

CHAPTER ONE

GENERAL INTRODUCTION

1.1 INTRODUCTION

The Federal Republic of Nigeria has been under illegitimate leadership and governance by the armed forces for over one-and-a-half decades. On May 29th 1999, the people at national, state and local levels gave a newly democratically elected government led by President Olusegun Obasanjo of the Peoples Democratic Party (PDP) a chance to take up the mantle of leadership of the country.

Since the inception of the present government, President Obasanjo has spearheaded some development initiatives on an unprecedented scale towards the issue of globalization, involving social groupings and sectors of the broad Nigerian community. In the economic sector, this new emerging era ushered in open, integrated and participatory modes of development in free enterprise and economic globalization. According to the information available from the National Orientation and Public Affairs Office (NOPA), the office of the President, Abuja Nigeria 27th May 2000, the President has traveled to over twenty countries within his one year in office, in a bid to secure a global interest in Nigerian economic development in the new democratic dispensation (National Orientation and Public Affairs (NOPA) 2000:5).

A cursory reflection on the era of the armed forces' governance in Nigeria reveals that the position of the Non-governmental Organizations (NGO) sector in the socio-politico-economic development of Nigeria can be described as one of uncertainty and

neglect by the military juntas. In fact, Nigeria was cut off from most economically advanced countries and non-governmental organizations (NGO) abroad.

However, the roles of the international community and non-governmental organizations are appreciated in the new democratic dispensation, in the context of globalization and the task of economic development. The principles governing the integration of structural programs, foreign policy and cooperative governance are emphasized within the Constitution of the Federal Republic of Nigeria. (The Constitution of the Federal Republic of Nigeria, 1999, Chapter 11: section : 19 sub-section a - e) as follows :

- i. Promotion and protection of the national interest.
- ii. Promotion of African integration and support for African unity.
- iii. Promotion of international co-operation for the consolidation of universal peace and mutual respect among all nations and elimination of discrimination in all its manifestations.
- iv. Respect for international law and treaty obligations as well as the seeking of settlement of international disputes by negotiation, mediation, conciliation, arbitration and adjudication.
- v. Promotion of a just world economic order.

Thus, the issue of how the present government intends to implement these principles makes this study urgent and crucial. The interest is mainly in the interrelationship between formal and informal, private and public, government and non-governmental institutions that deal with issues governed by these principles. In this study therefore, attempts will be made to determine the importance of good leadership

and governance in promoting sustainable local economic development in this globalization era.

1.2 THE NEED FOR THE STUDY

The Nigerian public sector and its relationship with the international community have been characterized for many years, mainly by discrepancies of various forms and degrees of seriousness such as restrictive policies, lack of coherent infrastructure (inadequate resources such as financial, economic, physical, human and fragmented allocation of available resources to priority areas. This has been a result of military rule for decades since the nation gained independence from Britain in 1960 (Osaghae, 1998: 48).

Osaghae went further to state that the obvious chasm between governmental and non-governmental bodies in human development enterprises further weakened developmental initiatives and strategies. The positive role of integral components of the society such as primary local economic initiatives in agriculture, trade and technology were also undermined, stifled or rendered unduly impotent for ideological reasons by the past military administrations (1998: 48).

Against this background, it is necessary to consider the operations and dealings between Nigeria and both developed and developing countries, as far as the common development endeavors such as human capacity development, community and rural development and general sustainable local economic development are concerned. One major reason that prompted this investigation is a lack of research in this direction in the new democratic government of Nigeria, especially as it relates to governance, leadership and globalization. The

implications of the results of this research may inform or even confound our current understanding of economic and social processes in the new and unfolding setting of globalization.

It may be advisable for all agencies of change and development in Nigeria to position themselves strategically and practically to address the globalization trend that is already unfolded. To this end, one principle of an effective new economic order demands that all nations and governments should bring strategies to harness all resources in coherent and purposeful efforts that can be sustained at local, state / provincial and the national levels of government (Douthwaite, 1996:26).

1.3 SIGNIFICANCE OF THE STUDY

The significance of this research study are as follows :

- i. To highlight the necessity of investigating the potential positive or negative effects of globalization in Nigeria, in addition to investigating the approach of mutual engagements of governance and leadership in the context of globalization and free-market enterprise within and outside the boundaries of Nigeria.
- ii. To highlight the necessity of the role of democracy in global economic participation, for example, the funding and external sponsorship of local projects thereby reducing the state monopoly on other development programs; to narrow the gap between government and non-governmental organizations in Nigeria with a view to achieving a common goal of Sustainable

- Self-reliant Local Economic Development (SSLED); to understand the policy approach and language of globalization; to examine and propose an acceptable strategy for Nigeria.
- iii. To identify areas of weakness in the present Nigerian government's approach towards embracing globalization; to comment on the findings; and to suggest areas of greater or lesser interest for the government.
 - iv. To bring about improvement in service delivery and the quest for good governance in Nigeria in this globalization era.

