

## Globalization and the African Economy

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### ABSTRACT

The phenomenon globalization is an ideology propelled against the peripheries by the centres, for their socio-economic and political benefits the world over by the capitalists. This paper is therefore set out to interrogate the activities of the globalization on African economy/the forceful integration of Africa into the world capitalist markets. The paper will also examine the impact/effects of globalization on African economy and its attendant consequences/problems on the economy of Africa. Secondary/primary data are used in this work. The paper concludes that weather or either African should continue to blame globalization been responsible for the economy downturn in African soil today and recommendations are proffered in order to ameliorate the major consequences of globalization in African society.

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### I. INTRODUCTION

The concept globalization is a socio-economic, cultural and political ideology adopted and spread all over the world precisely in the developing countries in the name of economic advantage but reverse is always the case considering the nature of exploitation the concept hinged on. Towards the end of the 20<sup>th</sup> as well as the commencement of the 21<sup>st</sup> centuries, the concept manifested in political and economic activities worldwide. This epoch has been marked by the dominance of capitalist values, institutions and growth of technology. The concept is however, designed among the developed and the developing countries contrasting in the area of socio-economic transformation, poverty, corruption and inequality among the African states. While the advanced countries has continued to developed in the area of science and technology, socio-economic and communication system. Today, groups, societies, corporate bodies, organizations and individuals are highly touched by the invisible hands of globalization, therefore, provoked series of reactions and views as to its benefits or its adverse impacts on people of Africa and other countries of the world.

This paper has unravel the danger of globalization and free-trade on African countries, the phenomenon is seen to have restricted Africa to mainly a producer of raw materials as well as centres for consumable finishing goods manufactured by the developed world. The economic meltdown in Africa and precisely Nigeria are so obvious reason why in 2015 that make the Academic Staff Union of Universities (ASUU) to agreed that African's economy has already been butchered and x-rayed by the forces of globalization in the recent times. Although the continent has every necessary advantages in the area of both natural and human resources but heavily relied on her former colonialists and global economy order and became a good source of transformation for the developed world of America and Europe as well as the new emergency capitalist of the Asia continent at the detriment of African societies. Globalization refers to the perpetual integration of economies and societies among the world. Wade, assert that globalization of the economy includes the growing of internationalization of trade, capital, investment, finance, businesses and the technology of production.

Globalization is certainly not new and has received major attention especially in the last few decades. It is on record that globalization is taking place at a faster pace Dreher *et al.*, the dynamics of globalization occur not only to the economic sphere but are also tangible and perciceptible in the areas of transformation and communication. Therefore it is easy to observe and agreed on the vast flow of capital, goods and services around the world observing the collections of images and ideas across the national boundaries through antenna and television set. The benefits of the African countries of this concept are not enormous because of their specific problems in all of the area of development.

In the light of the foregoing, the work is carried out so that the African leaders can take all necessary steps to harvest potentials benefit from trade, technology and investment among others through implementation of good programs and policies. The present socio-economic activities of Africa clearly observed that the continent need over hallow surgery in order to meet with the global competition for economy growth and

transformation on importation of foreign goods with lack of sound social infrastructures such as health, good road network, electricity, poor agricultural facilities, water system and education among others.

## II. CONCEPTUAL CLARIFICATION

### Globalization

The term globalization has some basic numbers of studies which scholars used in various aspects of global economic, socio-political and cultural units of analysis in order to arrive at the definition of the concept. Therefore, globalization refers to the process of integration and intensification of socio-economic, political and cultural interactions across international borders, which fundamentally targeted at creating global being around the global communities. JRC/OECD assert that globalization is a multidimensional and affects all sphere of economic, cultural, environmental and social-up of relations between states and nations from the five continents. These include eventually may establish transnational of cross-national cultural, economic, political, social and technological interactions. This links eventually may establish transnational structures and a global integration of various cultural, economic, environmental, political and social processes on scales which are at the level of global, international, national, regional and local Renne&Mertens. It is evident proof that the push of pre-market economic, liberal democracy, good governance, gender equality and environmental sustainability among the people of Africa.

