IOSR Journal Of Humanities And Social Science (IOSR-JHSS)
Volume 20, Issue 1, Ver. IV (Jan. 2015), PP 62-122
e-ISSN: 2279-0837, p-ISSN: 2279-0845.
www.iosrjournals.org

Globalization and Industrial Development in Nigeria

Dr. Otisi Uwadiegwu

I. Introduction

1.1: Background to the Study

Globalization and industrial development are recent events which have received considerable attention by scholars and bodies in the academic field, which is an inevitable feature of today's world. Globalization has become important in the modern intellectual development in the contemporary world. This inevitably leads to the definition of the concept. What precisely does the concept globalization mean? There are enormous scholarly works on globalization. According to Schneider and Eriste, (2002) in the emergent socio-political and economic transformation as well as the area of communication and transportation, the globalization trend now seems to be irreversible. Globalization is a phenomenon which is multi-dimensional and multifaceted process that encompasses economic, political, social, and technological development.

Francis (2001) describes globalization as the great economic event of our era. It is now bringing unprecedented opportunities to billions of people world over; the rapid growth of information technology and the accelerated global integration of trade and capital which have had profound consequences for and are resulting in a significant shift in world economy. They constitute a mega trend in global political economy and have assumed a new phase in contemporary international economic relations. Consequently, major decisions around the world are taken by the global competitive pressure.

Peter (2002) argued that the speed at which the effect of globalization is spreading is fast day by day and no nation can afford to be left behind if such a nation is to maintain acceptable rate of growth and development. It is also observed by Bayo (2000) that the growing impact of two major distinct global trends, which have profound cultural dimensions, could variously be explained in different terms and contexts. Due to its multi-variant nature, globalization does not lend itself to easy conceptualization. Like other concepts in the social sciences, it is not amendable to single and straight jacket definition which perhaps explains its various connotations by scholars of different persuasions as internationalization, universalization, liberalization, and westernization.

Modelski (1972), reports that the term globalization has only become common place in the last two decades. Commentators who employed the term as late as the 1970's recognized the novelty of doing so. Harney (1989), reports that since the advent of industrial capitalism, however, intellectual discourse has been replete with allusions to phenomena strikingly akin to those that have garnered the attention of the recent theorists of globalization. Nineteenth and twentieth–century (19^{th} and 20^{th} centuries) implication on the world economy, are rapid growth of information technology and the increased global trade integration. He notes that these trends are resulting in a significant shift in the world economy.

Probably this is the reason why Edward (2002) noted that the people of the planet earth have become one large family. To him, information technology has advanced to a level of rendering distances irrelevant. Furthermore, he observed that the new epoch offer new challenges and new global problems, such as environmental catastrophes, extinction of resources, conflicts and poverty. Similarly, even though globalization has bred financial integration and may bring significant benefits in the long-term; it has also been associated with deep financial instability, economic crises and sharp increases in poverty rates, especially in developing countries.

The events in the last decade in the global economy suggest a challenge; the utilization of the opportunity engineered by globalization while at the same time managing the problem and tension it poses, for developing countries such as Nigeria and Abia State in particular. While some individual researchers such as Dani (1999) Salimono (1999) and David (1997) Opine that globalization opens opportunities.

Globalization is identified as deterioration or as spread of supra-territoriality. Schoitte, (2000) Opines that the phenomenon constitutes a transformation in the spatial organization of social relations and transaction. Proponents of globalization see a better world if nation states would realize and utilize to the maximum the opportunities presented by inter-dependency resulting from globalization. Their belief is hinged on the premises that inter dependency has opened up the world, as Garry (1998) expressed fear about globalization. Probably that fear was anticipated by the people of the world that in December 1999, a meeting of the World Trade Organization, WTO held in Seattle, USA was interrupted by riot. The demonstrators feared the effects of globalization on the people and on the Earth at large. Since that time, anti-globalization movements have spread across the globe. It is however observed that advocates of globalization hail it as the panacea to the most world problems.

Rizzo (2002) and Appia-kuby (2001) reported that global institutions reduced the abuse of human rights, and eradicated to a large extent, social and economic injustices by national government and global institutions in the globalization process and have become increasingly very important in the task of meeting challenges of sustainable development. Prominent among such institutions are the World Bank, International Monetary Fund (IMF), General Agreement on Tariffs and Trade (GATT) and world Trade Organization (WTO). It is the general assumption that if developing countries must reap bountifully from the opportunities offered by globalization, they must be actively dedicated to, and guided by the policy directives of these institutions.

Indeed, these institutions and donor states have come to link their development assistance and aids to poor countries to globalizing their economies through the conditionality prescribed by these global institutions. Given the condition above, African countries have begun to respond to the several global industrial developments in their own unique ways. These include the policy initiatives of these institutions like import substitution strategy, liberalization, economic reform (deregulation), as well as the renewed commitment to African integration through the African Union.

Omotola (2003) in his report said that these measures engender and guarantee sustainable industrial development through the pattern of ownership in industrial sector against the rationalization, indigenization effort, and other policy issues concerning the industrialization of the Nigerian economy. From the foregoing, Ojo and Aluko (2004) report that globalization encompasses the increasing integration among persons and institutions across the globe. It refers to the growing interactions in world trade, national and foreign investment, capital markets and the ascribed role of government in national economies.

According to Obadan (2004) globalization is about increasing interconnectedness and inter-dependence among the world's regions, institutions communities, families and individuals. It fosters the advancement of a global mentality and conjures the picture of a borderless world through the use of information technology to create partnership to foster greater financial and economic integration. Akinboye (2004); Olayiwola and Ogundiran (2004); and Wade (2000) agreed that globalization is therefore a process hinged on technological advancement that could lead to a greater uniformity in a wide range of aspects broadly related to economic life. One important area is information technology, which facilitates the case of data especially through computers, internet, E-banking and E-governance.

Perhaps, the foregoing underscores the neo-liberal conception of globalization as the ultimate solution to man's crisis of development and related predicaments. Consequently, globalization, as Cooper (2001) has noted, is invoked time again to tell rich countries to roll back the welfare state and poor ones to reduce social expenditure, all in the name of necessity of competition in a globalized economy. However, there has emerged a contending perspective that challenges the very foundation of the neo-liberal frame work. In view of this, globalization though full of opportunities has rather been too selective in its reward to mankind.

As Jike (2004) contends globalization is the result of the constriction of time and space in the exchange of goods and services between countries. This narrows the transactional space and increases the intensity of commercial interactions between countries. However, Africa has become a servant partner in this global exchange relationship.

Onimode (2000) and Asobie (2001) in their report, noted that globalization, like all the preceding ideologically conditioned concepts of the West connotes unequal relationship between the developed and developing countries. Not only has it undermined social projects in developing countries; it has also marginalized political ones. It is therefore an evil that must be fought and conquered. Omotola (2004) pointed out, the implication of the endless debate which has been the sharp decline in the analytical utility and generalization capacity of the concept of globalization.

Cooper (2001) alludes to this point when he raised the important question as to the relevance of the concept of globalization to the understanding of the specific mechanisms by which long distance connections were forged and the limits of those mechanisms. He further argued that "globalization talk is influential and deeply misleading for assuming coherence and direction instead of probing causes and processes". Because of this limitation, 'crucial questions do not get asked; about the limit of interconnections, about areas where capital cannot go, and about the specificity of the structures necessary to make connections work". The failure to ask these questions perhaps explains why specialists on study of Africa have been drawn into the globalization as a challenge, which Africa must meet. The limits of globalization in Africa is best reflected not only by the fact that capital emanating from Africa are restricted in movement but also by the absence of appropriate structures necessary to make Africa reap the benefit of connections. On the other hand, Akinbode, (2003) Opines that globalization seeks to promote spatial, social political, economic and psychological linkages not only among the different sectors but also among the different states of the national economy. As such it encourages equitable distribution of wealth rather than merely emphasizing gross National Product (GNP) alone. Globalization has been viewed as a phenomenon that is as old as history. The only thing about it is that in its present manifestation, its exploitative and repressive mechanisms have assumed the dimension of a scourge.

