks of the coup d'état which brought him to power, Babangida inaugurated a nationwide IMF debate as a popular outlet for discussing, in particular, the impasse over Nigeria negotiation with IMF over a \$2.5 billion loan and in general, the nation's economic future" (162). Adejumobi stated the outcome of the conference thus,

*Although, in an attempt to source credibility and legitimacy for the present regime, a beguiled national debate was introduced on IMF loan in September, 1985 by the administration but while the vast majority of Nigerians opposed the IMF loan and its conditionalities, the Babangida regime tacitly declared a state of national economic emergency in October 1985 and carefully smuggled the IMF conditionalities into the nations economic recovery programme through the back door (268).*

It is by this means that Nigeria became SAP orthodox nation. Hence, all the element of IMF adjustment polices became reproduced in the Nigeria real socio-economic experiences. In 1986 Babangida commenced the devaluation of Naira by introducing the second tier foreign exchange market (SFEM). "By this means Naira was auctioned by the central Bank of Nigeria" (Adejumobi, 2004: 270). The SFEM programme was later merged with foreign exchange market (FEM) and further the deregulation of the exchange rate occurred in March 1992, "when the official market rate slumped to tally with black or parallel market" (Dibua, 1994: 261). Furthermore, trade was liberalized and most public parastatals were privatized. In his commitment to the privatization agenda, IBB stated this in the inaugural speech to the National Assembly as reported by Olaguniyi and Sam (1991). Thus, "recently at the inaugural address to the members of the national assembly, the president enjoined them to continue the implementation of SAP in the third republic since according to him that is the only way Nigeria can overcome the crises of under-development and build an enduring and democratic third republic" (254).

It was this administration that removed price control and scrapped it's board. Babangida also withdraw subsidies on petroleum and Agricultural products. Similarly, marketing Boards were scrapped and indigenization policy was replaced by the industrial policy of 1989. This policy allowed foreigners to participate actively in the area of economy hitherto exclusively reserved for Nigerians. We have to end this section at this point by noting that consequent upon the introduction of SAP with all its full conditionalites, a feeling of alienation and disenchantment became wide spread in the nation among diverse groups of people and shades of opinion. Thus, people who had initially supported the regime with zeal began to openly criticize it. The government reacted to it by resorting to selective compensation as well as repression and violation of the fundamental human rights of the citizenry.

#### 4.2. Privatization

"The term privatization, in sub-Sahara African countries has almost become a generic term for several transactions involving the transfer of rights of ownership or service from the public sector to the private sector" (Etukudo, 2005: 12) Tunji and Oyovbuire described "the concept of privatization as the divestment of government shareholding in selected enterprises. It is the shifting of responsibility for the investment to individuals and encouraging public enterprises to self finance their operation" (1991: 130). Actually, there are a variety of definitions of the concept; some are based on the objectives of privatization and others on the forms, thus, Bailey (1990) regards "the phenomenon as a general effort to relieve the incentives in public sector enterprises by subjecting them to market forces" (24). "It is also referred to as a 'slight' from publicly to privately produced goods and services" {Maul Star, 1987:64}. Clark and Pifelis (1993) define "the concept

as the sale of the public shares in at least 50% of the assets of state owned corporations” (17). It is also the transfer of ownership and control of assets from public to private sector enterprises. Privatization is considered in some quarters as policies designed to improve the operational efficiency of public sector enterprises through increased exposure to competitive market forces. The second economic summit held in Abuja in May 1995 considered “privatization as a variety of policies aimed at transferring fully or partially, ownership and control of public enterprises to private sectors to encourage competition and emphasize the role of market forces in place of stationary restrictions and monopoly powers” (Abuja 3-6 May, 1995 86). Privatization in sum is the transfer of all or any of the three kinds of priority rights from the state to the private sector. These rights include:

- Ownership right
- Operating right
- Development right

In pursuant of this policy, Babangida noted that privatization in Nigeria is a critical element in the economic recovery and development strategy. This according to him, will in the short-run lead to the reduction of government subventions to otherwise commercially unviable enterprises. The expansive scope of private sector activity through the public sales of shares will contribute towards the deepening and broadening of the capital market. In order to effectively carry out the privatization agenda within a record time, Babangida introduced the following policies: these include:

- The re-definition of the role of the supervising ministry to ensure that it no longer interferes in the day to day operation of public enterprise.
- The re-definition of the role of the board of directors to give them more powers to regulate and supervise public enterprise including the determination of their conditions of services and tariffs.
- The re-definition of the role of management and to make management accountable to results.
- To change the procedure and criteria for the appointment and removal of members of board of directors, to emphasize merit over sheer patronage and to ensure continuity by staggering of such appointments.
- To make changes in the procedure for the appointment and removal of chief executive and executive directors to ensure that such appointees are accountable to their board of directors (131-132).

Furthermore, Babangida defined his objective in introducing the afore stated policies as thus;

- To make the basic services affordable to the poorest citizenry.
- To project financial autonomy as the foundation for enhanced operational efficiency.
- To promote higher quality services.
- To grant efficiency in resources allocation

In order to achieve the stated aim of the economic reforms, Ibrahim Babangida promulgated a decree establishing the Technical Committee on Privatization and Commercialization (TCPC). The committee was formally inaugurated in July, 1988 to undertake the task of reforms of public enterprise as an integral and critical component of the Structural Adjustment Programme (SAP) which had started two years ago.



