



## GLOBALISATION AND SUSTAINABLE HUMAN DEVELOPMENT IN NIGERIA: WHAT PROSPECTS?

### Globalisation prospects

It should by now have been crystal clear from the preceding analysis that the dual challenge of globalisation and sustainable human development in Nigeria is indeed very great. A country which is the 10<sup>th</sup> most populous state (and likely soon to be among the first five or six most populous nations), is number 57<sup>th</sup> position in terms of world GNP or 51<sup>st</sup> position in terms of GNP measured in purchasing power parity. Nigeria's GNP in 1999 of US\$29.232 is less than one-third of its 1980 GNP. Even if there is an acceleration in its rate of GNP growth to as high a percentage as 10 per annum, it will take about eight years to double the GNP and between 14 and 16 years to bring it to the level of 1980. Given its present 2-3 per cent annual growth rate this will tantamount to a miracle comparable to the Asian miracle. And it is achievable if social discipline exists, if the right development paradigm constitutes the fulcrum of social and development policies and if all the obstacles highlighted in the report are addressed — not in one fell swoop but on the basis of establishing strategic priorities.

Such a development paradigm must be indigenous and not a mimicry of extant foreign crafted strategies. This is precisely the secret behind the Asian miracle — a rejection of foreign strategies and the pursuit of indigenously crafted development paradigms. This calls for supreme self-confidence by the people and by the leadership of the country. It is that self-confidence and social discipline that will assist the nation to develop the capacity to ameliorate the negative impact of globalisation. Both are also required to develop the household and national capability to exploit to the extent possible opportunities that globalisation has to offer — first, to cope and survive with integrity and, second, to grow and prosper by establishing some space for themselves, by looking for and means of expanding their manoeuvrability. The first option, which is one of tactics, must be linked with the second which is strategic.

The evolution of a series of response mechanisms for facing the different challenges is therefore imperative, with different stakeholders taking care of their interest. While globalisation favours the banking and finance sector, it impacts on agriculture and industry,

in their present state, negatively. These sectors are the victims of the liberal interest rates, liberalised trade and unstable foreign exchange regimes. Yet they constitute the real and productive sectors of the economy. Tactical measures have to be put in place to save these sectors from collapse while strategic alternatives to restructure and revitalise them are being worked out.

The survival-tactical kit must also encompass the restoration and strengthening of the country's social sector by empowering community-based organisations involved in production and marketing so that the market economy will function in tandem with the social system. By so doing, the globalisation shrew will be tamed. Although globalisation by its very nature is a force for marginalisation and inequity, weak and dependent and dispossessed political economies like Nigeria can reduce considerably its negative impact through the co-existence of a strong harmony between the social system and the market system.

At the household level, the internalisation of the *tokunbo culture* is an essential part of the struggle for survival. Through the importation of used items which are sometimes so old that they no longer meet the technical and environmental standards of Europe and North America, the Nigerian households are able to have access to such vehicles as *okada*, *kabu-kabu* and household consumer goods as refrigerators, electronic equipment and spare parts.

The *tokunbo culture* is further reinforced by the insatiable demand for forex. Earning of foreign exchange has become, for many households, a cardinal principle of production by individuals and households. Whatever can be sold abroad (including foodstuffs and labour, particularly child labour) are exported so that individual households can have access to forex (Box 8.1). At the strategic level, the three areas with considerable potentials which should be vigorously pursued are

- Rejuvenating and reorientating regionalism.
- Accelerating the operationalisation of the African Economic Community treaty (now the African Union).
- Exploring trilateralism as an additional strategy in between regionalism and globalism.

The last idea may be rather new for Africa but it has worked well in Asia. Trilateralism is a special subset of inter-regional cooperation: it is a combination of all the three principal characteristics of cooperation. It combines regional with inter-regional and south-south with north-south cooperation. But in spite of its multidimensionality, it is usually limited in its membership.

foot-loose speculative direct foreign investment within the realms of possibility — thus minimising the negative impact of marketisation and globalisation while optimising their positive impacts. Developing countries, participating in trilateralism will thus be enabled to become active players in the globalisation process. Nigeria has to invigorate its role as a driving force in

