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Globalization And Its Effect In Nigeria Public Service

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ABSTRACT
The study aimed at analyzing the impact of globalization on the economic sovereignty of Nigeria. The study posits that globalization undermines the National Policy of developing countries. Its methodology pivots a critical analysis of secondary data. Its findings reveal that indeed globalization undermines the capacity of the Nigerian state to pursue independent economic policy. It however recommends amongst others the need for Nigeria to organize her economy to strive for more democratic global systems in order to enhance her bargaining power. This should be done in addition to increase her volume of trade, investment and communication through economic diversification.

INTRODUCTION

Today, the phenomenon of globalization has become one of the most frequently discussed topics in social science. The common notion behind these discussions is that the physical spheres of human activities are being globalized more broadly and more deeply than in any other times of history, and that this trend in turn bring significant changes in various human activities of economic, political, social and cultural dimension. Thus researchers from various academic disciplines have been trying to grasp aspects of this phenomenon and try analyzing and predicting the impact that the concept-globalization will bring to the human society.

Globalization in reality for better or for worse touches lives in ways most people never can imagine. The rise of the internet and recent advances in telecommunication has boosted the already surging train, thinks to the spread of satellites television and international media network. However, political scientist and social scientist in general are concerned with a number of issues arising out of globalization in its various manifestations. These includes: the erosion of the authority of the nation-state, aboriginal rights and citizenship, migration and inter-racial and ethnic conflict and the tension between human and civil rights. Globalization appears to have threatened the community and authenticity of local culture which has given rise to social movements protesting against perceived homogenization of culture, Hele (1997-26).

A unique feature is the process of globalization as the rise in the giant companies, which operates in and influences national economies throughout the global. Little wonders why analyst of the opinion that host counterviews of theses globalize multinational cooperation's are prone to gradual loss of their economic sovereignty.

This study therefore looks at entire significant aspects of globalization, analyses and its impacts on the economic sovereignty of Nigeria.

OBJECTIVES OF THE STUDY

As the time space for human activities feel compressed by the phenomenon of globalization, politics and economy of country seem to be rather easily exposed to the influences from outsides its boundary, Holton (1998:21). In line with the above, the objective of the study will include:

i. To examine the effect of globalization on Nigeria economic sovereignty.
ii. To examine the context of the political economy of globalization in Nigeria.
iii. To appraised the challenges of economy sovereignty vis-à-vis globalization in Nigeria.
iv. To identified and proffer necessary solutions to the impact of globalization on the economy sovereignty of Nigeria.

CLEARIFICATION OF CONCEPTS

Due to the plethora of concepts within the social science discipline, it becomes imperative to operationally define certain concepts within the context of its usage in the research work.

Thus, the following concepts will be defined.

i. **SOVERIGNTY:** this simply means the ability of a state to make state to make its decisions and policies without the ability of a state to make its decisions and policies without an internal or external interference.
ii. **GLOBALIZATION:** this concepts within the context of it usage of defined as the process of the intensification of economic, political, social and cultural relations across international boundaries

iii. **ECONOMIC SOVERIGNTY:** this is the ability of a nation-state to determine the values, goals, targets, direction of its economic policies including its growth pattern without any external interference.

CONCEPTUALIZING SOVERIGNTY

The concept of sovereignty is inescapably related to the very existence of the Nation-State. The basic concept about the sovereignty of a nation-state seems to lie in the notion that a state monopolizes the supreme and exclusive rights to control affairs in a given territory. Abercrambie (2002:6) present two key features of sovereignty. Internally, it means states command over its subjects. Externally, it means that states are subject to no higher authority. From this conception of sovereignty, flows are the equality of all members of international society. The doctrine of sovereign equality means not equal capability but equal rights. Various forces arising from globalization process are said to affect the sovereignty of nation-state through specific mechanisms.