As Good and Hughes, (2002) poignantly assert: Contemporary globalization has brought into being a new species of "Disordered, anarchic capitalism" very different from both nineteenth-century developmental and the stable, managed systems of the post 1945 period. In contemporary systems, the social organization of work is in almost continuous fluke, the role of trade unions in production is greatly diminished, job insecurity is in-built and work satisfaction is absent, while the control functions of government are marginalized. Global free markets, Gray ads, favor the worst kind of capitalism.

In recent years, the thinking on development has shifted considerably to reflect contemporary challenges and realities. For a very long time, development has been narrowly defined in terms of statistical indices of input and output. Sen. (1999) sees it in terms of capacity expansion and freedom. While Omotola (2003) refers to it as capacity expansion, which requires adequate empowerment of both State and Society to be able to discharge their mutually re-enforcing responsibilities so that people can meet the basic necessities of life.

Be that as it may, a major concern in the recent thinking on development is the issue of basic indices of development such as reduction and eradication of poverty and inequity; low capacity utilization of the indigenous industries, capacity expansion, freedom, improved per capita income and standard of living of the populace. According to the World Bank Development Report (1992), Industrial development connotes acceleration of the process of both economic developments that endures, one that will not roll back or recede even in the face of threatening reversal waves. It has been generally seen as development that does not endanger the environments and resources therein for present and future generations. It is self–sustaining and meets presents future generation.

However, industrial development has become an imperative demand in our society. Industrialization is the process of social and economic change that transforms a human group from a pre-industrial society into an industrial one. It is a part of a wider modernization process, where social change and economic development are closely related with technological innovation, particularly with the development of large-scale energy and metallurgy production. It is the extensive organization of an economy for the purpose of manufacturing. Industrialization also introduces a form of philosophical change where people obtain a different attitude towards their perception of nature, and a sociological process of ubiquitous rationalization. It involves environmental, economic and social sustainability. It expresses the relationship among the physical environment, exploitation of resources and economic development interactively rather than in isolation.

This explains why the integrated approach to development is considered to be very sustainable for pursuing it. The approach seeks to develop all sectors of the rural economy and link them up effectively with their urban counter part. However, the literature on globalization would suggest that the thrust of the globalization discourse be categorized into three clusters, namely: (1) "globalization as implying global culture and civilization" which constitute the 'way of life 'of an entire society and on the other hand, civilization as the sum total of all progress made by man in every sphere of action towards the spiritual perfecting of individuals as the progress of all progress. (ii) "globalization as referring to the global economy", the international division of labor, the new information technology revolution, and global capitalism or in the words of Waller stein the "modern world capitalist system" characterized by core, semi-periphery and peripheral state actor(s): (iii)" globalization as the expression of the global political and military orders". From the foregoing, it is obvious that the concept of globalization has diverse usage, but in the context of this study, the focus is clusters (i) and (ii) above.

It is in the light of this that we concentrated on globalization and industrial development in Nigeria: A study of Abia State, to identify the opportunities for wealth creation provided by globalization in Abia State; as well as the challenges on the manufacturing industries, macro-economic volatility and instability in the income distribution and job security.

Abia State boasts of a number of industries, small, medium and large among which include Aba Textile Mills Pic (not producing meanwhile), Star Paper Mills, Aba, International Glass Industries Ltd., Unilever Pic, and PZ Pic. International Equitable Association of Nigeria, Guinness Nigeria Plc., Osisioma, Golden Guinea Breweries Pic, Umuahia (which has been out of production for some time now but undergoing rehabilitation and refurbishment), Abia Golden Chicken Ltd, Ogwe (being privatized), the Metallurgical complex (privatized) and the Power Plant Projects at Umuobasiukwu in Ugwunagbo LGA.

There are also the Modern Ceramics Umuahia, which was recently privatized and reactivated and now called UCL Modern Ceramics Ltd, Abia Palm Company was also privatized and reactivated and now renamed Fri-el Abia Palm Company Ltd. Ohambele, just to mention few of them. The last two are under PPP arrangement. There are many other Small, Medium, and Large scale industries that are into Paints, Vegetable Oil, and Lubricants production. The impact in the industrial sector the Aba small-scale artisans have made as a result of their ingenuity and technical and innovative prowess has earned Aba the name "JAPAN OF AFRICA". The products of all these Micro Industrial concerns find their way into local and International markets.

By the collaborative effort of UNIDO, Federal Government of Nigeria, Abia State Government and some entrepreneurs at Aba, a Common Facility Centre (CFC) has been put in place with the companies registered with the Corporate Affairs Commission of Nigeria. This arrangement is called a PPP arrangement. Abia State has vibrant SMEs and effective Chambers of Commerce and Industry in Aba and Umuahia. There is an expected increase in commerce following the Inland Container Depot project at Isiala- Ngwa, which the Abia State Government is effectively participating in.

1.2: Statement Of The Research Problem

Nigeria lost ₦153 billion to low capacity utilization in the paper sector between 2006 and 2009. "In pulp, paper and paper products, printing and publishing sector for example, capacity utilization between 2006 and 2009 was just 4 per cent. "Revenue loss for non-production in the sector within the period under review was given as ₦30.25 billion for industrial paper; ₦75 billion for newsprint and ₦48 billion for bond paper. "During this period, the wood and wood products sector also recorded low capacity utilization: 26.5 per cent was recorded in the sawmill sub-sector; 15 per cent in plywood; 14 per cent in particle board and six per cent in match sub-sector." Other sectors listed to have lost money to low capacity utilization are the textiles; garment; leather and leather products which dropped from a 50 per cent capacity to just 20 per cent and the cement sub-sector with 59 per cent capacity.

The closure of the two major Tyre companies in Nigeria, Michelin and Dunlop, have led to a mere 20 per cent utilization of the about 45,000 metric tons of rubber being produced in the country annually. Low capacity utilization is attributed to unfair competition from imported goods. (Manufacturer's Association of Nigeria MAN, 2010). The Nigerian manufacturing sector has witnessed declining capacity utilization resulting in reduced labor force (Obadan, 1998).

Again Nigeria has become a dumping ground for all sorts of foreign goods from the Asian Countries thereby endangering the survival of Small, Medium and Large Scale industries. Many writers on globalization have praised it as a mechanism for enhancing competition and see competition as a tool for improving quality product. The problem with this argument is that they tend to ignore the fact that industries in Nigeria for example, do not operate from the same environment with industries abroad. Foreign industries have better operating environment.

On the other hand, some other scholars i.e. Onimode, (2000) sees globalization as an instrument that can destroy industries in Third World countries because of trade liberalization and resultant unequal competition that has enhanced low capacity utilization among industries in the third world. Madunagu (1999); Toyo (2000) and Obaseki (1999) said globalization have led to the creation of parasitic economic relationships and has systematically pushed Nigeria into economic crises as industries operating in Nigeria cannot compete with industries in advanced countries of the world, most especially Europe and America. It is this point of views this study is out to support providing evidence for this from industries in Abia State Nigeria.

1.3: Objectives Of The Study

The major objective of this study is to analyze the impact of globalization on small, medium and large scale industries in Abia State, Nigeria. The specific objective of this study include, one to Examining trade liberalization, opening up of markets and competition between industries as off-shoot of globalization. Two, examine the consequent of one above for capacity utilization by industries in Abia State. Three, examine the impact of capacity utilization on the expansion/contraction, labor absorption/retrenchment and survival of industries in Abia State. Four, assess the strategies used by stakeholders to achieve the goal of trade liberalization and opening up of markets. And five, to suggest pragmatic and practicable model as a policy guide for the attainment of rapid industrial development in Abia state.

1.4: Research Questions

The following research questions which would be answered in the research will guide the study.

- What are the reasons for emphasizing trade liberalization, opening of markets and removal of obstacles to trade by WTO
- What is the relationship between trade liberalization, opening up of markets and removal of obstacles for trade on the one hand, and below capacity utilization by some industries in the Third World countries?
- Is there any relationship between under capacity utilization and the collapse of some industries in Abia State?
- What are the strategies used by stakeholders to stay in business in form of cut-throat competition.