Obasanjo's led democratic government continued with the economic programme of Babangida. He established in December 1999 the National Council on Privatization (N.C.P.) with the vice president, Atiku Abubakar as the chairman. The committee was empowered to determine the political, economic and social objectives of the privatization and commercialization programme. According to Prof Anya (2005) the second phase of the programme is aimed at helping government raise fund for the following programmes:

- Narrow down budget deficit
- Pay back public debt
- Avoid new borrowings
- Restructure other enterprises
- Support social sector as education, health, power and rural development (1-3)

Ahene and Ketz (1999) substantiate the facts thus; "in developing countries, the mantra of privatization has become "common sense" economics and an indispensable process of development. Privatization measures have been adopted and implemented under the framework imposed by the International Financial Institutions (IFI's)" (38). These scholars opine that privatization in conjunction with liberalization constitute the agenda for the International Financial Institutions strategy for modern imperialism (42).

## 5. Some Positive Effects of Globalization on Nigeria

Our discussion here on the positive effects of globalization in Sub-Saharan Africa in general and in Nigeria in particular seems to be merely theoretical and represents the official views of the government, the protagonists and the beneficiaries of the global capitalist economy. The information does not reflect the actual daily experiences of the ordinary Nigeria in the street; therefore we consider it as an attempt to deceive the casual reader and observer within and outside the country with the sole intent to curry the favour of the imperialist. Beginning with SAP, Adejumbi is of the opinion that economic de-centralization form of politics in which the state yields ground and political space to the civil society is of great benefit to any society and this SAP has come to do for Nigeria. Globalization via SAP does this by developing the national or local bourgeois who are nurtured by the market forces and not simply by the forces associated with state monopolies and primitive accumulation of capital. "This connotes that the liberalization of the competitive market structure provides the foundation for the construction of liberal democracy" (Adejumbi 2004: 265-266).

The proponents of SAP maintain, "The devaluation of naira has achieved the stimulation of the non-oil exports and therefore brings about the diversification of the revenue base of the economy" (Dibua 1994: 253). In the same vein, Bagangida who is the fore-bearer of the programme in Nigeria highlighted some of the most-important positive effect of the reform. These include:

- Through the introduction of the reform packages the import dependent industrialization has gradually given way to a situation in which the industrial input are increasingly sourced locally.
- The deregulated business climate is producing new crops of entrepreneurs who boldly experiment and reap the good result from the efforts and the creative instincts.

- No other policy could have yielded the attractive farm-gate forces, which resulted in the additional investments in the produce.

Similarly, no other policy could have achieved the reversal of the erstwhile rural-urban drift and the unprecedented activities that our rural areas are now experiencing. Through the reforms, the agricultural production and export of primary commodities have also increased radically. There have been greater efficiency and competition by the manufacturers and consequent improvement in their services to the customers. There has also been greater rationality in access to and use of foreign exchange with priority being given to the more productive sector of the economy. The programme has also encouraged greater development in the agricultural sector of the economy. This has moved the economy from depending on the oil sector. The SAP programme has encouraged the diversification of the national economy. The reform programme has gradually restored the confidence of the Western countries and the International Financial Institutions (IFI's), in the nation's external payment arrangements. This is evidenced by the 60% debt forgiveness to the country in 2005.

On the issue of trade liberalization, we underscore the fact that IMF financing can enable a country to protect her social expenditure during the period of adjustment, when the obligation is to curtail public expenditure. At this point, "more foreign assistance would be helpful and of course IMF has been in the forefront to press the case for increasing resources for the developments" (Geoffrey and Thuggee, 2001: 48-51). Trade reforms may lead to the lowering of the government revenue on trade taxes and tariffs. It was Gondwe (2001) who muted this when he said:

*There is general concern that trade reforms may lead to the lowering of the government revenue as trade taxes are reduced, in the effort to maintain macroeconomic stability, government may cut social expenditure or implement new taxes that could disproportionately affect the poor at the initial stage of trade liberalization, however, replacing non tariffs barriers with tariffs and eliminating tariffs, will generally increase government revenue (43).*

Sequel to Gondwe above, we shall note that open trade regime permits the importation of technological wares and drugs. Open trade regime therefore encourages tax waivers on essential commodities. A practical example of this in Nigeria situation is the immediate result of the 'Roll-back' malarial summit held in April 2000. In the summit the president pledged to reduce or waive taxes and tariffs on mosquito nets, insecticides, anti malaria drugs and other goods and services needed for malarial control (Sergio, 2001:65). The effect of trade liberalization on a developing economy is that if the initial tariffs are prohibitively high, reducing them can result in a high trade flow, which will ultimately increase revenue. Trade liberalization as a globalization package can positively affect the rate of growth in any economy by encouraging foreign direct investment with its attendant spillover of advanced technology and new business practices that will increase the overall productivity and growth in the domestic firms. Trade can help economy in this wise if only the economy is driven by exports. Exports led growth is the centerpiece of industrial policy that enriched much of the Asian countries and left millions of people better off.

Furthermore, trade liberalization will in many cases, help an economy to diversify its export in line with its comparative advantages and become less dependent on single export market and products. Trade integration with foreign market will help the economy become less dependent on the domestic market. "It will affect the domestic market positively by causing the offshoot of the down turn in this direction that trade integration can facilitate the much needed inflow of private investment and the transfer of technology as well as increase the areas of the country's export to the world market" (47). The World Bank Report (2004), "on the international economy has shown that through the adoption of globalization policy, many people in developing countries can now live longer than before and their standard of living has improved qualitatively" (142). Globalization has marked an advance in the character and intensity of the interdependence of the nations. It would appear that this sharp change is related to the technological evolution in the fields of electronics and its impact on the information technology, communication, mass media, transportation and production. The ability to store and process information with the help of computers and to transfer it instantaneously over any distance by telephone lines has given shape to the qualitatively new features of globalization. The personal computers, satellite communications and the Internet have become the symbol of globalization and the new world order. These have superceded the traditional system of the nation-state and their political economic relationship.