Holton (1998:36) classified these forces into four broad categories and his illustration seems to be a useful tool to conceptualize the matter. According to him, the most significant arise from the global economy which entails the dominant role of Multinational Corporations (MNCs) and the global capital markets. The next challenges is the transnational bodies such as the World Bank, International Monetary Fund (IMF), World Trade Organizations (WTO), the United Nation (UN), the World Economic Forum (WEF), G8 etc. the remaining two forces are international laws and hegemonic powers. These forces undermine the sovereignty of nation-states.

The developments of global capital market and the role of multinational corporations (MNCs) are widely reported to undermine the sovereignty of nation-states. Strange (2006:26) noted that transnational bodies and international laws also affect the sovereignty of nation-states. The EU, he noted has already launched an effective single currency system, which is rapidly replacing the national currencies of its member states. The African Union (AU) is planning to emulate the European Union, while the ECOWAS is equally thinking in that direction. The structural adjustment policies of (IMF) are widely said to be the most important economic policies in many developing countries. All these cases illustrate well enough the strong challenges of international organizations and laws to the sovereignty of nation-states.

On the basis of these challenges lies the rapid development of modern technology. Strange (2006:29), refers to this as the most important factor that will cause the “retreat of the stat”. However, strange presents some specific aspect of technology which affects the sovereignty of nation-state. According to him, the developments of nuclear weapons have undermined the primary reasons for the existence of the state.

On the contrary, scholars such as Hirst and Thompson (1996), see the nation-states as the main player that still holds its power and sovereignty. They admit that in certain areas the role of the state has changed radically and its capacities to control its people and domestic social processes have declined. However, Hirst and Thompson (1996) argue that the issue of control at this point is one of governance and not just continuing roles of the government. According to them, governance is a function that can be performed by a wide variety of public and private institutions and practices. And they contend that the nation state is still central to this governance functions; state distribute power upwards to the international level and downward to sub national agencies to keep the system of governance together.

As Ohuabunwa (1999:20) once opined, globalization can be seen as an evolution which is systematically restructuring interactive phase among nations by breaking down barriers in the areas of culture, commerce, communication and several other fields of endeavor. This evident from its push of free-market economics, liberal democracy, good governance, gender equality and environmental sustainability among other holistic values for the people of the member states.

The process of globalization is implied by the series of cumulative and conjectural crisis in the international division of Labour and the global distribution of economic and political power, in global faineance, in the functioning of national states and in the decline of the Keynesian welfare state and the established social contact between Labour and government. In fact, its hallmark free market capitalism has been aided among other factors by the sudden thought expected changes within the physiology of global political community, Ohmae (2006:29).

Very critical to our understanding of globalization as it affects states sovereignty in the dire need to use it as synonym for liberalization and greater openness. The implication of this is that both domestic and foreign liberalization are said to imply globalization, since the former brings domestic markets more in conformity with forces operating in markets abroad and the removal of administrative barriers to international movement of goods, services, labour and capital increases economic interactions among nations, Madunagu (1999:53).

It is within this purview that we can argue that globalization is mainly a phenomenon of economic subjugation. Its two prongs are (i) Foreign Direct Investment (FDI) and (ii) International Portfolio Flows. Thus, a global economy is one which dominated by transnational forms and financial institutions, operating independently of national boundaries and domestic economic considerations. The implication of internationalization for African countries and Nigeria in particular is that world goods, factors of everywhere in the world. Hence, it would be difficult to identify a national economy and consider nation states as distinct economic identities with autonomous decision making power in pursuit of national objectives. This indeed, explains why the IM issued a query to Nigeria in respect of over 400 billion naira meant for capital expenditure in the 2001 budget and why the IMF and World Bank (two bodies that are driving forces of globalization) contributed enormously in the drafting of the Nigeria 2001 budget, Eriemo (2002).