Kwanashie, opined that globalization is an integral part of human history. In its broadest sense, it is a part of human history. Emphasis today is however, more focused on the economic aspect of the process. He further argues that in this context globalization is a process of increasing integration of national economies with the rest of the world to create a more coherent global economy. It is thus, a process of shifting autonomous economies into the global market, the systematic integration of autonomous economies into a global system of production and distribution.

According to Moses, globalization refers to a profound socio-economic and technological interaction that now pervades the entire world. The rapid and constant networks of communication among all people of the world have shrunk the world into a “global village”.

I want to submit that, globalization is synonymous to colonialism, a twin brother to colonialism who manifested after the total collapsed and demised of colonialism in the late 20<sup>th</sup> and the beginning of 21<sup>st</sup> centuries to swept the left over resources left in the area of social, economic, political, and cultural development for the benefit and continue transformation of the developed countries at the detriment of African societies.

### Theoretical Framework

This study is anchored on dependency theory following the nature of the discourse which largely explores interlink between the African economy and the global owners of capital in the globalized world. It tends to explain the crisis in the developing economies in the light of their integration into the world economy. This integration was established through colonialism and has been perpetuated through neo-colonialism. The theory tries to unmask the real reasons behind third world underdevelopment and poverty. It situates these factors in the exploitative relations between the north and the south and the various mechanisms which the north has developed to arrest development in the south. The theory which was rooted on the Marxist analysis of the state as an instruments of capital accumulation, exploitation and subordination is explain more elaborately by Dos Santos as quoted by Obi, thus:

*A situation in which a certain group of countries have their economies condition by the development and expansion of another economy, to which the formal is subject. The relations of interdependence between two or more economies and between these and world trade assumed the form of dependency when some countries (the dominant) can expand and give impulse to their own development while other countries (the dependent) can only develop as a reflection of this expansion. This can have positive or negative effects on their immediate development. The dominant countries have a technological, commercial capital resources and socio-political predominance over dependent countries (with predominance of some of these aspects in various historical moments). This permits them to impose conditions of exploitation and extract part of the domestically produced surplus.*

The export of capital and the globalization of the third world created a system of unequal exchange between the colonies in Africa, Asia and Latin America and the metropolitan centers of Europe and America. The former were producers of raw materials, providers of markets and places of investment while the latter, provided manufactured goods and finance capital. (Amin), (Wallestine). Unequal exchange leads to the development of dependency relationship where the third world has their economies condition by the growth and expansion of another economy (Dos Santos). A world capitalist system was created with centers in Europe and America and peripheral nations in Africa, Asia and Latin America. (Wallestine) noted that the world capitalist system was divided into three centers: the core, semi-peripheral and the periphery. The emergence of socialism

in Soviet Union in 1917 and China in 1949 provided a challenge and alternative to the capitalist order. Consequently, a bipolar world the global structures to unipolarism, hence the celebration of globalization.

The main proposition of the dependency theory includes:

- i. Dependency theory explains a situation of subordination of one nation by the other to the extent that the subordinate is incapable of autonomous action.
- ii. The theory is an outcome of colonialism and imperialism. It described the extent to which an economy is structurally disadvantaged in international division of labour.
- iii. The theory challenges the idea of interdependence among nations, which implies equality and complementarities.
- iv. The dependency relationship was built during the colonial days when the economies of the third world nations were structured to suit the needs of the colonizers.
- v. The theory believes that it is the same dynamics that brought about development in the core countries that also brought about underdevelopment in the third world.
- vi. The theory believes that if the exploitative relations between the north and the south remain unchanged, the south would continue to wallow in poverty and underdevelopment.

The theory will helps us to analyze the extent to which developing economies are structurally disadvantage in international division of labour due to weak industrial and technological base, that lack autonomous capacity to exploit, control and managed its natural, economic and human resources without falling prey to the dictates of foreign economies and other interests.