1.5: Research Hypothesis

The hypotheses that will be tested in this study are stated below in Null.

- H_o: There is no relationship between globalization and demise of Small, Medium & Large scale industries.

- H_o: There is no relationship between globalization & the transfer of modern technology.
- H_o: There is no relationship between access to capital and capacity Utilization among Small, Medium & Large Scales in Abia State.
- H_o: There is no relationship between globalization and unfair Competition among Small Medium & Large Scales and their foreign counterparts.

1.6: Significance Of Study

This study is to contribute to the understanding of macroeconomic policy strategy. It focuses on the general features and processes that make up national economy, ways in which different segments of the economy are connected.

The model will explore policy framework options that may be able to provide feasible solutions for the challenges in achieving industrial development goals. It is expected to enrich the few local literature available on globalization and industrial development in Nigeria. Nigeria's economy is not only dependent on rent derived from oil but also extroverted in terms of importation of industrial goods from Western Countries.

Understanding the dynamics of globalization and industrial development policy has important theoretical implications for researchers. It is hoped that the spatial pattern of industries could change, if industrialists adopt the strategy of industrial linkages, and especially production sub-sector which has become a driving force in contemporary industrial development strategy in the world today. Finally, the study will assist policy makers, individuals, as well as the small, medium and large scale entrepreneurs to launch Abia and Nigeria at large among the world industrial economy.

1.7: Scope Of The Study

This study is on globalization and industrial development in Nigeria: A study of Abia State. It investigates how globalization has impacted on industrial development in the area of study. The study takes into consideration the debate in the literature. Some argued in favor and others against the consequences of this global phenomenon on industrial development in the Third World Countries. The study will utilize data collected from small, medium and large scale industries in the study areas to assess how globalization with its accompaniment on trade liberalization, opening up of borders and removal of trade barriers have impacted on industries in Abia State, Nigeria.

II. Literature Review And Theoretical Framework

2.1: **Literature Review**

The literature is strictly on globalization and industrial development in Nigeria, with focus on the manufacturing industries in Abia State. The literature which is subdivided into sub-headings was critically examined; to x-ray globalization and industrial development in Nigeria generally, visa-vis its prospects and challenges.

2.1.2: Globalization And Industrial Development In The Third World

The pattern of industrial development policies in the colonial administration basically undermined private sector development in Nigeria. However, their analysis failed short of recognizing that promotion of modern trade and commerce in Nigeria started actively from 1900-1954. This was possible through the provision of infrastructural amenities which gave rise to movement of people and goods across regions. According to Dauda, (1993) the framework that fashioned the rule of law and order in Nigeria was established during the period. Furthermore, industrial development policy was then geared towards promotion of local handy craft, skill development, and creation of access roads. He argued that it may be appropriate to view colonial industrial policy not in isolation but rather as a product of a wider British tradition of laissez faire and a general negative attitude to central economic planning system.

Ikpeze,(1991) stated that under British colonial administration, two agencies namely: the Nigeria Local Development Board (NLDB) and the Department of Commerce and industry(DCI). He holds that the objectives of the NLDB were to promote and develop village crafts and industries, promote industrial development that focused on the development of products from Nigeria. NLDB was also charged with the responsibility of setting the modalities for research and development in processing industries and other matters concerning industrial development as approved by the Governor-in-Council. The Department of Commerce and industry (DCI) on the other hand was responsible for overseeing and promoting local trade and industrial development.

Three implications incidentally emerged from these policy specifications. The first is that industrial development in such an underdeveloped economy should start from the grassroots. The second is that emphases were focused on small scale agro-processing and handicraft industries in rural areas. The third implication is that promotion of trade, commerce and industry started at early stage of Nation building. However, he questioned the effectiveness of the policy in the sense that about £22 million was budgeted for industrial development in the planned period, only £6 million was spent. One would also argue that even during colonial administration, government direct involvement in industrial development was ineffective in Nigeria.

Asiodu,(1967) argued that industrial development in Nigeria between 1900 and 1954, was generally influenced by the following factors: provision of physical infrastructure characterized by massive construction of access roads and rail tracts to the hinterland which gave rise to rapid movement of people and goods; creation of regional and provincial administrative authorities that allowed decentralization of administrative functions and establishment of institutional framework for industrial development.

Dauda (1993) argues that the colonial government used the available local resources and funds to promote the enabling environment for private commercial activities. On this note, Ikpeze (1991) contends that government interventions in industrial development in Nigeria were not a new phenomenon. Industrial development became popular at the end of the World War II with 182 companies registered between 1935 and 1946 period to strengthen production.

However, that policy changed drastically in a short period between 1954 and 1958 as movement for political independence intensifies. Dauda, (1993) noted that the regional governments and legislative councils were established between 1954 and 1958, in Nigeria. Act of 1958 and customs Duties (Dumping and Subsidized Goods) Act of 1958 were established and used to advance industrial development programs in Nigeria.

Aremu, (2003) stated that under the Import Duties Relief Act, a firm can be granted concessionary rates of duty on imported raw materials and tax breaks for importation of industrial capital goods. In some cases, the relief can reach 100 per cent. The industrial Income Tax Act was aimed at offsetting investment costs against profits during the tax relief holiday period. The Act granted new companies the pioneer status and provided tax relief for foreign companies operating in Nigeria with Tax holidays of five years period. The tax holidays was also extended to the shareholders of the pioneer firms. The dividends accrued to shareholders were exempted from taxes during the tax holiday period.

While Asiodu,(1967) observes that under the Customs Duties (Dumping and Subsidized Goods) Act, the government can charge additional duties on specific imported goods, when there is clear evidence of dumping or government subsidy in the country of origin. The government can also grant duty drawbacks or refunds of duty paid on materials imported and used in the manufacture goods for exports. Export promotion emerged during the colonial administration and the Industrial Development Acts (IDAs) provided the framework for increased foreign investment in Nigerian Industrial Sector; as Usoro, (1977) observed that it was as a result, the number of registered industrial establishments increased from 182 companies recorded between 1935 and 1946 to about 1,027 companies between 1946 and 1958 with 15 percent of them being medium/large enterprises. Asiodu, (1967) noted that the problem was that the Industrial Development Acts (IDAs) lacked specifications in terms of industries that are qualified for pioneer status. In other words, all newly established enterprises were automatically qualified for pioneer status regardless of national interest or needs.

Similarly, Ogbuagu, (1983) contends that the industrial development Acts, (IDAs) failed to recognize the importance of human capital development and development of local inputs. The promotion of small scale agro-processing and rural industries was neglected. Ohiorhenuan,(1989) argued that the drastic change in political climate as a result of movement for political independence led to the shift in industrial policy objectives during the period between 1954 and 1958. Hence, the IDAs of 1957 and 1958 were regarded as the corner stone that laid the foundation for import substitution programs. As a result of the gains in industrial expansion, the import substitution program was intensively pursued immediately after the Nigeria political independence.

2.1.3: Import-Substitution Industrialization Strategy

Import substitution industrialization is simply the Industrial development program based on the protection of local infant industries through protective tariffs, import quotas, exchange rate controls, special preferential licensing for capital goods imports, subsidized loans to local infant industries, etc. A deliberate effort to replace major consumer imports by promoting the emergence and expansion of domestic industries such as textiles, shoes, household appliances, usually requiring the imposition of protective tariffs and quotas to protect new or infant industries,(Michael Todaro 1994, Economic Development). One of the most debated questions in the development issue is the role of government intervention in development using Import Substitution Industrialization (ISI) as was the case of the Asian Tigers. The process of industrial development in the Twentieth Century can say to be one in which otherwise backward countries (East Asian Countries) have employed extant technologies to overcome the wide gaps between them and the industrial forerunners. The key to the successful industrialization of countries that are now referred to new world, had been not only a willingness to imitate but more importantly the will to learn.