Without any gainsaying, the unique features of the globalization process are the globalization of "National policies" and policy making mechanism (Chete, 2003:29). National policies (including economic, social, cultural and technological) that until recently were under the jurisdiction of states and people within a country have increasingly come under the influence of international agencies and processes or big private cooperation's and economic financial players. This has led to the erosion of national sovereignty and narrowed that ability of government and people to make choice from options in economic, social, cultural policies. Most developing countries have seen their independent policy making capacity eroded and have to adopt policies made by other entities. In addition, large cooperation's (MNCs) have taken over a large part of decision making at the expense of the power of the state or political and social leaders.

Daouas (2001:5) however noted that part of the erosion of national sovereignty is due to the liberalization unchecked power of big players and speculators, have made it difficult for countries to control the level of their currency and the flows of money in and out of the country'. Transnational companies and financial institutions it was noted controls such huge resources, more than what many (or most) government are able to Marshel, that they are thus able to have great policy influence in many countries Dacous (2001:6) noted further that certain technological developments also undermines the economic sovereignty of most developing states. For example, the establishment of satellites TV and the availability of small receivers and the spread of the use of electronic mail and the internet make it difficult for governments to determine and cultural or communications policy or to control the spread of information and cultural products, and even more important aspect is the recent process by which global institutions have become major makers of an increasingly wide range of policies that were traditionally under the jurisdiction of national governments. Governments now have to implement policies that are in line with the decision and rules of these international institutions. The key institutions concerned are the World Bank, the International Monetary Fund and the World Trade Organization (WTO).

Obadan (2003:29) however noted that the Bretton Woods Institutions (World Bank and IMF) wield tremendous authority in a majority developing countries (and countries in transitions) that depends on their loans. In particular, countries requiring debt rescheduling have to adopt structural adjustment Programme that are mainly drawn up in the Washington institutions. SAPs are used to undermine states macroeconomic policies and have recently also covered social policies and structural issues such as a privitalization, financial policy, cooperation laws and governance. The mechanism of making loan disbursement conditional on these policies has been the main instrument driving and undermining the economic sovereignty of most developing states. And often times the SAPs policies recommendations has been the instrument driving the policy mores of the indebted developing countries towards liberalization, privitalization, deregulation and a withdrawal of the state from economic activities.

Todaro (2007:21) added that loan conditionality have thus been the major mechanisms for global dissemination of the Macro economics policy packages that are favoured by governments for the developed world. He noted for example that the Uruguay Round Negotiations greatly expanded the powers of the General Agreement on Trade and Tarrifs (GATT) system and the agreement under the GATTs successor organization-the World Trade Organization (WTO) have established disciplines in new areas that go beyond the remit of the old GATT, including intellectual property rights, services, agriculture and trade related investment measures. According to several analysis the agreement that emerged out of the Uruguay round establishing the WTO has been an unequal treaty and the WTO agreements and systems (including the decision-making system) are weighted against and capacity of most developing states to make an independent decisions and policies. That the new agreement of required domestic location and policies of members states to fall in line further compromise the sovereignty of most developing countries (Todaro, 21007:23).

Petrella (2008:96) noted that another major development that has undermine the economic sovereignty of states (especially developing states) has been the proposal for a multi-lateral agreements on investment (MAI). The attempts at an MAI in the organization of Economic Cooperation and Development (OECD) have failed so far while attempts have been made to begin negotiations at the WTO for an International Investment Agreement. The original Mai model would require signatory states to remove Barriers to the entry and operations of foreign companies in almost all sectors, allow them full equity ownership and treat foreign investors at least as well as local investors and companies. There would also be no controls over the inflow and outflows of funds, and requirement for technology transfer or other social goals would be prohibited. The multi-lateral agreement on Investment (M AI) and similar types of investment agreement has been another major instrument in getting developing countries to open up their economics.

In all O'Bien (2009:11) opines that contemporary systems of globalization tends to undermine the effectiveness of traditional instruments of economic management. The rapid growth of global financial activities since the 1980s also have severe implications for developing countries in general. While global financial market is acknowledged to play a key role in the allocation of capital around the globe. It is characterized by high intensity and relatively high volatility in exchange rates, interest rates and other financial assets prices. Undoubtedly, these and many more features of the present global arrangements undermine the national economic sovereignty of many third world countries including Nigeria.