The global economic order sustains an asymmetrical relationship, which produces global inequality and enhances distorted development. The underdevelopment of these developing countries, therefore, has a functional relationship with the development of the developed countries, and the modern world system permits the advance 'core' to drain the 'periphery' of its surplus especially through the activities of MNCs of whose home countries are capitalist north.

### **Globalization and the African Economy**

Without doubt, the global system is entering a new era. The end of the twentieth century has ushered in unprecedented and largely anticipated changes, at least, not with the rapidly and decisiveness with which the changes occurred. There is now almost unanimous agreement that the African economy is not improving in any fundamental sense (Adedeji). To make matter worse, African states are not developing the necessary capacities to participate in, and exploit the new opening in the capitalist-driven global order (Ihonvbere). It is in this regard, that prompted (Camdesus) to assert that:

*Indeed, especially in the case of Africa, let us be clear that the task now before us is to ensure that these countries gain more and more from opportunities afforded by the closer integration into the world economy that such a globalized world can offer them. If they fail to take advantage of these opportunities, the risk of their marginalization will only be increased.*

The above position clearly reflects the paradoxical location and the role of Africa in the emerging global division of labor and power. The end of the cold war and the increasing integration of the global economy with the triumph of the market and the demise of communism, have posed several challenges and opportunities for African continent. On the other hand, there are opportunities to fully integrate into the emerging global capitalist order to exploit the developments in science and technology, the new information revolution and the expansion of the global market (Ihonvbere).

From the 16<sup>th</sup> to early 19<sup>th</sup> centuries, Africa played an important part in the growth and development of the world economy, albeit only as a source of slave labour for the white settler plantations and mines in the New World. During the nineteenth century, the continent was progressively transformed as an additional source of industrial raw materials for European factories and also as market for goods from the factories (Williams) &(Inikori). The struggle for overseas colonies was the major expression of globalization in history.

There have been always many issues that have not systematically created consensus among Africans and between Africans and their partners, some of whom have complicated relations with Africa marked by the colonial experience and unequal global system. However, in the 60s, there were shared euphoria, high hopes, expectations, and confidence in a brighter future for Africa that characterized the independence movements and the United Nations Development Decade. It has been a long time since there was such global convergence of enthusiasm accompanied by internal and external commitment to contribute to the means for Africa's advancement.

During his speech to African heads of state and government in Lusaka in July 2001, United Nations Secretary-General Kofi Annan, made it clear that "Africa must reject the ways of the past, and commit itself to building a future of democratic governance subject to the rule of law. Such a future," he continued, "is only achievable on the condition that we end Africa's conflicts." Earlier, in his report on Africa in 1998, Annan had

stated: “for too long, conflict in Africa has been seen as inevitable or intractable, or both. It is neither. Conflict in Africa, as everywhere, is caused by human action, and can be ended by human action” (Annan).

In this context, the African continent, once accused of “making a false statement” (Rene) in the 60s, is being wooed by the twenty-first century giants, in particular the United States of America, China and India, not to mention its longstanding France/Africa and Commonwealth friends. Africa is waking up, courted by the heavy weights. Indeed, during the past half-century, Africa has generally undergone genuine change. Despite a measure of economic marginality and geopolitical downgrading that left it on the sidelines of globalization for a long time, it seems at the beginning of the 21<sup>st</sup> century, to be growing again at an annual average rate of more than 5% in the last few years. Many factors underlie Africa’s gradual integration into the “global village”. Owing to greater interest shown by some major countries, there is now a genuine African, El Dorado. Its oil accounts for one third of the total imports of China, which is now the continent’s second largest bilateral trading partner ahead of France and after the United States of America. South Africa is one of the world’s leading exporters of coal and has gold and platinum reserves, among other minerals (it has become Africa’s major economic player with 45 million inhabitants and a GNP of approximately US \$130billion, that is, a quarter of the entire continent’s GDP). Nigeria and Angola, the second and third largest oil producers in Sub-Saharan Africa respectively, accounted for two thirds of Chinese imports from Africa in 2007 (Algeria, in the north of the continent, was on par with Nigerian in terms of oil production).