Any government policy should have a positive influence on the development of the economy and its people. Does the present government in Nigeria intend to embrace globalization, hook, line and sinker? Or does it intend to focus its global involvement only on those issues that are of a clear economic advantage to the people of Nigeria? The major significance of this research is to give some attention to the need for encouraging local economic initiatives through good leadership and governance with a view to developing sound public policy for Nigeria in this globalization era.

1.4 OBJECTIVES OF THE STUDY

- i. To create an understanding of the objectives of globalization.
- ii. To examine the current response to globalization in Nigeria.
- iii. To identify areas of weakness in the Nigerian understanding of the globalization concept.
- iv. To enable the researcher to suggest areas of particular interest to the people of Nigeria, and to the government.

- v. To bring about a broader understanding of globalization in the quest for effective government policies on globalization in Nigeria.

This study will focus on the broad issue of Globalization. It will also deal with the general historical background of Nigeria in brief, coupled with the perceptions of both the private and public sectors on globalization.

Alternative public policy methods in Nigeria's new leadership towards good governance and a new approach to service delivery in the face of globalization may likely be the only way to address several mistakes made by previous governments in Nigeria.

1.5 LIMITATIONS OF THE STUDY

There are several circumstances that constitute limitations to this study.

- i. Time has been a serious constraint hence the study was conducted over a twenty-four month period.
- ii. Several limitations were observed in terms of the official documentation needed for the study, as some of this information was not readily available.
- iii. Some financial constraints inhibited the researcher's ability to explore all the salient issues needed for the study.
- iv. The unpredictable nature of military rule in Nigeria created other administrative quagmires, which also inhibited the study in terms of the political-administrative interface.

- v. This study examined the public administrative constraints on the governance of the state in its implementation of a globalization policy for Nigeria with complex imperatives at the fore front.

1.6 STATEMENT OF THE PROBLEM

Because of various difficulties with reference to the Nigerian government's foreign policy in the past, under military dictatorship, the people and the present government of Nigeria have little or nothing to show for it. Therefore it is understandable that the globalization objectives with favourable outcomes for Nigeria will be supported, not for the primary motive of international relations, but as a re-constructive apparatus for achieving the needs of the people. It is hoped that these objectives of globalization will reflect in the lives and standard of living of all Nigerians. Yet, there may well be an urgent need to counter-balance globalization initiatives with a sharp focus on localization.

For example, the key to the success of globalization in Nigeria rests in the nature of the interaction of the structures and institutions established to initiate and facilitate globalization integration programmes in Nigeria. In addition, the country may be required to deal primarily with other nations on an individual basis and not on a global economic platform. Presently, a number of government initiatives are being undertaken to define and re-evaluate the current and future positions of the Nigerian government and non-governmental institutions with respect to participation in proposed globalization initiatives. In this regard, the international community, as being what they perceive to be a starting point for a better life for all

Nigerians, has placed the present government in Nigeria under the spotlight.

Significant steps have been taken by the government to transform and restructure Nigerian foreign policies. The non-governmental organization development structure, as agents of change is no exception. Therefore, a number of government ministries both at the national and state levels, have embarked upon a process of changing past trends by turning them into real delivery tools of economic development under the new democratic government.

The past military government institutions did not reflect the global democratic objectives of good governance and in view of that have, historically, come under severe attack for rigidity and lack of accountability and legitimacy by the international community. Despite almost two decades of their existence, there is currently no single positive legacy left of that administration for the people of Nigeria. This implies a serious challenge to the present democratically elected government and whosoever will be entrusted with the delivery of advancement and the national participation in the New World global economic development.

1.7 RESEARCH QUESTION

Will the new democratic government in Nigeria be able to deliver better services to the people by embracing attributes of good leadership and governance, given the external constraints imposed by globalization? What are likely major areas of focus by the present Nigerian government in public policy making that will ensure that the

dividends of globalization work for the people and not only for profit-making multinational corporations. Despite all the hindrances that may confront the present government, room still exists for them to transform themselves into meaningful delivery agents of domestic economic development. Furthermore, the grassroots approach in good leadership and governance is an unavoidable imperative in achieving these expected gains. However, this implies much new attention to local-level renewal programs. To this end, the research question at stake is : *“To what extent has globalization impacted on the public policy initiatives of the Federal Republic of Nigeria”*.