THEORETICAL FRAMEWORK

Scholars have developed a lot of theoretical framework in academic researches. Thus there is no theoretical orthodoxy in contemporary social science disciplines, rather diversity of approaches have emerged within the discipline which have all attempted to show that differences in concepts, propositions and orientations, always produce significant differences in the explanation of social life.

One of the prominent approaches is the Marxian approach. In Marx's theory, political ideologies, religion, family organization, education and government make up what he called the superstructure of society. The superstructure is strongly influenced by the economic base of society its mode of producing goods and its class structure. In Marx's view, economic factors control the means of production.

The implication of Marx's perspectives to this study is that globalization involves the transfer of power that has been held by states to other entities often outside their territories. This transfer means that states are weakened and consequently less able to control their population politically and culturally because of the economic power of multinational companies and other supra national authorities which are owned by western powers.

Nation-states power and capacities and their policy options are thus limited on scope by structural form of power of uncertain global economic networks of trade and production rather than behavior form of power. As a result, nation-states can no longer effectively control its sovereignty. The increasingly globalization of the world means that government including Nigeria, have decreasing control over activities within its territory.

This Marxian theoretical framework is also relevant in this study when the perception of their sovereignty by nation-state vis-à-vis globalization is considered. Marx had noted that material conditions n or the production relations create false consciousness which gives people take perception of their materials condition. In the same vein, globalization creates false consciousness which gives nation states false perception of the control of their sovereignty.

THE POLITICALN ECONOMY OF GLOBALIZATION

The globalization of the world economy involves to a large extent, the ability of capital to move freely across national boundaries. Such process of financial globalization calls for greater concern in any developing countries for two obvious reasons. First, unrestricted global finances usually undermine the ability of nation-states to control their national economics (Redice 1984, Ohmac 1999)it is acclaimed that global financial mobility which is mostly facilitated by the development of new communication technologies weakens the ability of countries (particular recipient) to control their national currency. Second, the movement of finance capital is peculiar as it does not face the constraints of fixed location cost associated with industrial capital. In face, finance capital is the most globalised form of economic activities.

For instance, between 1980 and 1990, the volume of gross-border equity transaction and bank lending stock grew from \$120 billion and \$324 billion to \$1.4 trillion and \$7.5 trillion respectively, Kiely (1998:11). Nigeria and most other third world countries exhibit peculiar features, which deprive them the ability to be integrated fully into this global network. Hence it is surprising that the financial global cities are places like London, New York, Paris, Tokyo rather than Lagos, Harare, Calcutta, Cairo Johannesburg etc. An important submission from this is that third world countries economies are unequally incorporated into the global network of financial relationship as free capital movement increased the potential and legality of capital fight on the part of nationals and or financial elites in third world countries.

The impact of global finance has therefore deepened rather widened. This tendency according to Hoogreff (1997:9) will not allow the impact of financial globalization to be felt throughout the world, but in some ways, empowered some nations and increase the vulnerability of others. The actual process of globalization that have occurred have been intrinsically uneven, unequally and unstable.

Another dimension for examining the global political economy as it undermines states economic sovereignty is to examine the understone of the present global arrangement in the location of productive capital which analyst also believe to be hierarchical. Most transitional companies invest the bulk of their spatial home country, and most of these same companies foreign investment is in other advanced capital countries. Kiely (1998:12). The general believe is that as long as it remains difficult for countries to isolate themselves from the world market place. It will be difficult to deprive countries of the benefit of globalization. However IMF (1997) contends that globalization offers growth prospect only to those national economies that satisfy its requirement in terms of flexibility and competitiveness. As a process, globalization results in clear winners and losers, not just between countries but also within and across countries.