For ISI to provide a dynamic entry route'into export-based industrialization, it must serve as a basis for technological learning. The experiences of the East Asian NICs suggest that the appropriate way for Sub Saharan Africa to start building up industrial competence is to begin with the low-skill, labor-intensive manufactures, and later move on to manufacture gradually more technologically complex products. It is important to stress that technological convergence is a necessary condition for ISI to serve as an entry route'into export-based manufactures – i.e. a dynamic entry, not a static one.

The word route 'in this context suggests or implies that there will be a continuation and enhancement of technological learning over time. But if the knowledge and skills of the workforce producing in ISI are not useful for producing goods for the international market, the former will simply not serve as a viable entry route for achieving the latter, which appears to be the problem with Sub-Saharan African ISI. Firms in sub-Saharan Africa failed to use ISI as a learning process to acquire the requisite technological capability for export production. ISI, apparently, had encouraged accumulation of production capacities but paid little attention to accumulation of technological capability. By the end of the 1970s, ISI in sub-Saharan Africa had entered a cul-de-sac - a phase of decline, for instance, (Valk 1996) on textiles.

In Nigeria, for instance, after 1960, textiles rapidly became the leading ISI sector, with protectionist policies encouraging a spate of fresh investments by Oriental investors, mainly Indians and Japanese. By 1980, the industry had some 100 major plants in its large-scale firms, employing some 100,000 workers (Dike 2003).

However, unfortunately, ISI in Nigeria, as in most of postcolonial Africa, operated in protected markets, isolated from world technology and uninfluenced by domestic and international competition. Although protection did, indeed, stimulate investment and growth in production capacity, as Nigeria's experience cited above shows, it did little to stimulate innovative activity or technological learning leading to productivity growth- and so failed to lead to the type of growth booms associated with industrial catch-up or industrial revolutions.

Blouet and Blouet (2002) argued that ISI was successful in countries with large populations and income levels which allowed for the consumption of locally produced products. Latin American countries such as Argentina, Brazil, and Mexico and to a lesser extent, Chile, Uruguay and Venezuela had the most successful ISI. This is because while the investment to produce cheap consumer product may pay off in a small consumer market, the same cannot be said for capital intensive industries such as automobiles and heavy machinery, which depend on larger consumer markets to survive.

Thus, smaller and poor countries, such as Ecuador, Honduras, Nigeria and the Dominican Republic could only implement ISI to a limited extent, Peru implement ISI in 1961, and the policy lasted through to the end of the decade in some forms. Overtime, the World Bank has increasingly recognized the importance of the structural and institutional factors in explaining industrial performance in Africa.

World Bank, (1989) World Bank's long term perspective study, correctly pointed out that "it is not sufficient for African governments merely to consolidate the progress made in their adjustment programs. The need to go beyond the issues of public finance, monetary policy, prices and markets to address fundamental questions, relating to human capacities, institutions, government, the environment, population growth and distribution, and technology". It is suggested that the attention to human resources, technology, regional cooperation self-reliance and respect for African values provide the main focus of the proposed strategy. Charting out a strategic agenda for the 1990s, the report suggested the following in relation to industrialization.

Adjustment programs must take account of investment needs to accelerate growth and the goal of macroeconomic balance must be to fundamentally transform Africa's production structures; Human resource development; Institutional reforms for capacity building; Fostering private investment; Fostering efficient infrastructure services; Fostering regional integration and coordination; Continuation of special programs of assistance to Africa. This promising progress towards understanding the poor industrial performance in Africa was countered by a subsequent World Bank report (1994) known as the "Road Ahead."

The "Road Ahead" was in many ways retrogressive compared with progress that had been made in the 1989 World Bank report. The "Road Ahead "has suggested there has been improvement in the performance of industrial output especially among the countries that made large policy improvement.

Wangwe,(1995) argued that the challenges of industrialization in a more open and competitive environment will need to make import substitution more efficient and pay greater attention to export promotion and show greater appreciation of changing conditions in the world market. In doing so, many strengths and capabilities which were acquired in the import substitution phase will be deployed and be built upon. Import substitution firms grew up and built up various core capabilities by producing for the domestic market. The protection of the domestic market allowed them to accumulate resources which were in turn invested in developing capabilities which enabled them to turn to exports at later stage. In this sense, it can be argued that import substitution and export orientation are complementary.

Import substitution has proceeded exporting and has under certain circumstances, formed an important basis for export orientation for instance, export orientation programs such as Export Processing Zones (EPZ's) built on the capacity which had been accumulated during the import substitution phase. The policy implication was that, if import substitution was effective in providing for the development of technological capacities, it can establish the basis for building a competitive export sector. In the process of exporting, firms can develop efficient linkages and acquire technological capacities.

Zuvekas (1979) argued that import-substitution is a development strategy base on the planned substitution of domestic produced goods for import. Nigeria's structural defects which had been prepared over by the oil boom came to the fore. Foreign exchange difficulties became acute, and the entire manufacturing sector based on import substitution industrialization strategy and heavily dependence on imported inputs was in serious trouble.

Oesterdierhoff,(1991) argued that the manufacturing sector still manifested a litany of problems such as concentration on the light and elementary industrial groups, low local value-added; high import intensity, negligible contribution from the engineering industry groups, poorly developed local inter- and – intra- linkages, low technology activities, limited employment effects, regional agglomeration of concentration at Lagos–Ibadan–(South West), Jos-Kano-Kaduna (North) and Onitsha-Nnewi-Aba (South East) axis, poor export performance, dualism, without any tendency for small–scale and informal sector enterprises to upgrade, and undue government involvement, especially in heavy industry.

These objective conditions demonstrated that economic policy should not be business as usual. However, a fundamental reform agenda was needed; that was the adoption of the SAP policies in 1986. The key objectives of the SAPs policies with respect to industrial policy were to: Encourage the accelerated development and use of local raw materials and intermediate inputs rather than depend on imported ones; develop and utilize local technology; Maximize the growth in value-added of manufacturing activity. Promote export oriented industries, generate employment through the encouragement of private sector small and medium scale industries; remove bottle necks and constraints that hamper industrial development, including infrastructural, man power and administrative deficiencies; and Liberalize controls to facilitate indigenous and foreign investment (Federal Republic of Nigeria, 1986).

It must be noted that the reforms under SAPs did not come without a fight. There was tremendous resistance to change and the struggle has lingered ever since Nigeria's experience as with other countries implementing SAP, illustrates the importance of external (donor) agencies in the choice of particular policies. It also illustrates the importance of ideology or mainstream economic thinking. While the intellectual force of import substitution industrialization strategy essentially done the old policy regime, the new regime foisted by the SAP agenda favored a "no industrial policy" and a liberal trade regime. The Nigerian experience with SAP policies in the area of trade and industrial polices illustrates the interplay of several factors in the determination of policy design and implementation.

Besides industrial activities conducted by those doing minimal processing of local natural resource, only a few of industrial activities promoted, have matured to become fully competitive "value- added" export oriented activities that have driven many dynamic developing economies (such as those of the south east Asian countries) conspicuously absent in sub- Saharan Africa.

Bruston (1998) notion of import substitution was popularized in the 1950s and 1960s as a strategy to promote economic independence and development in developing countries. Ake, (1981) in his book: A political economy of Africa presented various argument advanced from the introduction of the policy of import substitution. According to him, the balance of payment problem created a declining world market for their primary product; the argument that foreign exchange would be saved while domestic industrialization would be promoted by supplying already established local market with local resource; the expectation that import substitution would correct the difference in the income elastic ties for import and export; the argument for unemployment reduction; the argument that through imports substitution more goods would be made available all combined to fuel the introduction of the policy.

Kilby, (1988) study of Nigeria's industrial development strategy depicts a "market protection hypothesis" whereas Coleman and Frederic (1978) recorded that "new independent government wishing to stimulate industrial developments would impose protective tariffs on import of manufactured goods and force International Corporation to establish dourness in production facilities if they wish to protect their market position. The problematic nature of industrialization through import substitution has been adequately captured by Oyejide (1975) who argues that "critical problem which is usually associated with industrialization through import substitution in some point probably the "easy stage of import substitution which involve basically consumer goods and those with simple and inexpensive production techniques has be passed, the growth of domestic industries become capital goods.