This development in information technology (IT) has miniaturized the entire global setting. The advance in information technology is made manifest in the area of market and in the world wide financial transactions. Whereas in 1973 daily foreign exchange trading amounts to \$ U.S. 1.2 million, in 1996 the daily turn-over was estimated at \$1.2 trillion, and it has now reached the level of \$1.5 trillion. The current turn-over exceeds the total amount of foreign currency reserve of all the Central Banks. According to Konrad (2002), "this explosion of the global capital market has become the central driving force in the development of Global Capitalism, such milestone achievement is simply brought about by the advance in the area of information technology" (13). Globalization has also reduced the sense of isolation felt in much of the developing world. It has given many people even in Nigeria access to knowledge well beyond the reach of the richest persons in any country century ago. Kofi Bucknor (2004) substantiates the fact thus, "another positive effect of Globalization has been its impact on education and migration. ...the Internet and other advances in information technology have opened up opportunities to improve the quality and content of educational programme" (1-5).

From the above assertion, it is therefore no gainsaying that globalization has brought knowledge home to people. One would say that the speed in the advancement of knowledge brought about great development in the country. We have all benefited from this aspect of globalization as we can now read any topic freely at the Website. In this wise, globalization has reduced much of the stress of academic research via the information technology. Foreign aid agenda has brought great benefits to millions of people. Jobs are provided by the World Bank Financed projects. It is through the means of globalization that International Organizations such as ILO, ICC, UNCTAD etc were established. These have contributed immensely to the socio-economic development of the country. Furthermore, it is noticed that the implementation of privatization policy in the national economic system has overtly relieved the government of the large burden of financing public enterprises. It minimized the burden of the government's managerial capacity.

The privatization exercises has helped in the creation of a large body of shareholders and deepen and broaden the Nigeria capital market to the position of being the most developed stock-market in Black Africa. According to Anya (2005), “the Market capitalization of Nigeria stock exchange (NSE) through which the shares were sold has grown from N8.9 billion in 1987 (before privatization) to N65.5 billion in 1994 (after the phase I) and currently stands at N428.9 billion at the end of 2000” (1-3). Accordingly, the catalytic effect of the volume of shares released into the market via the privatization exercise cannot be over emphasized. Therefore, we can authentically submit that privatization has yielded and will continue to yield great dividend to the national economy

The performance of the privatized enterprises so far has led to a considerable increase in the volume of cooperate taxes accruing to the national treasury (Abuja 1-3). This has ripple effects on the economic development of the country. We shall briefly summarize the effects here.

- This halted the drain on public finances and brought about positive bonus, with subsidy soaking deficits, being replaced tax-yielding profits.
- The sales of shares and assets realized over N3.7 billion as gross privatization proceeds from the privatization of 55 enterprises whose total original investment according to (MOFI) was N652 million ( Anya ,1-3).
- Privatization has massively expanded personal share ownership in Nigeria. According to Anya, over 8,000,000 share holders were created almost twice as many as they were in 1988 when the exercise started (1-3) consequently privatization intensified the operations of capital market, created new awareness in the virtue of shares holding as form of saving rather than an elitist past time. This is good development, which enhances the capital formation and economic growth.
- By reducing the reliance of public enterprises on the government for finance, the programme of privatization has encouraged new investment in the enterprises concerned. Anya aptly captures the new situation thus, “the cold hand of treasury have been replaced by the warm hands of capital market which are stimulating as they are invisible (1-3). This situation led to the discovery that it is easier to raise funds through the capital market than through the treasury.
- The new operational autonomy of these enterprises and their liberation from political interference in day to day management has improved the internal efficiency of these enterprises allowing them to liberalize their purchases as well as rationalize their labour practices (Okome, 2005: 36). This has radically increased profitability. And the negative perception of public enterprises in the minds of the general public as nobody’s business has also changed.

## 6. Some negative effects of globalization on the Nigeria

“We posit here that though globalization of the world economy arouses dreams of expanding prosperity, yet it equally stirs up fear of restless intensification of competition, marginalization and poverty” (Uka, 2004). In spite of some of the positive effects of globalization which we highlighted in the preceding section, which Prof. Uka technically summarized in the above citation as “dreams of expanding prosperity” we still notice that

globalization presents serious challenges. Globalization has hidden agenda for Africa in general and Nigeria in particular. Nigeria has suffered much from the dregs of this socio-political and economic phenomenon in the contemporary times. Hence globalization has not removed the socio-political and economic problems that led the country into adopting the SAP reforms, rather it aggravated it. Richard and Seid (2000), affirmed the fact of this assumption as they noted thus, "In fact, the contemporary effect of globalization, perhaps best defined as the global expansion of late twentieth century capitalism has aggravated most of the chronic problems of the developing countries, while adding new problems. Most of these problems are still best characterized by "the classical" or "modernist" concepts of corporate capitalism, economic exploitations, social inequality and social injustice" (2). It is against this background that Ali (2001), defines the Nigeria socio-political and economic experience and situation in the global system thus, "Nigeria just like all other African nations in this era, experienced urbanization without industrialization, deep Western consumption pattern without Western productive technique, unchecked Western tastes without Western skills, secularization without scientific spirit" (2). The situation described by Ali has made majority of the Nigeria masses to be socially rootless, politically powerless, economically marginalized and culturally isolated. The global expansion of capital integrates resources and people into a polarized system of great wealth accompanied by poverty and oppression. "Therefore, a large number of the people are forced into precarious condition in rural areas or urban slums" (David, 2003: 168).