Majority of third world countries can be adjudge as worse off giving by numerous indicators that can illustrate the success of any country in the rapidly integrating world. Globalization preaches openness among countries of the world, but most third world countries lack the potential to achieve positive net trade and the few with such potentials, encounter greater difficulties with international product standards. For instance, the relative percentage share of the industrialization world comprising 24 countries – G8 etc in the world market for manufactured goods (export) rose from 62.1 in 1980 to 72.4 in 1990 while that of the poorest 102 countries altogether which accounted for about 7.9 in 1980 declined in the wake increased globalization to 1.4 in 1990, (UNDP, 1997). This is an indication of increased relevance of the developed countries in global trade and transactions at the expenses of poor developing countries.

Today, what we have is a global economy, which stresses the erosion of national barriers and the movement of economic activities across national boundaries (Allen, 2005:59). Thus structural shift from international trade to investment flows by trans-national corporations (TNCS) generate increased concern as these flow are said to be so mobile that national boundaries can be effectively ignored and so, economic activity can easily be shifted from one part of the world to another.

GLOBALIZATION AND ECONOMIC PROCESS IN NIGERIA

It has been stressed that before the appearance of the term globalization in the socio-economic scene, it has manifested itself in various forms in developing countries of the world (mercantilism, colonization, free trade, multinational monopolies, liberalization etc) Jenkinns (1997). Before independence in 1960, the Nigerian economic was dominated by agricultural product, with agric representing about 70 percent of employment, food supply and foreign exchange earnings. The agricultural produce through has inelastic demand, its price was also determined not by Nigerians but globally by a superior body in the form of marketing boards. In the post independent Nigeria the perceived money illusion and the consequent oil boom of the early 70's, made as the single larges source of revenue in the economy. The organization of petroleum exporting countries (OPEC) not only determines the price but also the quota of petroleum products across member's states. This makes the producing nations submit their economic sovereignty to a super body all in the name of moderating and regulating prices and volume of this product according to international standard. What then is globalization, if not a design by the super powers to continuously checkmates the economies of less developed countries, Masha (2002:21).

By the Mid 1980;'s a Structural Adjustment Programme (SAP) was introduced to restructure the economy through liberalization of trade, reduction of dependence on the oil sector, lessen dominance on unproductive sector and promotion of market determined exchange rate with a view to achieving fiscal and balance of payment viability. This IMF/World Bank initiative intend to control (indirectly) economies that seek for initial or other forms of obligations, Albelt, recorded initial success as growth rates turned positive again and major macroeconomic indices performed better than their pre-SAP level, Kwanshe (1998:24). These gains was however short lived, and by the end of 1980's substantial reversals of the gains of SAP resulted in falling growth rates, inflation and fiscal problem expansion. It need be stressed that inflation and exchange rate assumed dimension of serious concern sequel to the introduction of Structural Adjustment Programme. High inflation was experienced in the last quarter in 1987 through 1989 due to fiscal expansion. It rose again in 2002 through 2005, it dropped to as low as 10.2 from 29.3 in 2006 as a result of tight monetary control. A turning point again occurred in 2007 till now due to a lot of factors including financial indiscipline characterizing the civilian government and the various fuel hikes with its attendant multiplier effect. The problem of exchange rate has been catastrophic. It rose in 1999 from ₦89 to $1 dollar to between ₦158 to $1 dollar at the parallel exchange market. This has worsened domestic prices and increased inflationary pressures in the country. (Utomi, 2008:9).

Indeed, the return of civilian administration and democratic governance in 1999, increased optimism for better macroeconomic performance, rising poverty, poor health facilities and lack of basic social over heads are still present. Though proponents of the supportive claimed that globalization will spur economic growth and increased societal welfare through increased integration of national economies, transparency and good governance, the phenomenon have unfortunately had not impacted positively on the life of an ordinary Nigerian. The oil industry today has forefingers at the helm of affairs. The Nigerian Labour Congress NLC (2008) asserts that not less than 500,000 jobs have been destroyed in recent times due to liberalization. Other macroeconomic indices have not equally improved the Nigerian economy rather than responding to the various economic tonic, has defiled must economic antidote because of the peculiarity of the economy. Table 1.1 shows the performance of economic indicators 2002 – 2006.