China has also found a promising market for its businesses (it is already the main trading partner of Egypt and South-Africa), with products tailored to the purchasing of many African inhabitants. In 2007, bilateral trade amounted to \$73.3 billion and China had an \$8billion trade surplus with Africa. This example also applies to India which, following a recent breakthrough in Africa, experienced steady growth in bilateral trade to \$25billion in 2007. Close ties have been established with most of the African continent, in particular, West Africa. In addition to expanding its commercial impact, India’s goal is still to ensure secure hydrocarbon supplies. Despite this great dynamism referred to as ‘African exceptionalism’, the growing interest of political powers in African raw materials in the new strategic world order, remarkable macroeconomic figures (6.7% GDP growth in 2007) and the rise in ore and oil prices, soaring food prices and record population growth (an average of 5.5 births per woman) have wiped out capitalized benefits. This has compounded the effects of the world crisis, which has hit poor countries hardest (drop in foreign investment and in migrant remittances, capital flight, sharp decline in commodity export earnings, and so forth).

On the other hand, globalization has become a phenomenon with disastrous consequences for governments and the people of Africa, such as: the integration of African economies into the capitalist economy has made “colonialism” provide a legal tool for the dependence of African economy on western economies. Privatization has intensified the integration of African countries in production and finance global systems, encouraging the flow of capital investment and attracting the ownership by foreign capital of former public-held companies. Africa became the dump place of a series of products (at literature, cinema or music) that have little to do with African people, obliterating African culture and leading to a Eurocentric vision of reality. Globalization subverts the autonomy and self-determination of African peoples. The burden of external debt of the developing countries in 1994 had already reached 2 trillion dollars, according to the World Bank. Mass poverty caused citizens to be deprived of a meaningful existence. The lack of governmental incentives to local production, the subversion of local production by high imports, the exchange rate devaluation and the depletion of foreign reserves are some of the effects of marginalization and underdevelopment caused by development agents as a result of globalization. Due to globalization, it has not been easy for African governments to ensure social protection, one of their core functions and the one that has helped many developed nations maintain social cohesion and domestic political support. Furthermore, globalization also damaged the natural environment of Africa. We can mention here that Niger Delta and the Ogoni in Nigeria were particular, affected by oil exploration in the region, which has ravaged marine life and environment, has affected the supply of drinking water, land for agriculture and caused a number of diseases.

How, then, can Africa free itself from such an intolerable situation? For many people, mainly religious men and scholars, such as Engelbert Mveng, “the reconstruction Africa must first start with regaining the spirituality empirically rooted in African cultural values”. When Africa is able to meet those ancient cultural values again, modernized by education and sublimated by religion, it is reasonable to expect the corruption that has “invaded” Africa primarily due to the perverse association between economy and politics will be reduced and economy will be directed by law, which will be defined by politics, and politics itself will be led by ethics. Then, and only then, will African societies be civil and civilized. But, how can a dynamics of confident sustainable growth of African be operationalized, a dynamics strong enough to eradicate the evident injustices that devastate the continent at this time of irreversible globalization?

### Impact/Effects of Globalization in Africa

Globalization has impacted on growth, income and employment opportunities in most of the developing countries with specific interest in Africa. It was expected that globalization would cause a great increase in production that will lead to development. This means that globalization would lead to an increase in production followed by social (welfare) instead it has benefited the rich and further widened inequalities between industrialized and poor countries. The problem of unemployment and poverty has not been eradicated in African countries during the era of globalization.

Globalization has affected Africa in many ways. It has produced new more extrovert in the continent i.e. Nigeria and South-Africa integrated in a poverty Africa world. An African relaying its lost soul by another hybrid one; in African endeavoring to take hold of its destiny without, however, being in a position to control it socially, economically, technologically and even culturally.