Aluko (2002) therefore asserts that the current globalization agenda is everything about socio-political and economic domination of the triad over every other nations and region, more especially Africa. He further, observes that what should have been called "triadization lies under the camouflage name of globalization" (1). Aluko's assumption is based on the fact that globalization seeks to erode the national sovereignty and diminish citizen's participation in the national economic and political affairs by substituting the market for the people. He laments the unequal nature of the global participation in this phenomenon as he says; while each sovereign nation is trying to have a voice in international affairs on equal 'footing' not all countries are participating in the global economy in anything near equal 'footing' (1). Aluko concludes thus, 'Globalization has violated and continues to violate the principles of free and fair world trade and just distribution of World income. Globalization has failed to reconcile the interest of the economically rich and strong and the economically poor and weak peoples and nations of the world' (5). The reason for the unequal stance of all the nations in this economic capitalism as described above by Aluko, is based on economic ideologies of the neo-liberal capitalism. These economic fundamentalists put absolute value on the operations of the market system and subordinate people's lives, function of the society, the politics and the government to unrestricted free market forces. This is what Pope John Paul II calls, "Salvage Capitalism" (In Peter and Henriot, 2005: 2). It is the ideology behind the "Salvage Capitalism" that leads to the total violation of the principles of free and fair trade and good governance in Africa in general and Nigeria in particular. These have a negative social consequence for the people's integral development (1). Therefore Aluko bemoans the evil of globalization in Africa thus; 'African continent has suffered and is still suffering from the problems of delayed development. The continent and her people have been victims of exploitation whether in the form of slavery, colonialization, neo-colonialization, structural adjustment, International money-lending and money changing or the ongoing globalization or triadization (6).

Notably, economic globalization adopts certain strategies in order to fulfill the exploitative intent of the Western World on Nigeria and of course Africa as whole. These strategies include:

- To pursue economic growth as top priority over other social goals
- To increase privatization
- To reduce government regulation of economic activities
- To encourage production for export rather for domestic market
- To seek short-term (profitability at the expense of long term social well being and environmental sustainability)

These have great implication for Nigeria and we shall discuss these implications on the following areas of the people socio-political life.

- On the national economic system
- On the masses of the nation
- On the political system
- On local culture

### 6.1. Globalization and national economy

*When the third world nations become independent of colonialism after a long period of freedom struggle, they embarked on massive efforts to develop their reserves and eliminate poverty, the development of economic growth based on rapid industrialization... The goal was not only to eliminate poverty, but also to catch up with the first world in modernization. But the net result of the past few decades of development have been summarized in the Cliché, 'the poor becoming poorer and the rich becoming richer' (Kurien, 1994: 51-54).*

Actually, the forces of economic globalization are bringing enormous gains to some, while for others they are in all a devouring beast. The economic globalization assumes the increase of "free trade" and the tragic consequences of the adoption of free market paradigm in socio-political and economic relation are enormous to Africa. Some of these consequences as highlighted by Muthunayagom (2000: 116) are:

- Labour is not allowed to migrate from developing countries to the First World. When migration is allowed, labour is admitted under the guise guest workers who will not be entitled to civil and political rights.
- Exotic consumer items required by the First World are produced by cheap Third World labour.
- The state authorities must approve economic liberalization, privatization, and free marketisation. The state must accede to the stipulations of the IMF which include liberalizing inputs, relaxing price controls, deregulating industrial production, promoting export orientated industrialism, toning down the budget support to public sector, reducing the taxes and excise duties of import items and many other market friendly suggestions all in favour of the west exercise. The foregoing implications of globalization on the developing nations make one assume that the phenomenon only favour the

Developed capitalist nations, whose principal institutions are “world competitive” who have nothing to lose but every to gain from “free market economy” and Structural Adjustment policies (SAP) (Muthunayagom, 200: 117).

To show that the dream of Nigeria, immediately after the attainment of independence, of becoming an economic virile nation has been butchered by the long process of her integration into this global capitalism, the economic commission for Africa, reports that: “African’s share of global export of goods and services has declined from 4.2 percent in 1985 (before the introduction of SAP and consequent globalization) to 1.8 percent in 1999 after the introduction of this capitalistic agenda aimed at further exploiting and marginalizing the continent” (2000: 3). In fact, her contribution in the global GDP is only about 0.22% presently. But before the systematic implementation of the globalization agenda, she accounted for 2.4% in 1980. Similarly, Nigeria’s share in the world trade in 1960 was 4.00% but currently her share in the world trade is about 0.20 14% Accounting further for the radical decline in the nation’s contribution to the global GDP and the world trade in the present globalization programme, Aluko writes, ‘Africa (Nigeria) government has not been able to protect themselves or have refused to protect themselves, against the onslaught of globalization, because of her indifference to free enterprise, free trade, deregulation and privatization. Thus the level of development in majority of the countries in Africa has deteriorated since 1980 and continues to deteriorate’ (5).