Table 1: Nigeria selected macroeconomic performance indicators 2000 – 2009.

Indicators	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Real GDP Growth (%)	-0.3	9.4	4.8	2.2	2.4	2.1	109	2.3	1.6	2.9
Current Acc's GDP ratio	-13.9	-8.	-4.6	-5.7	-6.1	-5.8	-7.0	-1.1	5.2	1.6
Investment GDP ratio	13.5	19.8	11.4	12.5	19.7	22.5	2.3	24.8	16.5	22.1
Govt Deficit GDP Ratio	-3.4	2.3	8.5	7.9	22.0	11.7	5.3	4.7	6.9	18.9
Export Growth (%)	0.4	-0.12	0.12	0.31	0.45	0.36	0.37	0.28	0.21	0.16
Debt service GDP Ratio	5.3	12.6	24.4	20.4	20.2	21.5	23.1	26.5	17.4	10.0
International Reserve (SB)	10.2	12.1	12.6	13.7	9.6	14.7	15.6	58.9	56.7	46.9

Sources: African Development Reports 2009.
CBN's Statistical Bulletin, Dec. 2009.

From Table 1 above, we observed that the country's real GDP growth has been on the declining side. Thus economic progress was on the decline and much to low and slow in the period of intense deregulation. The dismal performance of the Nigerian economy has been attributed to two major sets of contending explanation. The first one according to the World Bank relates to political fragility and instability. The second alternative explanation is that put forward by the Economic Commission for Africa (ECA). ECA sees macroeconomic problem in most African countries including Nigeria as resulting from a lack of structural transformation, loss of national values and sovereignty, low productive base. In fact, the dominance of the country's external sector and its openness has left it vulnerable to external dependence and shocks.

AN APPRAISAL OF GLOBALIZATION IN THE CONTENT OF NIGERIA ECONOMY.

Globalization is not a new process, for over the past five centuries firms in the economically advanced countries have increasingly extended their outreach through trade and production activities to territories all over the world. Taylor (2004:6).

The protagonist of today's globalization is the trading and colonizing groups in search of economic gains and empires. The collars of the centrally planned economies of the Soviet bloc was regarded as the triumph of the market over planning and the trend towards a single world economic system began to replace the cold war political and economic dividing lines. The social welfare states, until the collapse of the Soviet Union, were seen as third force between capitalism and communism. According to UNCTAD (2003) the Three main groups of countries/ territories in the world for statistical convenience only, in terms of distribution of developing countries by economic grouping we have 20 major petroleum exporters, 12 major exporters of manufactured goods and 152 others not listed among the classification above. The world economic is also distributed by trade grouping, UNCTAD (2003). In Europe, we have 5 trade groupings. America has 8 trading groups, African 9 trading groups. We also have three interregional trade groupings. The extent and character of involvement of various groups of countries in global market vary considerably. For most developing countries, trade in a limited number of goods and services represent the major form of international economic activities. For others, private capital flows complement their foreign exchange earnings, either through foreign direct investment or through portfolio investment.

The experience of Nigeria and other Africa countries with globalization can be reassessed through their share of world trade – capital flows, foreign direct investment and labour mobility. According to UNCTAD (2004) the developed economies share of world trade in primary products rose from 38% in 1995 to 40.4% in 2005, while the share of former centrally planned economies increased from 0.8% to 3.6%. However, the share of the developing countries fell from 61.2% in 1995 to 56% in 2005, and Nigeria in particular from 1.8% in 1995 to 0.2% in 2005.

Trade in manufacturing also exhibited a similar trend. While that of the developed economies rose from 81.9% in 1995 to 83.3% in 2005 that of developing countries slide from 17.5% in 1995 to 6.7% in 2005, and that of Nigeria from 0.9% in 1995 to 0.1% in 2005.