Because of this, it become virtually impossible to restrict such import to ease the problem of balance of payment difficulties and obligation of debt payment, etc, without hunting the continued growth of domestic industries. While it may appear that import substitution industrialization help to repress import, it actually increase the importation of production inputs like machinery and building material, management service, skilled labor and cost of technology transfer. Inexorably, it could be seen that the epileptic nature of our industries and the inability of the manufacturing industries to produce intermediate and capital goods to catch up with the developed countries of the world could forcibly be to depict the facile nature of the past strategy of industrialization.

2.1.4: Historical Performance Of The Nigerian Manufacturing Sector

Adenikinju and Chete (2002) conducted an empirical analysis of the performance of the Nigerian manufacturing sector over a 30-year period and observed that the sector was performing with satisfactory growth levels from 1970 to 1980. However, after that phase there was a sharp decline in the growth and profitability of the Nigerian manufacturing sector. Especially after 1983, the negative effects of the oil price collapse in the international oil market can be clearly seen on the sector's performance. Due to the global oil crisis, the revenues of the Nigerian government sharply declined which resulted in reduction in foreign exchange earnings. This in turn forced the government to take several initiatives with the intention of strictly controlling its trade.

There were several import duties enacted in the form of import licenses and tariffs, and some quantitative restrictions were also imposed on the importation of certain items. As a result, the manufacturing sector was badly affected because the manufacturers faced multiple problems when obtaining raw materials and spare parts for their products and processes. As a result of massive cutbacks in raw materials and spare parts, many of the country's industries were shut down and the capacity utilization in the manufacturing sector declined. For example, between 1977 and 2007, the Nigerian bicycle manufacturing sub-sector recorded a systematic decline in capacity utilization by about a total of 485%; that is, from 948,000 units of bicycles in 1977 to 161, 500 units of bicycles in 2007. This disturbing trend was also observed by Adenikinju and Chete (2003) in most of the other manufacturing sub-sectors in the country.

Dipak and Ata (2003) stated that the effects of the trade restrictions resulting from the oil price crisis were clearly observed in the form of a 25% decline in the real output of the manufacturing sector from 1982 to 1986. Although the annual growth rate of the Nigerian manufacturing sector was 15% between 1977 and 1981, the government trade restriction measures resulted in the succeeding sharp decline in the growth rate of the sector. The share of the manufacturing sector in the total GDP of the country also clearly declined during this era. In 1977 there was a 4% increase recorded in the manufacturing sector share in GDP and this reached the level of 13% in 1981, but after that it declined to less than 10% in just a few years.

Dipak and Ata and Adenikinju and Chete (2003) concluded that the unavailability and inadequacy of the companies' access to the raw material and spare parts needed were among the major factors that contributed towards the decline in the growth rate of the manufacturing sector especially after 1981. Hence, the oil price shock is identified as the reason behind the policies that ultimately resulted in the decline of manufacturing sector's growth.

Adejugbe (1979) examined the impact of the Nigerian trade policy on the manufacturing performance of Nigeria after the previously discussed observed decline. The researcher studied manufacturing sector performance after 1985 and observed that some significant steps were taken by the Nigerian government in an attempt to make the Nigerian trade regime liberal, and also to promote manufacturing and import-export activities. The adaptation of a flexible exchange rate mechanism, along with the some trade liberalization policies, brought some major changes to the scenario as these steps helped reduce tariffs and trade rates. At the same time, duties on the importation of foreign goods were also raised, especially of those competing with domestic products. In the same way there were also some steps taken to reduce import duties on many of the raw materials and spare parts that were used in the manufacturing sector, the factor pinpointed for the previous years' decline. These steps were taken by the Nigerian government with the objective of providing the local manufacturing organizations with a sense of protection so that they could be motivated to become more productive and efficient.

Anyanwu, (2000) with findings similar to that of Adenikinju and Chete,(2003) pointed out that the collapse of the world oil market in the early 1980s and the prolonged economic recession resulting from this collapse contributed to the sharp fall in the foreign exchange earnings of Nigeria. This further led to a fall in the performance level of the manufacturing sector of the country. The introduction of the Structural Adjustment Program (SAP) in 1985 was expected to bring an improvement to the situation, but unfortunately no notable improvement was observed. As a result of the continuing low performance of the manufacturing sector, along with other important reasons, today Nigeria is among the more poverty-driven nations of the world.

Ukaegbu(1998)observes that conducting a complete analysis of the Nigerian manufacturing sector is a complex issue because there is a lack of adequate data about the productivity levels of the Nigerian economy. In particular, there are little authentic data related to the productivity of the Nigerian manufacturing sector. However, some of the research studies conducted at different levels does give some viable information about the performance of the manufacturing sector of the country through the years. For example, an ad-hoc study conducted in 1989 by Chete and Adenikinju (2003) indicated that the overall productivity level of the Nigerian manufacturing sector over the years has seen very little increase and most of these companies have even faced a decline in productivity as well as profitability. These findings were further confirmed by a report by the Manufacturers' Association of Nigeria (MAN) which revealed that there was a generally negative trend in the growth of the Nigerian manufacturing sector during the period of 1980-1989. The report also stated that the expectations were low of observing any considerable improvement in the situation. The research studies conducted after that period confirmed this expectation, as they provided evidence that the trend of negative productivity continued and neither was there an improvement in the profitability level of the sector well into the 1990s and 2000s.

Adenikinju and Alaba (1970-90) conducted an empirical study which evaluated the Nigerian manufacturing sector's performance with regards to the relationship between productivity, performance and energy consumption within the manufacturing organizations. Utilizing an aggregate model, the researchers measured the changes in the total factor productivity of the sector relative to the change in energy consumption. The research concluded that efficiency and productivity of the Nigerian manufacturing organizations are indeed related to the energy supply and energy price. While the energy resources were found to play a critical role in the manufacturing sector though, it was also discovered that the energy source alone cannot effectively improve the performance of the manufacturing sector in Nigeria. An important point identified in the research was that the manufacturing sector is too wedded to using old technology and as such, there is a great need for the adoption of more advanced energy-efficient technological devices and techniques. For this reason, reforms concerning the prices of energy options alone do not significantly affect the performance of the sector because it is hindered by the need for improved technology and energy supplies. Thus, the reforms in the energy sector need to happen alongside technological reforms, otherwise the manufacturing organizations cannot entirely enjoy the advantages of the energy resources.

Ayanwale (2007), studied the effects of foreign direct investment on the performance of the Nigerian economy and manufacturing sector, and revealed that the country is striving to attract more foreign investors. This is so that the operations and activities of the manufacturing sector can be supported by the revenue gained through these investments. However, available statistics of the Nigeria's manufacturing and macro-economic data does not paint a good picture of manufacturing contributions to GDP and national employment as observed. For example manufacturing contributions to GDP has been below 10% between 1990 and 2005, and the country's expectation that it will reach 15% by 2010, from the trend, seems almost impossible.

Another vital point that Ayanwale's work brought to light is that while foreign investments in manufacturing could be beneficial to the economy, it is necessary that human resource issues are resolved as well, so that the financial resources can be effectively utilized. In a survey report for the United Nations Industrial Development Organization (UNIDO), Malik et al discloses that for many years the Nigerian manufacturing sector has been working with mostly unskilled and unqualified labor. Actually, to date, the qualifications and skill level of the sector's workforce is still very low. This is an important issue as it directly affects the quality of the manufactured products in Nigeria. As it turns out, the reason behind the employment of unskilled labor is the inability of the manufacturers to pay actual skilled labor well.

Mazumdar and Mazaheri (2003) argue that average wages are very low in most of the manufacturing firms in Africa as the owners settle for unskilled labor. This is because highly skilled laborers come with high salaries that the firms cannot afford, thus, they keep on employing unskilled labor on low wages. So though there were employment opportunities in the manufacturing sector, they did not alleviate poverty levels; while the quality and standard of the labor were stagnant. The researchers suggested that the manufacturing companies must realize the importance of investing in skilled labor so that the manufacturing process can be run on updated methods. Also, the overall poverty level could be raised by the stimulation of paying good wages to skilled laborers'.