The main instrument used against the national economy that causes the spiral deterioration is the devaluation of the Naira. Nigeria determines the value of her currency by the standard of the U.S. Dollar. This is an evil signal; it denotes intention of the U.S.A to homogenize African countries (Nigeria in Particular). It could be noted that in 2000 the value of Naira fell from about N85 to \$ to N146 to \$ in September 2005 and N192 in 2009. The devaluation takes increase toll from month to month in response to the IMF/World Bank, claim that Naira is over valued for global trade. The consequence of the devaluation is that the per capita wealth will reduce considerably. This will overtly affect the country in the world market. Further consequence of the devaluation of Naira is the influx of second-hand goods (Belgium material or rather Tukombo) into the country since after the devaluation in September 1986. Today second hand cloth, footwear, vehicles and spare parts are the only goods an average Nigeria can afford. Because of the increase in the production cost at home and the dumping of inferior or second hand goods from abroad, the Nigeria industries have been collapsing one after the other in rapid succession. The public sector parastatals and institutions cannot be maintained at their pre-devaluation standard. This is because of the increase in the cost of imported goods and local inputs. This has given rise to the quest for privatization of the public sector, having been accused of inefficiency

The devaluation of Naira grossly affected agricultural production, Aluko also observed particularly on the cocoa export that, “Nigeria in 1985 produced and exported 300,000 tons of high grade cocoa, but 1998 the total cocoa export fell to only 150,000 tons of poor quality” (Aluko, 200: 7). It could also be noted that the devaluation of Naira has had adverse affect on the country’s pre-oil traditional export commodities, namely, cocoa, groundnut, palm oil and palm kernel. These commodities have consistently faced weak world demand and are decreasing in the world market prices. It is therefore not surprising the country lost a substantial proportion of her share in the world trade of these commodities. For instance, the share of cocoa beans

dropped from 82.2 percent in 1965 to 59 percent in 1999, coffee dropped from 26 percent to 13 percent, groundnut (shelled) from 61 percent to 33 percent, palm oil from 60.2 percent in 1962 to 1.5 percent in 1999 and palm kernel from 92.7 percent to 17 percent in 1999 (Abuja, 1999: 136). The reason for the drop in supply of these agricultural products are attributed to what happened in 1986 when cocoa marketing board, like other agricultural commodity marketing boards, was abolished, hence, cocoa export trade was privatized and the government assistance, regulation and promotion ceased. The productions of cotton, groundnut, palm produce and rubber have also experienced similar fate. The summary effect of all these to the nation is that she entered into serious debt crises.

Globalization when seen as forceful absorption of Africa and the entire third world into world capitalist economy controlled by western financial institution- IMF,WB,WTO- could therefore be considered as a calculated attempt by the western world to increasingly disintegrate the national economics through privatization, deregulation and trade liberalization. This in turn rapes the country's industrial potentials and accounts for the economic inequality that sustains the global capitalistic economy. The cumulative effect of the dwindling national economic trend has been summarized by Karen (2001) as follows, "Two-third of humanity lives under the influence of economic globalization but are largely excluded from its benefits. Eighty five percent live in countries with emerging market, which together have only seven percent of the global market capitalism value" (9). Bamidele (2004) gives insight into the matter as he maintains that globalization has led to the polarization within and between countries. The class system caused by globalization can be seen at three levels of relationship: thus

- At the top - people who integrate firmly into the global economy, who direct the activities within it. This level involves everyone from the global economic managers down to the relatively privileged workers who serve the global production and finance in reasonably stable job.
- At the middle- those who serve the global economy in a more precarious employment, the expanding categories of class are segmented by race, religion and sex. This is as a result of the restrictions in production by post colonialism.
- At the lowest level -those in superfluous labour. These are excluded from the global economy with those who serve it only as potentially destabilizing forces (26).

By this categorization, Africa (Nigeria) is found in the third or the down level. Globalization in this sense becomes an instrument for the promotion of inequality. In agreement with this assertion, Aluko and Bamidele blame the Nigeria share of the lowest level of the inequality table in the global economy chart on the government, therefore Bamidele writes, "The predicament of the African state did not start at the independence but begins as result of the African states inability to defend itself, maintain its authority, and protect its population during the colonial period. The colonial powers were not interested in state making and did not need any legitimacy or approval of the local populations. Africa (Nigeria) was merely established as a conduit for extracting sources (31). The over-all effect of globalization on Nigeria is that the country has suffered a great set back in the course of her unprepared integration in the global capitalist system. Rugumanu (2001) summarized the situation as follows:



*... The on going process of globalization, regionalization and liberalization are imposing entirely new sets of complex challenges to the political unstable, debt-ridden development and technological backwardness on national economics... Since the late 1970's, the social and economic conditions of the country have been widely rated as deplorable in the world. This has been ambiguously reflected in the weak growth in the productive sector, poor export performance, mounting debts, deterioration in social conditions, environmental degradation and increasing decay in the institutional capacity (47).*

## 6.2. The effects of globalization on the general masses in Nigeria (Workers)

The effect of economic globalization on the general masses of this country is overwhelmingly devastating. According to Harkins (1996), "it is wild time to be alive, it is a time of crises. Both individuals and families and the nation stand at the cross-road of desperation. Due to poverty, breakdown of families are on the increase on daily bases. Crime and drug addiction have also become normative in Nigeria" (14). The masses- the poor and the vulnerable- the bulk of the population are still outside the realms of "free global market". The global free market had only made unfulfilled promise to the masses as it maintains that the benefits of globalization would automatically percolate down once the momentum of growth takes place in the industry, agriculture, and other services. We notice that inspite of all these promises, there is great unemployment, poor salaries/wages and non prompt payment of salaries and wages. Only goods and finance capital are permitted to move unhindered around the globe, while the people who sell their labour are not allowed. It was Ibhawoh (1999), who gave reason for this general experience of the average Nigeria, he says,