In the area of system and institutions, globalization has impacted negatively on the social system and institutional nurtured during and after colonialism in Africa. The socio-economic capitalist system inherited after independence, based on import of manufactured goods and export of raw materials has been made to serve the capitalist market. The market forces appears to downplay the role of the state and emphasized placed on the ability of individuals as entrepreneurs. Globalization also influenced IMF, World Bank, WTO and other financing club and institutions as a veritable instrument of globalized economic interactions were heavy capital profit are made at the detriment of African countries among other nations of the world. The impression created in African economy by globalization is highly misleading. Collins asserts that:

*Our leaders are currently a process of self-destruction of our societies in the name of an Utopia no less irrational than the beliefs of the solar temple ... this Utopia is the idea of the worldwide market in which the people of the world related to each other directly as individual, and only as individuals and globalization (linked in turn to acceptance of the unchecked freedom of capital to have move across national boundaries) is a process of trying realize this idea.*

Globalization has also impacted negative changes in the marriage institution in African societies. The institution of marriage and family system has been witnessing profound changes in respect to mode of contracting marriages from traditional to churches/mosques and court marriages. The identity of marriages in recent times such as dresses, rings, gown, cake, and perfumes among others has reached enormous modernization. The phenomenon of single parenthood has now become global with all its destructive effect on the children and society in Africa.

Globalization also affected the African cherished social system and values that are pro socio-economic and political development of the continent. The bastardization of this values and social belief system dated back to the era of colonization process in the 19<sup>th</sup> century by Britain, France, Germany, and Portugal among others, Hitherto existed sound defined kingdoms, empires among others in Africa.

Many of these institutions mentioned were brought together to found various states and countries today were capitalist interaction were imposed on them for the benefit of the metropolitan cities of the developed world. Colonial administration, taxation and currencies were introduced to these pre-capitalist societies (Ake).

Consequently capitalist relations were nurtured, nursed in Africa and the continent were carefully integrated into the global market system as a producer and supplier of raw materials. Globalization has also imposed on Africa the capitalist value in the guise of universal civilization. These values include some belief in individualism, market principles and political democracy. All these were enunciated in the era of the rise of capitalism in its struggle against the feudal absolutism.

Another effect of globalization on African countries is the issue of Structural Adjustment Programmes (SAPs). This is a response to financial crisis of debts, deteriorating term of trade, droughts, wars, increase in oil prices, political upheavals and inflation all showing global growth. The programmes consist of condition ties under which loans are first intended to complete the public finances. The reforms aimed at funding a lasting solution on economy crisis in Africa rather aggravated serious economy confusion set in African economy sectors. Declining in share of Africa in world trade, investment and technology of information constitute another sign of weakness in its integration. The World Bank 1996, on the global economic prospects of developing countries assert that, integration of African countries among others into the global economy in recent times has been due very unevenly, integration is much more slower. Therefore, the SAPs were not effectively helped in Africa to integrate in the global economy.

Despite these destructions caused by globalization in African soil, globalization has some major significant impact in the area of information transfer. It combines progress in electronic, computer and telecommunication which came up with an highly dynamic process of storing, transmitting and presentation of information. Others increase worldwide spread of liberal democracy, huge efficiency gain in production, major technological advancement, increase environmental consciousness, intercultural communication, enhanced consumer satisfaction, e-mail, WhatsApp, Facebook and presence of network such as MTN, 9mobile, Airtel,

Glo, among others make communication businesses easier, faster and quickly. All these mention if properly utilized it will go a long way to improve economic development of African societies because all forms of development largely depend on them.

### **Consequences/Problems of Globalization in Africa**

- i. **Sexually Transmitted Diseases among others:** According to the UNAIDS/WHO AIDS Epidemic Update, sub-Saharan Africa remains the region most affected by the AIDS epidemic and is home to two-thirds (68%) of all people affected with HIV worldwide. It is estimated that 50% to 80% of tuberculosis (TB) patients in Southern Africa are also HIV-positive. Indeed, TB is considered to be responsible for about 1500 deaths every day in Africa. In 2005, the WHO Africa Regional Committee adopted a resolution declaring TB an emergency on the continent. Equally biting is the problem of malaria; in fact, 90% of estimated malaria deaths worldwide occurred in Africa. One in every five childhood death is caused by malaria and it is estimated that the disease costs Africa more than US\$12billion in lost GDP every year.