**Box 8.1**

**Globalisation and the evolution of the 'tokunbo' culture**

Perhaps, most crucial to the internalisation process is the struggle for the survival of the middle class as a middle class. The adoption of SAP in Nigeria, for example, confronted that class with the threat of extinction. Some of the more visible trappings of the class — a car, basic electrical and electronic household equipment, etc were getting out of reach as a result of dwindling incomes, inflation and the devaluation of the Naira. One way out was the massive importation of used vehicles, refrigerators, electronic equipment, spares, etc. As the 'tokunbo' comes to the rescue of the middle class from the threat of status loss, it has also become a shaper of aspirations. Those who aspire to middle class status build their dreams around the acquisition of 'tokunbo' items. This is the 'tokunbo' mentality, and it reinforces the 'tokunbo' culture which grew out of the survival imperatives of the middle class. As the 'tokunbo' creates a ready market in the country for Europe's discards, it simultaneously becomes the principal form in which the global consumer culture is realised in Nigeria. Significantly too, it is not surprising that the growing 'tokunbo' culture has sometimes provided a basis for intervention in policy matters by the middle class.

There is another dimension to the 'tokunbo' mentality. This is elevation of foreign exchange earning as a cardinal principle of economic reproduction by individuals and household. Increasingly, economic security is constructed around the possession of foreign exchange or the capacity to earn it. Domestic production processes that do not generate the life wire are only useful to the extent that they keep body and soul together while opportunities to earn foreign currency are explored. Hence, individuals and households find themselves drawn directly or indirectly into global processes. Massive transfers of population from the country, often under hazardous circumstances, becomes a major element in productive work of individuals and households.

'Tokunbo' culture has its beneficial effects. There are many households whose economic survival has hinged on foreign remittances from migrant relations. It could be speculated that a sizeable volume of construction works by individuals as well as urban and rural transportation has been sustained to a large extent through the 'tokunbo' network. The 'okada' and the 'kabu-kabu' thrive on the 'tokunbo' network. However, 'tokunbo' items are used items and they may be so old that they no longer meet the technical and environmental standards of Europe and America from where they are imported. The pollution and health hazard implications are likely to be enormous although there are no systematic studies of these that one is aware of in the locality. Equally critical are the implications of the importation of 'tokunbo' items for the economy. Local manufacturing has not only fallen victim to the massive liberalization of imports that is associated with globalisation, 'tokunbo' items have sounded the death knell to many an industry. The textile industry is one of such. The 'bend down' boutiques have created a massive market for used clothing and discarded wears from the West. And with this, the textile industry groans. Its agricultural feeders suddenly find themselves with little or no market, even as there are massive lay-offs in the industry in the face of production cut-back and complete shut downs.

*Source: Musa Abutudu  
Globalisation and Local Initiatives*

The Asia-Pacific Cooperation (APEC) is a very good example of trilateral cooperation. Its membership includes China, Malaysia and Indonesia from Asia; Mexico and Chile from South America; and, US, Japan, Canada, Australia and New Zealand from the OECD. APEC thus includes advanced industrial countries (including the world's largest which are also frontliners in the globalisation process), newly industrialising countries at the middle stage of development process, and less developed countries which are normally at the periphery. Trilateralism is a form of cooperation that brings rich and poor countries to work together to achieve specific goals. Though modest in scope and coverage, trilateralism provides an attractive window of opportunity.

It introduces a new dimension to inter-regional cooperation which can blur the rough edges of globalisation and paves the way for both regionalisation and globalisation to co-exist. Trilateralism, by opening up the possibilities of a selective approach to the global market, can avoid many of the negative impacts of globalisation. A trilateral arrangement makes selective import protection and imported technology, together with some strategic industrial intervention and some limitation on

regional integration. To succeed, it must be as innovative as possible.

**Sustainable human development prospects**

The prospects for sustainable human development depend largely on the extent to which Nigeria succeeds in achieving the Millennium Development Goals which have been set by the international community at the beginning of the millennium. Nigeria played an active role in setting these targets whose operational implications are set out in Chapter 7.

As Table 7.6 shows, even if Nigeria succeeds in halving the proportion of people living below poverty line, the proportion of underweight Under-5 year olds and the proportion of people without access to safe drinking water, there would still be a large population excluded. 65 million Nigerians are still likely to be living below poverty level by 2015 even if the country succeeds in getting the first 65 million to exit from poverty by 2015; 45 million will still be suffering from hunger and malnutrition even if it succeeds in feeding properly an additional 14 million people.

Similarly, it is projected that there will still be 2.6 million HIV/AIDS-affected Nigerians by 2015; 13.4 million suffering from hunger; and, 44.5 million people being without access to po-

table water. But this in no way distracts from the immensity of the task posed by the millennium development goals (MDG). Given the lackluster achievements of the first year and a half of the new millennium, a hundred per cent success in achieving the goals would tantamount to a miracle.