1.8 METHODS OF RESEARCH

A descriptive and qualitative study approach will be applied in this investigation. The following sources will provide the relevant material for this research.

1.8.1 Primary and secondary sources

Bless and Higson-Smith, pointed out that when researchers collect their own data for a study, it is called “Primary”. Should they use data collected by other researchers concerning other research problems, this data is referred to as “secondary” (1995:99-100).

Therefore, this study was carried out by consulting both primary and secondary data. The primary sources of information for this study include official files, memos, official government documents, presidential pronouncements and the Constitution of the Federal Republic of Nigeria (1999). The national government web sites, acts

and legislation, published reports and documents have also been consulted. While the secondary source of information for this study includes academic journals, articles, bulletins and periodicals. In addition, direct knowledge as a Nigerian citizen, of the events in the global context as they relate to Nigeria as well as other information gathered by means of observation and discussion with Nigerian diplomats in the Nigerian High Commission in Pretoria, will provide valuable insights and background to the investigation. The ideas acquired in the process also play a significant role in the structuring of the text, and in the formulation of recommendations indicated in the latter chapters of this study.

1.9 DEFINITION OF TERMS

1.9.1 Common market

When the integration of a group of national economies is taken beyond the stage of a customs union by the adoption of common economic policies and the facilitation of free movement of capital and labour, a common market results. The most accomplished example is the European Union (McLean, 1996:86).

1.9.2 Coup d'état

The sudden forcible and illegal removal of a government, usually by the military or some part thereof, often preceded by widespread and prolonged unrest, and precipitated by more immediate grievances bearing directly on the military (McLean, 1996:117).

1.9.3 Civil society

Defined as the set of intermediate associations that are neither the state nor the (extended) family, civil society therefore includes voluntary associations and firms and other corporate bodies (McLean, 1996:74).

1.9.4 Democracy

Like development, the concept of democracy is associated with various core values. When it is conceived as a means, rather than an end, democracy signifies a form, or method, of social control. The literal, classical meaning of *democratia* is "power to the people". As a practical matter, however, "the people" cannot exercise power on a continuous basis (Sklar in Leftwich, et al., 1996:26).

The term "democracy" may be defined in various ways. One may stress political democracy, economic democracy or social democracy. Generally, the most commonly used description is that Democracy implies the existence of extensive political rights and civil liberties, in addition to contestation between parties.

Since the people are rarely unanimous, democracy as a descriptive term may be regarded as synonymous with majority rule. In a situation where all citizens of a country, state, region or organization and so on, take part through the electoral process by majority rule, to appoint a leader or representatives, democracy is said to have taken place.

1.9.5 Fiscal policy

Fiscal Policy may be defined as national government decisions regarding the nature, level and composition of government expenditure, taxation and borrowing, aimed at pursuing particular goals (Black, et al., 1999:271). Fiscal Policy enables the government to raise revenue in order to provide public goods, which would not otherwise be provided by the market, such as the police and the national defence force, among others.

1.9.6 GATT (General Agreement on Tariffs and Trade)

The 1947 General Agreement on Tariffs and Trade emerged from wartime and post-war negotiations. The popularity of this agreement came about after the passage of the Uruguay Round decision with its association with the WTO (World Trade Organization) aimed at creating a “global economy” (Nader and Wallace, 1996:92-93).

1.9.7 Globalization

Globalization is a process integrating not just the economy but also culture, technology and governance. Globalization is more than the flow of money and commodities; is the growing interdependence of the world's people (United Nations Development Programme (UNDP), 1999:1).

To this end the term “globalization” means to convey the increasing linkages among countries or the deeper integration of the world economy by trade, finance, and direct investment and technology. This

interdependence also involves an increasing interrelationship among major policy influences with monetary policy affecting trade policy and feeding back into fiscal policy.

1.9.8 GNP (Gross National Product)

A measurement of the total value-added annual output of goods and services of a country in market value (Chandler, and Plano, 1992:318).

1.9.9 Governance

Ritchken, in Fitzgerald, et al. (1995:195) defines governance as a process through which power and authority are exercised between and within institutions in the state and civil society around allocation of resources. Governance is about “ ... how antagonistic forces with material interest in the state and civil society forge alliances and enter into conflicts so as to access more resources to reinforce power. Furthermore, Governance is a means to maintain social stability and well being through deepening democracy, structuring social relationships and conflicts and ensuring responsive delivery. Governance is not about the impartial mediation of various interests in society, rather it is about promoting a set of values in the context of diverse interests and concerns” (Woodridge & Cranko, in Fitzgerald, et al., 1995:344).