The link between the above-mentioned diseases and development is easy to establish. So, too, is the link between such diseases and the enjoyment of human rights, particularly socio-economic rights such as the right of access to healthcare services. Much less obvious, however, is the link between HIV/AIDS, TB or malaria and globalization. It may be argued, though, that the ability of African countries to respond to these diseases is dependent on their ability to climb out of poverty, enjoy favorable terms of trade, implement and control fair patent policies on medications, all of which are issues linked to globalization. An argument could be made in favour of globalization and its contribution to addressing health problems in Africa; for example, through the role of the Global Fund to Fight AIDS, Tuberculosis and Malaria. Indeed, there is no denying fact that such initiatives have had some positive outcomes. However, these outcomes seldom reach the rural poor who form about 80% of African populations. Apart from the strings attached and the problem of “globalized dependency” that was referred to earlier, such initiatives usually fail to achieve the intended results. For example, grants from the Global Fund in Uganda were stopped in August 2005 when serious financial irregularities were discovered within the Programme Management Unit of the Ministry of Health. This is yet another African challenge, to which we now turn our attention.

- ii. **Conflicts:** One of the main challenges underlying the relationship between development, democracy and globalization is in the form of never-ending regional and internal conflicts. Today, there are several on-going conflicts in various African countries including Somalia, Ivory Coast, the Democratic Republic of Congo (DRC), Sudan, Nigeria and Uganda, among others. In all there are more than 20 recent or on-going conflicts in one form or another in African continent. Several factors are often mooted as cause of these conflicts. One factor is poverty. It has been argued however, that poverty “does not simply exist but is created by the manner in which a region is integrated into the global economy.” Yash T., argues that the process of globalization breeds violence and conflict when it continues to produce inequality, poverty, environmental destruction and unprecedented concentration of economic power in the hands of a few while the majority are marginalized and excluded. This is how Africa has become a victim of globalization.

It has been observed that some of the deadliest conflicts that have taken place in Africa in the recent past can be traced to the expansion and domination of transformation corporations. Examples usually given are those of the war in the oil-rich Niger Delta, the longstanding civil war in Angola involving “blood diamonds” and the ongoing conflict in the DRC centered on the exploitation of the rich mineral reserves. The same may be said of the recent conflict in Sierra Leone, Nigeria, Sudan, Liberia and the Great Lakes where people have taken up arms to fight in oil, diamond and copper wars. Those arms themselves, moreover, are supplied by none other than transnational corporations and foreign governments. The role of transnational corporations, as agents of globalization, in the escalation of conflict and violations of human rights in Africa cannot be over-emphasized. The negative impact on democracy and development is obvious.

- iii. **Corruption, Poor Governance and Mismanagement:** In many parts of African countries today, corruption has spread like wildfire. According to the 2008 Corruption Perceptions Index (CPI), Somalia is the most corrupt country in the world. The CPI also shows that Sudan, Guinea, Chad, Equatorial Guinea, Democratic Republic of Congo, and Zimbabwe (all African countries) are among the 12 most corrupt countries in the world. The high levels of corruption in other African countries such as Nigeria, Malawi, Uganda, Burundi, Kenya and Sierra Leone are also well known and pronounced.

It is important not only to realize that corruption, poor governance and mismanagement are “children of one parent”, their effect on economy growth and development should also be noted. As one commentator has stressed: “widespread corruption stunts economic growth, undermines political legitimacy, and demoralizes public officials and ordinary citizens.” These sentiments were echoed by the South African Minister of Education (then) Kader Asmal at the 9<sup>th</sup> International Anti-Corruption Conference in Durban where he stated that:

“Corruption, maladministration and poor governance do more than undermine economic stability; they undermine government in the eyes of the people. They lead to a pervasive cynicism about politics and politicians, which is disastrous for democracy.”