Alli (2009) reviewed the situation and stated that after going through several ups and downs, the final shape of the Nigerian manufacturing sector is mainly made up of a few players. These players are the multinational, national, regional and local manufacturers, investors, and companies. It was also disclosed that while the multinational companies are still operating and surviving in the country because of strong financial and resource support, the other operators have either disappeared from the scene or are struggling to survive in the manufacturing industry. This is because of the unpredictable policies and strategies implemented by the government, effects of globalization, and the lack of raw materials obtained locally for the manufacturing process.

As a result, the aforementioned players of the sector started diminishing from the scene, and the productivity and efficiency of the manufacturing sector were negatively affected. At present, the capacity utilization in the sector remains lower than 35%. This also provides evidence and reasons to conclude that the Nigerian manufacturing sector is inefficient.

The Nigerian Bureau of Public Enterprises itself identified some of these main barriers that affected, and continue to affect, the growth and development of the Nigerian manufacturing sector. Their reasons include high interest rates, unpredictable government policies, non–implementation of existing policies, ineffective regulatory agencies, and infrastructural inadequacies, dumping of cheap products, unfair tariff regime, and low patronage. On top of these, as mentioned, a skilled workforce and foreign investments are also in short supply. In summary, the retrospective analysis of the manufacturing sector of Nigeria could serve as a lesson for other countries. It shows how the mismanagement of resources and the negligence of an important sector can contribute to the low performance of the whole economy. In Nigeria, the government used to place sole emphasis on the oil sector and as a result the manufacturing sector failed to prosper. Now, even after the spike in oil prices, the country can only look towards a very insignificant contribution from the manufacturing sector caused by the inadequate policies and planning of the past.

2.1.5: Effect Of Globalization On Industrial Development.

Globalization is inherent to human co-existence and it is an integral part of human history. It is an international reflection of the interdependent nature of human co-existence. The history of the world has been associated with the process of globalization at different levels relative to conditions at different times. The economic dimension of globalization is the most formidable and has been the driving force for the political and social aspects. For instance, European cultures found their ways into other parts of the world through the colonization of colonies which was spurred by the industrial revolution in Europe. The logic of the colonization process was to create a more integrated world economy controlled by the metropolitan countries as a result of the revolutionary changes in the way production was organized in Europe that gave it a competitive edge over the rest of the world. The concept of globalization describes the nature in which the economies of different countries of the world are interrelated and integrated into a larger economic enclave.

The praxis of globalization has caught up with virtually all countries of the world today, which are faced with the realities of increased integration of world trade and capital flows facilitated by the rapid growth of information technology and the opening up of hitherto closed economies. The trend of increased integration of national economies with the rest of the world is gradually evolving into a coherent global economy that is hinged on free markets, investment flows, trade and information. This has the tendency of shifting autonomous economies into the global market by systematically incorporating such autonomous economies into a global system of production, distribution and consumption. Although globalization is not a new phenomenon, the speed with which it has engulfed countries of the world as a result of fast growing information technology has generated concerns as to its effects on underdeveloped economies.

As Cough and Ikiara (1988) argued that despite the low wage, only a few labor intensive activities aimed at the world market have taken in Africa. Linkages between local industries remain minimal and most superficial. The technological level of the existing industrial activities remains generally low. In broad term, therefore, industries in sub- Saharan Africa has failed to achieve structural transformation and export diversification. Yet this was the expectation of the government of these countries, and indeed, is the purpose that industry, serves in many other part of the developing world.

The implication of globalization is embodied in the statement by Peter D. Sutherland, the chairman of Goldman Sachs International and of the Overseas Development Council, in the IMF’s 1998 per Jacobson lecture; “The qualitatively new world economy that has emerged under globalization is characterized by an extraordinary volume and pace of international capital flows and a structure in which the production and marketing of goods and services are integrated across national borders”.

The emergence and the changing structure of the world economy is the most profound implication of the globalization process, which has altered virtually all aspects of business, industry and manufacturing. Manufacturing activities takes place in different forms at different locations with different product models to take advantage of differences in societal conditions. Irrespective of boundaries between countries and ownership profile of firms and technological wherewithal, firms can establish production units in different places across the world.

Scientific and technological breakthroughs have facilitated an international information system that makes it possible for people across territorial boundaries to be aware of new goods and services, whichever country such new goods and services are produced. Firms across borders gain from externalities such as knowledge spillovers that springs from the quality-ladder process of endogenous growth model analysis. The process of globalization has opened great opportunities for the exploitation of economies of scale and scope, making for rapid growth and conferring comparative advantage on those with access to it.

A world economic system has given rise to a world capital market. The flow of capital around the world is being facilitated by the nature and dynamic operations of the international economic dispensation. The integration of the capital market ensures the movement of capital to the countries of the world where there is higher returns for capital, which enhances private capital gains. It is now widely recognized that finance/ Capital responds rapidly to new profit opportunities on the basis of sound economic fundamentals.

Trade liberalization has been the major policy thrust that drives the globalization process. The significance of international trade in spearheading economic growth and development process underlies the essence of establishing formidable international trading rules to sustain the dispensation of the world economy. Institutional policy instruments are been used to consolidate the gains of free trade around the world. The formation of the General Agreements on Tariffs and Trade (GATT), which later metamorphosed into the World

Trade Organization (WTO), is to serve the purpose of institutional policy framework for ensuring compliance with free trade policies by countries of the world towards achieving, sustaining and consolidating the globalised world economic structure.

The process of globalization has both positive and negative effects to different category of economies of the world. Competition among firms to get a good share of the large world market leads to; specialization and efficiency; better quality products at reduced prices; economies of scale in production; technological and managerial improvements. World output of goods and services will increase both in quality and quantity which is expected to translate into higher living standards of the world population.

Rauch and Trindade (2003) established that free information flow across countries leads to increased international substitutability of factors of production with emphasis on labor. However, Verdier and Theonig (2003) argued that firms and countries tend to adopt the strategy of defensive-skill-biased innovation to curtail the leapfrogging of their technology by others as a result of the process of globalization. Developed economies are the main actors of globalization since it is about the expansion of markets for goods and services. Underdeveloped countries, which are not well equipped to produce goods and services that can withstand competition with others, are not likely to be interested in market expansion. While availability of goods and services produced by firms motivates the need for wider markets, availability of markets in turn, provides impetus for further production of goods and services. Inspiration from economic growth and development analysis implies that effective use of resources, which is the critical stimulant for the process of economic growth and development, is hinged on industrial production.

The most discernible characteristic of underdeveloped economies is lack of the infrastructure and motivation for the production of goods and services. This has constituted into a serious setback to industrial production in such countries, which has manifested into difficulties in meeting the basic needs of their domestic economies for goods and services. A cycle of persistent underdevelopment is emerging in these countries as a result of persistent non utilization of their domestic resources for production purposes.

To meet basic consumption requirements, demand for goods and services produced by other economies becomes inevitable, but development of any society evolves from the society's peculiar needs and the strategies towards meeting such needs by the society. Goods and services produced by other societies based on certain consideration have limitations in responding to developmental needs of another society. Due to lack of industrial production, the underdeveloped economies cannot reap the benefits of learning-by-doing and other positive externalities such as knowledge spillovers, Research and Development (R&D) and technological leapfrogging.

The unutilized resources of the underdeveloped economies find their ways to the developed economies for use as raw materials for industrial production. Rizzo (2002) and Appia-kuby (2001) argued that the globalization process sustains this trend using the overbearing rules of international institutions that are largely controlled by the industrialized countries. Competition and the benefits of competition spurred by the process of globalization is confined to countries that have taken the advantage of "first-mover" in game theory Conceptualization, but in this case forming a cluster of first mover players and making it difficult for other players of the game to make any effective move. The activities of international organizations such as the General Agreement on Tariff and Trade (GATT) later transformed into the World Trade Organization (WTO), the International Bank for Reconstruction and Development (IBRD)-more known as the World Bank, the International Monetary Fund (IMF), the Organization for Economic Co-operation and Development (OECD) and the G-7(8), are meant to strengthen and institutionalize the prevailing process of globalization.