*... But even at that, the World Bank and IMF concede that whatever macro economic gains that have been made have come at the great social cost and these gains have not always been manifested in micro-economic terms. In other words, even in countries where Structural Adjustment has been implemented, the living conditions of the common person have not improved significantly, if anything, they have deteriorated (Ibhawoh, 1999: 160).*

In order to understand the assertion of Ibhawoh that globalization and its positive effects have been achieved at the expense of great social cost, which has resulted in significant deterioration of the living conditions of the masses, we must re examine the purpose and philosophy behind the free market agenda. Fundamentally, the powers of the global Transnational Corporation are derived from their unique ability to use finance, technology and advance marketing skill to integrate production on a global scale in order to form the world into one economic unit, and as a global shopping centre. As a result, the Transnational Corporation (TNCS) does not bring large capitals to the host countries rather they aim at taking huge profits out of it. In like manner, they do not generate employment, as their technology is not labour intensive. Profits maximization is their goal and not development. This has great consequence for the socio-economic life of the Nigerian citizenry. The first effect, of this economic philosophy of globalization is that it renders the people hosting it redundant.

It is worthy of note here that SAP driven economy regards the provision of people with meaningful employment as function mainly of sustained economic growth. This explains the policy of downsizing “or” “Rightsizing” currently been carried out in the Nigeria public sector of the economy. It is against this background that Sagamunu, gave the statistics of employment opportunity in Nigeria under the global capitalistic agenda at 14%. According to him under this condition, the government polices lack explicit employment generation progarmme for the masses (71). The situation result in two grave consequences for the Nigeria populace: the first being the polarization of the civil society. Accordingly, professional, upper class, politicians, and upper- middle classes have emerged. They live in great affluence in a country where  $\frac{3}{4}$  of the population do not have access to portable water, electricity, and even kerosene. This is happening in a country where increasing number of graduates are unemployed (Aluko, 2000: 12). The second consequence is that severe unemployment has hit the nation Karen, explicitly stated the matter thus, ‘... A massive number of manufacturing jobs have moved out of high cost labour market and employment has shifted drastically to services sector. Women (and sometimes children) are recruited as cheaper and more docile sources of labour than men. Workers rights and protection are sacrifices for the sake of economic interest... Unemployment is an ever-present threat to labour force’ (82).

Now using the oil and gas industry in Nigeria as a case study, let us resume the evaluation of the overall destructive effect of globalization on the masses in Nigeria. Notice here that globalization process in Nigeria has brought about the situation where the key players in Nigeria major economic base are foreign privatized companies. They include the Anglo-Dutch, (Shell), the Italian group, (Agip), U. S. Based, (Exxon, Mobil and Chevron) and the French (Total). Each of these companies is in joint venture operation with Nigeria National Petroleum Company (NNPC), which holds the majority share of 50% in each unit of the joint venture. These companies however, are the operators of the joint venture and are responsible for the daily policy and operational aspects of the business. The companies implement the policies and decisions that are handed down from their home bases. By the globalization process in this crucial sector that started in 2003, the companies decided to use the global work process and resources through the adoption of streamlined regional administrative structure to marginalize the Nigeria workers. Currently, the administrative headquarters of such regions are based in Europe. Let us therefore register our observations and the economic implications of this policy.

### 6.2.1. Observations

The implementation of the globalization policy was resisted by the Petroleum and Senior Staff Association of Oil and Gas (Pagassan) in a press release published in September 2003. The union made the following observations.

For the exploration and production (EP) sector to achieve globalization in business across the world, shell planned to organized the business on a regional basis and have regional offices for Africa, America, Asia Pacific, Middle East, Russia/Central Asia and Europe. Each of these regions is assigned regional directors responsible for affairs of all the shell companies in each of the region. The globalization process took effect in January 2004, while all the other regional offices had their regional headquarters in their respective regions.

The headquarters of African region was located in The Hague. The excuse for the unfortunate development was that Nigeria lacked the infrastructure, like transport, communication, electricity and security to support the regional office. Unlike other regional offices/organization, none of the African regional directors is an African despite the contributions of Nigeria to shell group.

### 6.2.2. Implication for the masses

This has resulted in the mass sacking of Nigerians in Shell Corporation and their consequent replacement with expatriates. This accounts for the retrenchment of over 40% of Nigerians in Shell group. Nigerians who remain in the company will not attain managerial positions. This is because all appointments and promotions at such senior level would be processed and approved from Hague, were the African regional office is located. There will be drastic reduction in employment opportunities for Nigerians into Shell Nigeria. Most Nigerians would only be employed as casual labourers and contract staff. In spite of the fact that Nigeria operation accounts for 90% of Shell business in Africa and 40% of Shell exploration and production income world wide, the company has no intention to reinvest any of its huge profits from Nigeria into development of Nigeria infrastructure as it does in other countries, where it operates like, Oman, Brunel and Malaysia. In summary, the overall effect of globalization on the Nigerian masses is increasing poverty, promotion of deadly disease, prostitution, child labour, human trafficking, short life expectancy and high mortality rate. Therefore in the words of Mittleman (1996) "Globalization has set in motion conflict among the competing TNCs" (43).