Corruption, poor governance, and maladministration often provide the backdrop for other crisis in Africa. It is therefore no wonder that political unrest and civil strife are rampant in countries such as Somalia, Sudan, Democratic Republic of Congo, Sierra Leone, Zimbabwe and Burundi, the very same countries that are most corrupt and most poorly governed. It is also no wonder that in these countries widespread poverty prevails. Moreover, and quite importantly, it is these same countries that have the most dismal human rights records on the whole continent.

What does corruption or poor governance have to do with globalization? Firstly, research has shown that the more corrupt and poorly governed countries receive fewer benefits of globalization. One form of such benefits is direct international investment. For international investors, having pay bribes and line the pockets of corrupt government officials is equivalent to paying extra tax. As such, some foreign firms may be reluctant to pay bribes in order to obtain business. Secondly, due to the new economic interdependence, corruption has itself become globalized. It is therefore argued that “greater levels of economic integration have increased the chances that corruption in one region of the world will have an impact on economic and political activities in other parts of the world.” John further argues that:

“Development in communication technology have revolutionized the international financial system and enhanced the ability of traders to engage in corruption. The emergence of electronic networks for the transfer of funds has made it quite difficult for countries to deal effectively with corruption. In fact, in recent years, many anti-corruption organizations have argued that the ease with which funds can be transferred... implies that corrupt civil servants can effectively hide their extra-legal income from the public, making it virtually impossible for such funds to be recovered in the event of conviction.”

Finally, it has been argued that, in a globalized economy, corruption and poor governance significantly raise the likelihood of macro-economic instability in addition reducing economic growth. This is particularly true in the African context where several other factors such as crime, unemployment, low levels of education and poverty come into play.

- iv. **Poverty:** Poverty, as mentioned earlier, is one of the greatest African challenges in the face of globalization. Indeed, Africa is generally a continent of extreme poverty. It is estimated that about 315 million of the 700 million people who live in sub-Saharan Africa survive on less than one Dollar per day. Statistics also show that one third of the African population (about 184 million people) suffer from malnutrition, less than 50% have access to hospitals or doctors, the average life expectancy is 41 years, and one in six children dies before the age of five. The total gross domestic product (GDP) of sub-Saharan Africa amounted to US\$978billion in 2008 (less than that of Australia or Mexico), of which about 50% was contributed by South Africa and Nigeria. The levels and extent of poverty and its effect on the African people cannot be over-emphasized.

The scope of this paper does not lend itself to a detailed discussion of the causes of poverty in Africa. Suffice to say that globalization has, in various ways, contributed significantly to the extent and impact of poverty on the African continent. In that regard it has been argued that the structural imbalance at the global level and the old-fashioned social and economic structures in developing countries, such as those on the African continent, interact to aggravate poverty in those countries.

Take, for example, the problem of African debt. It is estimated that African states owe foreign creditors some US\$15billion each year. Another example is the perpetual agricultural crisis facing African countries. This crisis is created by, among other things, the protectionist policies of rich Western countries. These countries “operate a battery of tariff and non-tariff barriers (duties, quotas, subsidies to domestic producer) against agricultural products from the Third World.” Such practices inevitably hurt African agriculture, leading to a decline in per capita production and thereby increasing poverty.

A final example is the so-called Structural Adjustment Programmes (SAPs) to which reference was made earlier on. As was mentioned, SAPs are usually imposed by the World Bank and the IMF on developing countries to ensure debt repayments and economic restructuring. These programmes normally require poor countries to reduce spending on health, education and development in order to prioritize debt repayment and other economic policies. The main effect is to damage the interests of the poor and of developing countries and to lower the standard of living of their people. This is because the SAPs are designed to dismantle the role of the state in economic development, liberalize trade and investment regimes and privatize economic activities.

The link between poverty, human rights, democracy and development is the basis of a complex recognition that poverty is not only a denial of human rights, but also undermines democracy and reverses the gains of development. In the age of globalization, that relationship is not only complex and important but also potentially contradictory. Nowhere is this more real than on the African continent.