In all, UNCTAD (2004) noted that the outward orientation, the export led to industrialization strategy and gradual movement from primary products to manufacturing in addition to a trade record of macroeconomic stability through appropriate policy measure have provide the basis for the good performance of the advanced industrial economics in global trade. However, Africa and Nigeria in particular has received les dividends. The share of official financing in total capital flows fell from over 50% in the late 1990s, while official flows declined from $56.9 billion in 1995 to $27 billion in 2006 before declining to something in 2007 through 2009 due to the global financial meltdown, CBN (2009).

On labour mobility, the share of foreigners in the population changed very little over the early 2000 in most advanced countries while there has been a liberalization of restrictions on international trade and capital flows. Between 1990 and 2007, the US allowed 737,000 immigrants from developing countries and Europe, 665,000, which taken together amount to only 0.04% of all potentials immigrant from these countries, UN (2008).

Though there has been a steady dismantling of tariffs and trade barriers over the past five decades, critical sectors of the markets of developed countries remain highly protected against products of export potentials of the developing countries. Trade liberalization has been limited not only to low technology, products with export potentials to developing countries such as agricultural products, textiles, clothing, leather and footwear but also to some capital intensive and higher technology products. Such limitations in trade access as in agriculture make the economic environment for social development less enabling by restricting export opportunities and earnings, hampering diversification and industrialization in developing countries and Nigeria in particular and aggravating structural imbalances in trade capabilities between developed and developing countries as a whole (Aluko, 2003:27).

GLOBALIZATION AND THE CHALLENGES OF POLITICAL – ECONOMIC SOVERIGNTY

There are obvious evidence to show that Nigeria has become relatively relevant in the global economy. The temple according to Obaseki (2000) intensified with the policy shift from trade and exchanges control to economic liberalization. As noted by Iklude and Akwade (2001) the Nigerian financial and economy environment was repressed for more than two decade, as evidenced by the ceiling on interest rates and the various macroeconomic difficulties. This situation inhibited the functioning of the economy especially its ability to mobilize saving and facilitate productive investment.

In response to these developments, the government commanded and extensive reform in the early 1980s known as Structural Adjustment Programme (SAP) and in the present pursues economic liberalization policy of deregulation and privatization. These economic policies were adopted with a view of attracting foreign investors into the country. It is believed that this will stimulate the Nigeria economy by way of providing employment and energizing the entire economy. It was also believed that these people will integrate Nigeria into the globalized world.

However, recent study carried out by a German editor and author, Harald Schumann (2009) has shown that the benefits derivable from globalization are for technologically advanced and rich nations of the world at the detriment of the poor nations. It is a fact that Africa and indeed Nigeria despite the GSM revolution still consistently lagged behind. The poor state of the economy (especially infrastructure) has impeded the growth of technology. This in turn has led to inadequate communication network. Communication is key instrument of globalization. But this is largely in short supply. For example Ajayi (2007) observed that in 2006, Industrial countries accounting for 15% of the world population had 88% of internet uses. In contrast, South Asia, with 20% of world population had less than 1% of internet users, while sub-Saharan Africa with 8.7% of world population had only 0.1% connected to the internet.

A trend analysis of the Nigeria Economy shows that import dependence ratios for consumption, investment and raw materials. A critical look at the economy shows that consumer, producers and investors are chronically dependent on imports. Thus, Nigeria is at the losing end of the so-called globalization process. For instance, the CBN (2009) reports noted that despite the fact that agriculture dominates output, import consumption ratio still averaged over 10 percent throughout the year 2000 – 2009, implying that out of every Naira of consumer expenditure, at least 10 kobo is spent on imported raw materials ratio, which peaked at 57.92 percent in 2000, declined to 27 percent in 2009. On the surface, this is a good development but when combined with the facts that the zedoary sector has been shrinking over the same period under globalization, with the few surviving ones having to cope with low level of capacity utilization, the situation may not be quite encouraging under globalization process.