### 6.3. Some negative effects at the political level

According to Bamidele "globalization is the process through which sovereign national states are undermined by the transnational actors with varying prospects for power, orientation, identities and actions" (27). In order to understand clearly the political import of Bamidele's assertion, one needs to have an idea of the function of a sovereign state. We shall adapt Max Webber's category of the function of the state as our working paradigm. According to him, a legitimate state must possess the following properties:

- An unchallenged authority within the defined boundaries under its control.
- It must have a monopoly of the legitimate use of force within its borders.
- It must rely upon on the impersonal (rule of law) in the governance of its citizens and subjects.
- It must have the powers to extract resources for its own support.
- It must have an unreserved ability to make rational rules for the state.
- The respect for the civil rights of her citizens and subjects must be a constitutional matter, which must be inviolable. (Harbson and Rothchild, 2000: 16).

Given the above necessary requirement of a state, it becomes obvious that the issue of sovereignty is a non-negotiable character of a state. A state therefore must develop a 'raison d'etre', "a sense of nationalism in the citizens and subjects of a state and this is developed through the state's ability to maintain security throughout its territory" (Bamidele 32). Furthermore, state must be capable of enjoying a relationship with other independent states in the international system. The state must be able to provide and protect the images and expectations of her citizens and subjects. While it is imperative that the notion of a state's

sovereignty should be capable of ensuring the supremacy of states authority, it should also maintain such authority through policy initiatives. Therefore, the state through its legitimate authority must be able to command some degree of power. This is the power to sustain its capacity to command loyalty and authoritatively allocate resources within and outside the state.

Having briefly stated the ideal functions of a sovereign state, we shall now consider whether such authority or function is being exercised by Nigeria under the new global agenda. The examination of the power structure of the country will simply reveal though disappointingly, that the powers of the state to fulfill these expected functions has been radically eroded. The Transnational Financial Corporations have unwittingly crises-crossed the national boundaries and violated the notion of national sovereignty in the bid to build a strong market capitalism. Globalization, therefore, destroys every democratic principle and creates the ascendancy of market capitalism as the only accepted paradigm to assess state efficiency. The ethos of globalization emphasizes competitiveness of the market. Therefore it is upon the faithful acceptance and implementation of the imposed economic reforms of IMF, WB, WTO etc that any African country (Nigeria) could be accepted or rejected in the global world system. Aluko, decries the erosion of the sovereign powers of the states by the global institutions as he writes, "...In poor countries, more especially in Africa, polices are the offshoot of the structural adjustment programme imposed on the countries since the 1980's on the insistence of the International Monetary Fund (IMF) and World Bank (WB)" (13).

To sustain the assertion of Aluko above, Ibhawoh and Okome respectively made reference to the Nigeria experience during the Babangida regime. Both scholars noted that owing to harsh economic realities that the structural adjustment programme brought to the Nigeria populace, the administration decided to do in 1988 a budget with 'human face'. This aimed at ameliorating the suffering of the Nigeria citizens. These measures were to subsidize fuel for civil servants, make provisions of mass transportation, and create National Directorate of Employment (NDE) and the open apprenticeship programmes. IMF considered these schemes as a deviation from their imposed policy on economic reforms in the country. Okome (2005) reported their actions thus:

*The multilateral and Nigeria's external creditors considered the refractory tendencies of 1988 budget a departure from their expectations. The World Bank and IMF opposed the regimes spending on developmental projects, particularly, Ajaokuta steel plant. Consequently the World Bank Withheld \$500 million trade and investment policy Loan. The pressure from WB and IMF forced the government to use extreme force to implement their conditionalities on the people (67).*

Against this background, we can assert with certain degree of authority that globalization is anti national government. "Globalization from the point of view of IMF and WB enjoins budgetary austerity, currency devaluation and loss of national economic sovereignty and controls all fiscal and monetary policies of the country" (Aluko, 2000: 7). Globalization negates democratic principles by imposing structural reform on the people without due consideration to the domestic social forces. This contradicts the democratic ethos of consultation, compromise and popular consent in decision-making. Globalization also compromises the

position of a nation as sovereign independent state. Notably, the national decisions on economic reforms and adjustment are not taken by the domestic actors but by the external institutions- IMF and WB, as it were. The mounting presence of foreign advisers or their allies, like Prof. Soludo, Dr (Mrs) Ngozi Okonjo Iweala,, Oby Ezekwesiri etc who are (IMF/WB staff on secondment to Nigeria) and placed in strategic places of the state policy making organ, like the Central Bank, Ministry of Finance, The Presidency etc. by Obasanjo administration is a glaring manifestation of how IMF and WB undermine the authority of the Nigerian state. Their presence in such sensitive positions suggests the probability that their policies serve the interest of the capitalists West and of the IMF and WB

Globalization has not in anyway created an enabling environment for the promotion of civil liberties, rule of law and fundamental human rights of the citizens, which are indispensable element to true democracy. The Press, the Nigeria Labour congress and her subsidiary organizations and human rights organization have been severally cajoled, molested and intimidated by the state in order to maintain the imposed global capitalistic policies. Therefore, in the words of Adejumo (2004), "Globalization offers a voodoo democracy, it symbolizes the triumph of capitalism or capitalistic value, and installations of dictatorial rule over the civil society" (274).

In summary, globalization subverts the authority and powers of the state. It imposes heavy constraints on the internal management dynamics of the states. Therefore the government finds it difficult and almost near impossible, under global capitalistic arrangement, to attend to the genuine needs of the governed. Globalization creates a near impossible situation for the government to provide social insurance services/benefits, which is one of the essential functions of the government. This has caused in many cases, the erosion of social cohesion and the weakening of domestic political stability. Hence globalization affects developmental thinking and actions of developing countries. It relegates ethical equity and social concern behind market consideration as it reduces the autonomy of the state. It threatens the discretion and autonomy of the state. Globalization encourages 'decreasing' national control over the internal economy of the state by outsider players.