In addition are the achievement of universal primary (basic) education and gender equity in secondary education by 2005 involving 12.78 million and 4.8 million yearly respectively. Then there is the need to provide access to all of the estimated 10.7 million women who may need reproductive health ser-

three levels of government in Nigeria to cooperate and work together in the true spirit of cooperative federalism with full local participation in policy formulation and programme and project implementation.

### **The Way Forward: Who does what?**

But the task and the challenge go far beyond the capability and capacity of government — federal, state or local — although they individually and collectively have extremely critical and crucial roles to play. Important as those roles are, they are insufficient to face and surmount the multidimensional challenge. All other stakehold-

#### **Box 8.2**

#### **A Better World for All**

Poverty in all its forms is the greatest challenge to the international community. Of special concern are the 1.2 billion people living on less than \$1 a day and the additional 1.6 billion living on less than \$2 a day.

Setting goals to reduce poverty is an essential part of the way forward. Building on the global United Nations conferences and summits of the 1990s, the development goals described in this report are broad goals for the entire world. They address some of the many dimensions of poverty and its effects on people's lives. In accepting these goals, the international community makes a commitment to the world's poorest and most vulnerable — and to itself.

The goals are set in precise terms — measured in numbers to ensure accountability. The openness and transparency of such numbers can help us chart a course to achieve the goals and track progress. But people are not numbers — happiness is not a statistics. These goals are worthwhile because they will improve the quality of human life. The world will be better, and safer, for its 6 billion people and for the projected 7 billion people in 2015.

Goals cannot be imposed — they must be embraced. Each country must identify its own particular goals, its own path to development, and make its own commitment through dialogue with its citizens. In this, the support of the international community is vital. And the high-income countries, because of their greater resources, have much to contribute.

It is essential for all the partners in this development effort to pursue faster, sustainable growth strategies that favour the poor. To spend efficiently — avoiding waste and ensuring that the mechanisms for accountability are always in place. To spend effectively — on activities aimed at human, social and economic development, not on excessive military capacity or on environmentally disastrous projects. And to spend wisely — not committing public resources to activities that can be best undertaken by the private sector.

What are the obstacles? Weak governance. Bad policies. Human rights abuses. Conflicts, natural disasters and other external shocks. The spread of HIV/AIDS. The failure to address inequities in income, education and access to health care, and the inequalities between men and women.

But there is more. Limits on developing countries' access to global markets, the burden of debt, the decline in development aid and, sometimes, inconsistencies in donor policies also hinder faster progress.

What will it take to overcome these obstacles? True partnership — and a continuing commitment to eliminate poverty in its many dimensions. Our institutions are actively using these development goals as a common framework to guide our policies and programmes and to assess our effectiveness. We cannot afford to lose the fight against poverty. And we must be unshakeable in our unified desire to win that fight — for everyone.

*Source: 2000 Progress towards the international development goals.*

*Kofi A. Annan*

*Donald J. Johnston*

*Horst Kohler*

*To transform Nigeria into a developmental state with a universal acceptance and practice of personal and social discipline and with a political leadership that sets the example through its actions and lifestyle are two of the fundamental messages that run across the Report*

vices.

If Nigeria is to become a real player in the globalised world this is the very minimum that must be achieved within the assigned period. Each of the nine goals addresses an aspect of poverty and together they are mutually reinforcing. Therefore, progress is needed on each of them simultaneously in order to impact positively on the country's human development and move it from low HDI to medium HDI rank by 2015.

While the goals will not be easy to achieve, they are all doable if there is the political will and commitment. Indeed, a growing number of select developing countries have succeeded in halving the proportion of their people living in poverty in less than one generation. What is required is the ability for the

ers must be mobilised.

The civil society, non-governmental organisations, community-based organisations, the private sector and organised labour all have different roles to play. And so are the members of the political class and their political parties as well as religious leaders and their religious organisations. There must also be a gender perspective: the special role of women must be appreciated and strengthened and women fully mobilised and integrated. And the youth must be given all the opportunities and the wherewithal required to play their full role.

Indeed, it must be an all-inclusive endeavour: all hands must be on deck. It cannot be repeated too often that development and transformation cannot proceed without the full participation of the people. It is therefore imperative that Nigerian rulers must perceive popular

participation as the centre piece in human development and act always accordingly by yielding place to all stakeholders to exercise reasonable leverage on policy formulation and implementation.