Essentially, the activities of these institutions are at variance with the internal and evolutionary requisites of economic growth and development of underdeveloped economies by imposing on them policies that do not encourage industrial production. There has been a web of control around underdeveloped countries that has greatly eroded their national policy sovereignty. The rapid integration of financial markets has significant influence on national policy makers in the conduct of monetary and fiscal policies, which has tremendously undermined the achievement of macroeconomic stability of underdeveloped economies.

This has also being a source of spreading shocks and disturbances from one financial market to the other. Globalization tends to encroach on the internal process of generating and sustaining the process of economic development by internal mechanisms of the society and eventually excludes large section of the society from the process. The gamut of globalization ascribes roles and functions to various economies which impose, without consensus, an international division of labor that is lopsided against underdeveloped economies. The industrialized countries, being the key actors of the process, are very selective in the application of globalization principles.

They encourage free trade and free mobility of capital but apply restrictions on the free mobility of labor. While labor mobility between developed countries is recognized as necessary for sustaining their level of economic activities, mobility of labor between underdeveloped and developed countries is restricted and controlled. International capital flows have flourished through the process of globalization and underdeveloped countries have received a fair share of these flows.

However, the flows of international capital to underdeveloped economies have not stimulated the process of economic growth and development because such flows are mainly in the form of official development finance, export credits, international bank loans, and bond issues with sort term maturity, which serves the purpose of facilitating the import dependent behavior of the underdeveloped economies, rather than trigger a process of domestic production that could evolve into industrialization process. The foreign direct investment component of the flows are directed to the service sectors of the economy that have limited or even no linkage with the manufacturing sectors of the economy of the underdeveloped countries. International capital flows have been associated with high risk of volatility, which recently manifested in the East Asian financial crisis.

Obadan, (1999) argues that the impact of the volatility of the international capital flows on the underdeveloped economies have culminated into persistent inflation, rise in interest rates, lagging wages and falling consumer demand. This has compounded the unfavorable investment climate of such economies. Uncertainties, falling demand and higher interest rates combine to cause a fall in investment, decline in GDP and rising unemployment, thereby paving the way for recession to set in.

The pattern of international flows has been in accordance with the changing directions, signals and dictates of the forces of globalization. For instance there was a burst in global capital flows following the collapse of the Breton Woods system of fixed exchange rate in the early 1970s. Eat well (1996) observed that, the fluctuating rate system that replaced it stimulated capital flows with a powerful cocktail of the carrot of speculative profit and the stick of financial risk, laced with the proceeds of extensive arbitrage. Other significant factors that led to the sudden and dramatic increase in capital flows in the 1970s were the two major oil price hikes and the need to recycle the attendant petrodollars. At the onset of the debt crises that afflicted most underdeveloped countries in 1982, capital flows dropped sharply and during most of the 1980s private financing to underdeveloped countries was at a standstill.

Obadan, (1999) contends that in the 1970s, aggregate net resource flows maintained an upward trend, rising from $21.1 billion in 1970 to $162.1 billion in 1980 but declined in the 1980s to $93.6 billion in 1985. In the 1990s, aggregate net resource flows to underdeveloped countries experience a rising trend, moving from $101.9 billion in 1990 to $284.6 billion in1996, increased further to $300.3 billion in 1997 against a favorable global environment marked by continued growth in demand from industrial countries, low inflation, moderately low interest rates, continued liquidity in international capital markets and strong economic performance of major borrowers. The worsening plight of most underdeveloped economies despite the phenomenal increase in international capital flows is indicative of the ineffective application of the flows to real productive investments that could stimulate the process of industrialization of such economies.

Schadler, (1994) argued that beside the need for appropriate macroeconomic environment to enhance the absorptive capacities of the underdeveloped economies, the strategic interest of domestic economies of the underdeveloped countries and that of owners of international capital are in conflict. An appropriate situation is when surges in capital inflows are clearly attracted by sustainable improvements in competitiveness or potential productivity growth-so that the effects on activity, prices, and trade balance are less of signs of overheating than equilibrating adjustments—the policy response could be focused on improving the absorptive capacity of the economy rather than on containing the destabilizing effects

However, if policy makers in underdeveloped countries are made to be in tandem with the dictates of globalization, it will be difficult to create the requisite macroeconomic condition for effective utilization of both domestic resources and international capital flows. The situation has been worsened by a large quest for international capital flows by the underdeveloped economies as a major strategy of their economic development process. The rules binding international capital stifles domestic production and retards the growth of such economies. The attendant loss of policy making sovereignty has weakened the institutions of governance of underdeveloped countries and effective governance is a critical factor in motivating the domestic resources towards attaining economic growth and development.

The governments of most underdeveloped countries give premium to satisfying the needs of the developed industrialized countries, while the needs of their citizenry (the electorates) are given secondary considerations. The absence of the crucial elements of responsive governance emanating from the overbearing influence of globalization is fundamental to the lack of effective policy that could engender economic growth and development of underdeveloped countries.

The interdependent essence of the ideals of globalization is not in existence. Countries that are underdeveloped have been at the receiving end of the prevailing process of globalization. They serve the purpose of providing impetus to further development of developed countries while they continue to be poorer. The poverty level in some underdeveloped country continues to worsen. The 1999 Human Development Report warned that globalization may actually increase human insecurity and marginalize the poor which implies that in the era of globalization, there is an increasing danger of growth actually excluding and dislocating large sections of the world population. The governance process are weak and non responsive to the fundamental aspirations economic growth and development of the countries.

The lopsided effect of the prevailing process of globalization is assertively captured by Stiglitz (2002): when he opined that "Today, few-apart from those with vested interests who benefit from keeping out the goods produced by the poor countries-defend the hypocrisy of pretending to help developing countries by forcing them to open up their markets to the goods of the advanced industrial countries while keeping their own markets protected, policies that make the rich richer and the poor more impoverished-and increasingly angry". This situation is not healthy for the underdeveloped countries as well as for the global economy.

The extent to which the few industrialized countries can provide the needs of the world economic system is limited by their capabilities and peculiarities. A significant proportion of the world's population (human resources) and other resources are unutilized, which implies that the world economy is operating far below its capacity, resulting into mass unemployment and attendant economic, social and political disequilibria of the world economic system. The intuition of the "scale effect" means that economic growth and development is dependent on the creation of new ideas, derived from human capital drawn from a pool of population. Ideas do not automatically emanate from population, but certain processes are needed to trigger the inclination towards ideas. If a large chunk of a given population are not made active to participate in the process of creation of ideas, the volume and variants of innovation that could spring up from the process is reduced. The arguments of semi-endogenous economic growth analysis emphasize the fact that seemingly policy invariant parameters, such as population could be significant source of generating the process of economic growth and development.

Economic growth, the imperative requisite to development, is tied to increase in productivity, which, in turn, depends on new ideas (designs) through R&D, which is dependent on an exogenous variable, the labor force or population. The spill-over effects of the negative externalities of the underdeveloped economies have crippling effects on the developed economies and leads to suboptimal operation of the larger world economy.

2.1.6: Capacity Utilization On Industrial Development In Nigeria

Capacity utilization is a major index of efficiency in the utilization of available resources in a given industry within an economy. It is usually determined subject to the overall installed capacities of plants and production systems in an economy. Available studies show that there has been general underutilization of capacity in Nigerian economy (Salimonu, et al 2006). There are a number of factors that could be associated with the performance of productivity indices such as capacity utilization in any economy. Among such factors are, inflation rate (IFR), exchange rate (EXR), interest rate (ITR) as well as the level of production and utilization of energy for industrial purposes. It has been observed that a highly volatile rate of inflation as is the case of Nigerian has the potential to cause Considerable distortion in the economy. This can come as a result of uncertainty about future prices which is likely to entail higher risk incidence and unanticipated changes in the distribution of resources. It therefore means that for a given average inflation rate, higher inflation volatility can depress economic growth (Elder 2004; Fatás and Mihov 2005; Grier and Grier, 2006; Fielding 2008). Since one of the major drivers of economic Growth in any country is the level of technology for enhancing productivity (Parkin et al 2005), it then becomes quite obvious that inflation volatility can affect the performance of available technology possibly by introducing Some level of uncertainty in the acquisition and utilization of capacities.