It is important to note that every management and administrative structure needs the major attributes of good governance in order to achieve its objectives. Therefore, leaders in public office may achieve

success only when they begin to take the following issues very seriously :

- i. ensuring good and prompt service delivery;
- ii. practicing good intergovernmental relationships with different tiers of government;
- iii. ensuring social stability;
- iv. meeting the needs of the society; and
- v. deepening the practice of democracy democracy.

1.9.10 Hegemony

When one social class exerts power over others beyond that accounted for by coercion or law, it may be described as “hegemony” that is a chieftain within capitalist society (McLean, 1996, Politics : 218).

1.9.11 Junta

In modern usage, it refers to a military council that rules a country following a coup d’etat (McLean, 1996, Politics : 261). In fact, this has been the major Nigerian experience for over one-and-half decades until 1999 when they had a democratically elected government.

1.9.12 Localization

Using local resources, under the guidance and control of local communities, and reflecting local and regional cultures and traditions within the limits of nature (Norbert-Hodge, 1996:38-39). The overriding development approach involved is local self-reliance. Local

laws and customs are pre-eminent in a localized economy, which should build trust in and loyalty to the locality by all outsiders.

1.9.13 Monetary policy

Economic policy that centers on the control of the demand for, and the supply of money as a means of controlling the economy (McLean, 1996:327). The main tool of monetary policy is the level of interest rates, essentially the price of money, which a government can influence among others, through its debt financing activities on the open market.

1.9.14 People-centered development

“Development” is a general concept that stands for various things such as economic growth and level of affluence, or even social development as measured by a complex set of indicators (Sklar in Leftwich, et al., 1996:24). Development is about people and not about objects. Hence people centered development is a process of change that occurs inside people – either they do it themselves or it does not happen at all.

1.9.15 Policy

Policy relates originally to the ancient Greek word “polis”, the city-state as the unit of government; and it denoted the decision-making and actions of bodies that carry authority within a community. The term gains weight from this association with authority (Gasper, 2000:180).

Policy comprises general guidelines for decision-making. It allows the public manager to use his or her discretion without being subjected to specific restrictions. Furthermore, policy can be manifested in the form of precedents. In the case of a precedent, the example of a decision made in a preceding situation under similar circumstances is followed. Policy therefore, need not always be clearly articulated.

1.10 ORGANIZATION OF THE STUDY

This study is organized as follows :

- i. The first chapter includes the following : a general introduction; the background and rationale of the study; the research aims; statement of the problem and methodology.
- ii. The second chapter of this study deals with some specific theories of decision-making with respect to globalization initiatives in Nigeria.
- iii. The third chapter deals with the background study of Ethnicity, Race and Nations in Nigeria, with a view to giving some historical highlights. These will give the reader a feel for the most populous country on the African continent.
- iv. Chapter four covers the broad aspects of globalization by presenting an overview of this concept, its meaning, controversial issues and different views of both its promoters and critics.
- v. In chapter five, the focus will be on the philosophical discourse around globalization and public interest. Global public ethics and some current theories of public self-interest were considered.

- vi. Chapter six will discuss globalization, democratization and state building mechanisms in Nigeria and how these entities make a contribution to sustainable democracy in Nigeria. The present Nigerian government's globalization policy direction is examined in terms of the new trade policies, so as to pinpoint areas of interest and to maximize the benefits of globalization.
- vii. Chapter seven will look at globalization from the point of view of the participation of Nigeria in global bodies through its global alliances, for example, development and social international organizations and economic blocks such as the United Nations, Organization of African Unity, Economic Community of West African States and the Commonwealth among others. A review of South African-Nigerian foreign policies is undertaken in terms of a comparative perspective of the present Nigerian and South African governments led by Presidents Obasanjo and Mbeki respectively. The issue of globalization is examined by highlighting the similarities and differences in governance in both countries.
- viii. Chapter eight deals with globalization today, some strategic lessons for Nigeria's public policy. Some basic policy paradigms that failed are considered in the light of globalization. Some possible negative impacts of globalization on a developing country such as Nigeria will be discussed as well, followed by suggestions to counterbalance its negative effects.
- ix. Chapter nine deals with unfettered Globalization in Nigeria, some further public policy implications. In this chapter, all the negative implications of globalization are categorized.

- x. Chapter ten is the concluding chapter. It provides a summary, recommendations and conclusions. It also considers some recommendations for further research.