Finally, the report noted that import investment ratio is even more precarious averaging over 80 percent during the same period. This situation suggest that the capital goods segment of the secondary sector has completely collapsed even at a period when globalization wind is at its peak. Thus Schumann (2009) notyed that enormous potentials of globalization is in danger of being cost, because government in the economically strong nations are not shaping the process of global integration in such a way that the benefits of the global division of labour really do lead to economic success and rising prosperity for all. This is true because as Schumann (2009) further noted, the value of internationally traded goods and services accounted for over a quarter of total world output. With the high increase in world trade, one would have expected an overall improvement in standard of living and general well being of the inhabitants of the earth. But this was not so as could be seen from Schumann (2009) assertions.

Another challenge of the danger of globalization to Nigeria and dependent countries is the International Monetary Fund (IMF). Indeed there has been protests access over the wrong usage of the IMF by the industrialized west.

The above factors plus others too numerous to mention possess serious challenges to enthroning political economic sovereignty in the age of globalization.

CONCLUSION

One of the biggest dilemma for developing countries and Nigeria in particular is balancing the opportunities and problems resulting from globalization is whether they should open themselves up to the globalization process (in the hope of obtaining some of the benefits) or take a more cautions approach to avoid risks which would attract criticism from the mainstream institutions that are sure to lecture the countries concerned.

The challenge is whether developing countries (Nigeria) can take advantage of the deregulation process, which to a large extent is being pushed on her externally, while at the same time avoiding or minimizing the disruptive consequences on their societies and economies. For Nigeria, the ability to manage deregulation and globalization will be a crucial; aspect of National Policy making in the years ahead. The danger that may be foresee at the point is that Nigeria and other developing countries, under the pressures from agencies such as the WTO, the IMF and the world Bank, will go along with the trend and institute a more as well as rapid liberalization policies, without a clear idea of the conditions needed to successfully address the associated risks.

SUMMARY

Concretely put the planetary phenomenon of globalization is nothing but a new order of marginalization. Its universalization of communication, mass production, market exchange redistribution, rather than engendering new ideas and development orientation. Subverts autonomy and power of self – determination. It is rather by design than by accident that poverty has become a major institution in Nigeria and most developing countries despites its stupendous resources. Indeed with globalization, nation-states in Africa today, rarely defined the rules and regulations of their economy production credits and exchange of goods and services due to the rampaging menace of globalization. The reality in Nigeria today is that globalization has made it immensely difficult for government to provide social insurance. Trends like this have been largely dictated by the asymmetry of power that accompanies globalization.

RECOMMENDATIONS

Globalization is about the most recent phenomenon in the international arena. It has but started to again worldwide prominence within the last decades. As it were, the world is set for a global village it seems irreversible. Be that as it may, Nigeria has no option but to go along with the rest of the world. But in doing so, caution must be taken in view of the numerous risk associated with globalization.

It is therefore important that Nigeria should organize her economy to strive for more democratic global systems by widening her policy options in order to enhance her bargaining power. This cooperation should include an increase in trade, investment and communication links at the bilateral level and between regions. While considering her options in the globalize economy, Nigeria should seriously review that liberalization experience and make important conclusion on the balance and mix between the roles of the state and the market.

Further, it is important that Nigeria make law that would enable Nigeria to benefit from investment, china, Malaysia and South Korea. For example has attached tough conditions on investment by foreign corporations. This is to ensure that the investment by foreign corporations also stimulate domestic economic growth and development.

On the political angle, Nigeria should ensure that her electoral and political processes is highly acclaimed good. Election should be conducted in Nigeria, free, fair and credible. This is the only way that foreign investment could be easily attracted to Nigeria, which will further strengthen her political and economic sovereignty base.

Security of lives, properties and investments should be ensured so as to allay the fears of prospective investors.

Legislation should be put in place to arrest certain anomalies in the political and economic sectors of the country. This will enable Nigeria to brace up with her counterparts world over in the present globalization march.

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