### **III. CONCLUSION**

The study began with the introduction, analyzing the concept of globalization from the socio-economic and political benefit derived development against African countries. From the proceeding discussion, globalization is an influential epoch in the history of human society. Although there are many excuses attributed to the idea of globalization it is also clearly that globalization is narrated by suppression, exploitation as well as cultural implication of globalization on African economy development. It was also established that Africa faces the danger of being involuntarily de-linked from the global economy or what we referred to as marginalization in the global market competition by the capitalist arising from its obvious economic weaknesses. In other words, globalization affected the developing world wallow in abject poverty, while the developed world continues to smile all through. There is need for more re-think in the trend of globalization in such a way that the African countries can build nations of their dreams.

The central point of this paper is that globalization has jeopardized the realization of true global economy development. Africa should be reinvented along the development strategies to face the challenges of globalization so as to find her place in the emerging global economy order. The paper has reviewed that the African economy depends largely on imports and oil revenue which has caused many manufactured firms to slowdown thereby affected the growth of manufacturing sub-sector in Africa. Globalization can only be achieved if all obstacles to free movement of enterprise, capital, labour and goods across international boundaries are removed.

Based on the analysis of the effects of globalization regime in Africa, it should be noted that globalization to some extent has damaged socio-economic and political development of Africa. However, it is completely out of place for Africans continued to blame globalization as being responsible for our everyday problems; rather the African should blame our leaders. Since independence, the greed of our leaders who are concerned more with how to share what is today described as 'national cake' has prevented them from working for the interest of the general populace. What Africans witnessed since independence with the return of democracy, was the coups and counter coups, communal crisis, religious clashes, terrorism, and herdsman/farmers crisis, among others, have shown that all is not well with Africans.

Our leaders have paid lip-service to the need for promoting national unity and integration since Independence. They have resorted to advancing their parochial ethnic, regional and religious interests. This has created conditions for the alarming corrupt attitudes of our leaders. Since inception of democracy in Africa to date, many of our leaders have been paraded in courts for alleged corruption, such as money laundry, theft, among others by the financial crime commissions. This situation has only succeeded in moving Africa from one state of political misdirection to another state of mental pervasion and economic mess. In fact, our political history shows that corruption is used to create a material base for the new ruling elites.

Competition for power as a means of resources allocation has meant that our leaders have to fall back on what can and will enhance their prospect of capturing and retaining power for themselves and their family. The high premium placed on political power and the cut-throat competition to capture and retain it has given rise to political power nourished by greed, impatience and intolerance. Violence and insecurity has robbed our democratic process of its vitality. Electoral malpractices and manipulation of state institution for personal or interest gain, as well as lack of transparency and accountability are the major themes that bear critically on the quality of governance in Africa. The citizens, therefore, live in frustration, mistrust, suspicious and distress. However can we develop with these attitudes?

### **IV. RECOMMENDATIONS**

The study made the following recommendations:

1. The African countries should revamp both local industries, agriculture and trade/investment through subsidies, concession, uninterrupted power supply, technical assistance, improving security of lives and properties as well as creation of enabling environment for entrepreneurship and business in order to meet up with the challenges of globalization.
2. The African governments need to invest heavily in the area of education, training and re-training, pay more attention to strengthen their capacity and system and also to promote research and development.
3. All obstacles hindered the free movement of enterprise, capital, labour and goods and services across the international borders line should be removed in order to achieve the benefit of globalization.
4. The African political leaders need to develop sound progress and policies to facilitate the continent's competitive advantage in the international market.
5. The African countries leadership/followership must declare total war against all forms of exploitation, corrupt practices and be transparent and accountable so that resources generated in domestic economy can be used for investment in all fields of economy activities.
6. Our infrastructure such as power and energy, roads, railways, health, communication and transport must be given due attention since other forms of development depend on them.

7. The continent must embrace full and nascent democracy based on the principle of popular participation, rule of law and due process.
8. Job creation must be given serious attention by African leaders.
9. Effective privatization and commercialization programme in African continent.

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