In this connection, it is worth recalling the proposition advanced in Chapter 2 that while in this era of globalisation Nigeria cannot but think globally, prudence and enlightened self-interest demand that its leaders and stakeholders should act locally in order to prepare the nation to face squarely the challenge of globalisation.

Our discourse throughout this Report has not been limited to analysis and advocacy: concrete proposals for action have been put forward. It will be a duplication of effort to attempt a summary, apart from the danger that such a summary may not be all-inclusive. What has been made abundantly clear is that there is much that needs to be done to turn the Nigerian political economy around. To transform the country from a predatory to a developmental state is the overarching message of this Report. This requires strong development leadership with the capacity to mobilise and energise the stakeholders.

The second message which runs across the Report is the need for social discipline on the part of the people as a whole and self-discipline with high ethical code of behaviour by the political and administrative leaderships in the legislative, executive and administrative branches of governance. Without social and self-discipline, significant and sustainable forward movement will be nigh impossible and until the leadership at all levels and in all spheres have learnt to exercise the highest sense of responsibility in the discharge of their respective duties, Nigeria will remain a very difficult country to govern. Nigerians are convinced that their leadership are the victims of the do-as-we-say-and-not-as-we-act syndrome. This has over the years led to mistrust of the government by the governed.

Thirdly, the leadership must do all that is humanly possible to reconstitute self-reliance as the credo for national rebirth. Without Nigerians being totally engaged and completely immersed in forging and actualising their country's development and transformation process, the country may achieve growth but certainly not fundamental development which is not limited to changing the physical structure but also includes changing the outlook and attitude of the people in the process, particularly their attitude to work, to savings and investment. No society that has gone through a process of socio-economic transformation has ever remained the same. The political system and the social and cultural systems are also transformed in the process. But it is possible for a country to achieve a high rate of growth in its GDP without embarking on a process of change and transformation. Self-reliance requires minimally that the people forge their development paradigm and are all engaged in policy

formulation, implementation and evaluation.

Finally, Nigerians must learn to manage the economy efficiently, honestly and transparently. Poor management leads to corruption, abuse of power, wastage of resources and, of course, poor governance. This in turn limits capacity for sustainable human development and effective participation in the globalisation process. In such circumstances, an increasing proportion of the population would be entrapped in poverty rather than be exiting from it. And a high incidence of poverty exacerbates civil strife and political and social instability. Poor management of the economy entraps a country in a vicious circle from which it is difficult to escape.

These four messages are fundamental to the charting of the way forward. Without their full observance and operationalisation any such charting will be an exercise in futility. It is only when these four messages are taken seriously and are pursued vigorously that credible priorities and a firm foundation for sustainable human development and increasing effective participation in globalisation would be established. A rich menu from which to choose has been provided throughout the Report but, as has been argued right at the beginning, every effort must be made to prioritise rightly by doing the first things first.

These would mean focusing on the following

- Full and efficient utilisation of the country's under utilised industrial and agricultural capacities including massive reduction in post-harvest food losses.
- Improvement in the domestic competitiveness of the Nigerian economy by the provision, in an adequate and cost-effective manner, of basic infrastructural facilities. It must always be remembered that the highest degree of domestic competitiveness is required for being competitive in internationally. It requires more than openness and deregulation to make a country become a net gainer in the globalisation process. Competitiveness holds the key.
- Invest massively in high qualitative and technological education, particularly in ICTs and biotechnology.
- Implement fully the United Nations millennium development goals.
- Continue with the existing programmes of modernising and professionalising the federal civil service through training and through the introduction of ICTs to all levels and branches of the civil services. Similar programmes should be extended to the States Civil Services and Local Government Administrations
- Strengthening partnership between the civil society and the state so as to ensure

effective popular participation in the development process

In conclusion, this Millennium Report by re-emphasising the obvious but fundamental proposition that development is by choice, not by chance and that only the people of a country can make development possible as well as sustain it and that the choice must be theirs and no one else's is pleading for immediate action to operationalise it. And in mak-

ing the choice, full cognisance must be taken of the imperatives of globalisation and the need for a poor developing country to establish its own niche on the platform of which it can grow to become a robust player in the global economy. This is a challenge and an historic opportunity to grasp. There is always the certainty that future generations, children and grandchildren will pay the price if the present generation fail to grasp the opportunity now.