#### 6.4. Negative effects of globalization on the Nigerian culture

Globalization trend has also had an adverse effect on the national (African) culture. "Culture links us to our historical past. It spells a particular way of people's behaviour, ways of acting and thinking. Culture also defines the value system, customs, education and knowledge of a people. Culture is the vehicle through which knowledge, beliefs, arts, morals, laws, customs and any other capabilities and habits are transmitted to members of a community from generation to generation" (Daniel and Glick, 1992: 39). Accordingly, culture consists of values and rules we live by, our ideas of good and evil, our language and our religion. However, for Africa this great phenomenon (culture), that gives people identity, personality and individuality has been obscured by globalization. The hegemonization of culture by the Western world or rather America, is an overt attempt to leave us here in Nigeria without identity, individuality and personality. The overall effect on us is that we become mindless atoms in the material world. "We become a people without any historical past. Maduagwu (2003) lamented the corrosive effect on our cultures as he observed that since our experiences

with colonialism, “African countries (Nigeria) have (has) been unable to independently articulate or chart their (her) history, culture and identity” (52). The cumulative effect therefore is that our “culture is largely influenced by the perception and worldview cultivated as a result of slavery as well as our colonial and post-colonial education and finally by the current trend in economic globalization consequently we undervalue the potential contributions that our cultural heritage can make to our contemporary developmental efforts” (Bello, 1998: 12).

The globalization of ones culture invariably means the destruction of the cultures of other places to which the globalized culture spreads, “since the local culture may not have the resources or power to resist its conquering impact” (Okure, 2001: 67). Western culture globalization promotes individualism, consumerism, corruption, a one-sided free trade and adopts money/ economy as the gage for the value of persons or nations’ worth. These have negative impact and influence on the African culture, which is human-centered. African culture and values (in its original form) values people and human life over things and material gains. Africa culture is centered on caring, sharing and hospitality. Contrary to the Western culture, African culture has an in-built network of human relationship that defines the peoples worldview as, “I am because we are and because we are I am” (Okure, 69). Contrary to the African humanistic culture, the economic culture promoted by globalization requires the survival of the fittest. It is a competitive culture and as such it does not have any room for the poor and the marginal people. Economic globalization distributes culture that is hostile to the poor and the environment, it has invaded and weaken the African culture of solidarity, love and concern for the common good of all and has destroyed deep seated respect for the land and the sacred, giving rise to consequences that are fatal at all levels of life in the traditional African society. Culture influences morality and ethics of people and diverse cultures provide the dynamics needed in nature by humanity. But with the adoption of a general technological culture as a paradigm of measuring human value and progress, humanity stands to lose its essential variety provided by nature in creation.

## **7. Conclusion**

From the socio-historical excursion undertaken in this paper, we notice that globalization has unleashed great suffering upon Nigeria and upon Nigerians as citizens of the pillage nation. The suffering is holistic as it takes its toll on all realms of national life, social, political, economic, cultural and ethical. In this direction, Gridens A (1996) observes that, “increasing globalization is not matched either by political integration or by the reduction of international inequalities of wealth and power” (72) Thus, Globalization induces poverty to an alarming and uncontrollable proportion Globalization has spelt woes and suffering to Nigeria in particular and African in general. Globalization has been a threat to international peace and security. It has promoted crimes both in the national and international scenes through the instrumentality of advanced technologies. To substantiate this fact the Human Development Report of 1999, says, “globalization has aided crime in the international level as the tools of trade and commerce has been converted into tools of crime as the multinational corporation have led the drive to globalize world’s economy, so the crime multinationals- the organized crime syndicate- have been quick to exploit. Therefore drug cartels have found a host of new

opportunities to launder their profits” (May 22 2002 8). Through globalization of free trade and mobility of labour, drugs, arms, money and people are illegally moved freely from one nation to the other. The health sector is not spared the devastating blows of globalization, hence, Anyakaoha observes, ‘Globalization has some relevance in the health sector as there is great recent upsurge in global transmission of pathogen by traders, invaders and natural carriers. Acquired Immune Deficiency Syndrome (HIV/ AIDS) has hit with a speed and scope made possible only by open borders and unprecedented mobility’ (6).

These great devastations done in all sphere of our nation have affected our psychosomatic and spiritual personality adversely. The pertinent and urgent question shall be, which way Nigeria, which way to go? To continue the slave-master relationship orchestrated by the contemporary global capitalistic politics might mean serious danger to our culture, however, to revert and detach ourselves from globalization seems unrealistic and impossible. Then what do we do? We are therefore at the cross road of history. It is a lamentable situation that after over forty-five years of independence, we are still a paradoxical toddling giant of Africa. Even in spite of all the so-called reforms that have been embarked upon by both the military and civilian governments yet no significant or revolutionary developmental changes has occurred rather the anticipated benefits of all the so called reforms are still a mirage and an utopia. It seems right to accept at this point that all the reforms, social, economical, political, constitutional, agricultural etc, have no African or Nigeria human face. They were based on western materialistic ideology rather than African humanistic philosophy. We have failed to humanize our policies. African community has always been a community with human face and communal orientation. Therefore, to overlook such basic/ foundational principle is to build on a wrong foundation. This has plunged us to the abyss of material and spiritual poverty that we are experiencing in Nigeria. It is the aftermath of adopting globalization capitalistic ideology as a working paradigm for national development. It is building on a wrong principle. Nevertheless, since we cannot extricate ourselves from the new global world order, we therefore have to chart a course of introducing human face and feeling in the inhuman and faceless globalization ideologies.

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