Another factor that can influence the level of capacity utilization of industries is the prevailing interest rates (lending rates) for investment funds in the financial market. According to Oresotu (1992), the basic functions of interest rates in an economy in which individual economic agents take decisions as to whether they should borrow, invest, save and/or consume, are summarized by International Monetary Fund (IMF) under three aspects. These are; interest rates as return on financial assets serve as incentive to savers, making them defer present consumption to a future date; interest rates being a component of cost of capital affect the demand for and allocation of loan able funds; and the domestic interest rate in conjunction with the rate of return on foreign financial assets and goods are hedges against inflation. Here, we are interested in the second aspect of the functions enumerated above which has to do with cost of investment capital. In Nigeria, most manufacturing firms depend largely on the financial and capital markets for the required credit to fund their operations. However, banks in Nigeria believe that lending to the manufacturing sub-sector is very risky and that increasing credit to this sector is not justified in terms of risk and cost (Olorunsola, 2001).

Consequently, banks charge high interest rates, demand high levels of collateral and make few loans of more than a year in term. The high interest rate in the Nigerian financial system is a reflection of the extremely poor infrastructural facilities and inefficient institutional framework necessary to bring about substantial reduction in the risk associated with financing an extremely traumatized economy (World Bank 2002; Adebayo et al 2004). There is no doubt that such inefficiency in the financial system can manifest its negative impacts by creating distortions in the manufacturing sector of the economy and reducing capacity utilization**.** From the study 1percent change in imported manufactures resulted in 18.33 percent increase in capacity utilization, indicating that Nigeria is highly important dependent. According to Oladokun (1979), the proportion of labor employed in manufacturing has slowed down greatly. This may be due to the under-utilization of capacity. In the manufacturing industry, the capacity utilization in 1980 was 70.1 and by 2000, it was below 35%.

Awujola (2004) suggested that high productivity in the Nigerian manufacturing industry is necessary conditions for the sectors recovery, achieving competitiveness, boosting GDP and uplifting the standards of living of the people, require to attack the problems of low level of technology, low level of capacity utilization rate, low investments, high cost of production, inflation and poor infrastructure. The capacity utilization and productivity remain very low compared with other African manufacturing firms. In most Africa countries, performance in this sector has been poor (UNIDO, 2002).

Omobowale (2010) revealed a number of problems confronting these local industries were recorded. These include erratic power supply, cost of raw materials, level of automation, noise pollution, occupational hazards, instability in government policies, marketability and a general bias for machines fabricated locally.

Kayode (1987), made us to believe that the industrial sector and in particular, the manufacturing sub-sector is the heart of any economy. He went further to confirm that faulty or poor industrial development policies have long been recognized as major factors that adversely affect the well-being and socioeconomic improvement of the people in developing countries. He argued that such policies are the major contributing factors to low value added and low economic growth.

Ukoha (2000), showed that the manufacturing sector is typically the most dynamic component of the industrial sector and the degree of manufacturing is a measure of the extent to which the other components of the industrial sector. Soderblom and Francis (2002) the most frequently cited number-one problem for the firms is physical infrastructure, followed by access to credit, insufficient demand, cost of imported raw materials and lack of skilled labor. Uzaoga (1981) also threw more light on the low performance of the manufacturing sector in Nigeria. He made us to believe that Nigeria being a colony of Britain had to specialize on the production of raw materials while Britain serves as the main supplier of manufactured goods. According to him, this unfortunate pattern of investment promoted the theory based on a static scheme of comparative advantage whereby diverting the Nigerian economy into activities that offered little opportunity for technical progress. The few industries established depended on foreign inputs.

All these distortions according to him affected the performance of the industrial sector in terms of its contribution to the gross domestic product, employment generation, capacity utilization; export and value added which are indices for measuring the performance of the manufacturing sub-sector. Productivity is usually expressed in value terms which, for the manufacturing sub-sector, are easily calculated from ex-factory prices of finished products, estimated value of semi-finished products and other works and services of an industrial nature.

According to Friedman and Schwartz cited in Zarnowitz (1996) the steady decline in prices from 1873 to 1979 probably led contemporary observers and certainly later observers to overstate the severity of the contraction in terms of real output…The contraction was severe. Yet an analyst who assessed the contraction on the basis of physical volume series alone would regard it as shorter in length, as far less severe than it has been generally judged.

The Central Bank of Nigeria (2009), estimated the index of manufacturing production and reported a decline of 1.4 per cent in its economic report for the second quarter of 2009. It said that the estimated capacity utilization fell by 2.3 percentage points to 53.5 per cent during their view quarter. The decline was accounted for by poor electricity supply which constrained production and weak demand as a result of the global recession. Also, the index of mining production was not to be excluded as it declined by 1.3 and 2.7 per cent from the levels attained in the preceding quarter and the corresponding period of 2008, respectively. CBN surveyors attributed the decline to the fall in crude oil and gas production, resulting from the crisis in the Niger-Delta region.

Anyanwu (1998) however stresses the complexities involved in constructing productivity index. There is little or no data on productivity levels in the Nigerian economy in general and the manufacturing sector in particular. Ad hoc studies conducted during 1989 indicated that, on the average, there was little rise in productivity. He confirmed that the growth rate in the sector was relatively high in the period 1966-1975 at an average annual of 12.9 per cent. This was a reflection of the importance which the government attached to manufacturing activities and the adoption of import substitution industrialization strategy from independence which resulted in the establishment of many consumer goods industries, including soft drinks, cement, paints, soap and detergents.

The growth of the manufacturing sector expanded from the period 1976-1985 with the establishment of more import substitution industries, with the average annual growth rate of 18.5 per cent. The oil boom of the era which provided enough foreign exchange for the importation of needed inputs such as: raw materials, spare parts, and machinery provided the impetus for this phenomenal growth.

However, the collapse of the world oil market from the early 1980s and drastically reduced foreign exchange earning capacity, the subsector was no longer able to import needed inputs. Hence manufacturing output growth fell drastically to an annual average of about 2.6 per cent during the period1986-1998, even with the introduction of SAP in 1986.

In the same vein, Manufacturers Association of Nigeria (MAN) confirmed the general trend in the industry was negative in 1989 and indications were that the situation worsened since then. However, it is noteworthy that in the absence of data on productivity in the sub-sector, data on other indicators of performance can be reviewed. These include manufacturing production annual growth rates, capacity utilization rate and the sub-Sectors share in GDP. In fact, for the period 1993-1998, growth in the sub-sector was negative.

Johansen (1968) defined a primal notion of capacity, plant capacity, as the maximal amount of output that can be produced per unit of time with the existing plant and equipment without restrictions on the availability of variable inputs. The US Federal Reserve Board (FRB) and Institute for Supply Management (ISM) provide similar definitions of capacity Utilization as the "maximum level of production that an establishment could reasonably expect to attain under normal and realistic operating conditions fully utilizing the machinery, equipment and intangible resources in place" (Morin & Stevens, 2005).

Fare et al. (1989) build on Johansen's (1968) definition, that with unrestricted available variable factors of production, capacity is the maximum amount that can be produced per unit of time with existing plant and equipment. They develop a non-parametric linear programming model that allows observed inputs and outputs to proxy for the measure of capacity utilization. With their model, one can also measure technical change and productive (technical) efficiency change.

Anwar M. Shaikh and Jamee K. Moudud (2004) in their contribution to the Levy Economics Institute Working Paper Collection distinguish between "engineering capacities," which is the maximum sustained production possible over some interval, and "economic capacity," which is the desired level of output from given plant and equipment. For instance, it may be physically feasible to operate a plant for 20 hours per day 6 days a week, for a total of 120 hours per week of engineering capacity. But it may turn out that the potentially higher costs of second and third shifts make it most profitable to operate only a single 8-hour shift per day for five days a week, i.e. 40 hours per week. This is what defines economic capacity, the firm's benchmark level of output (Shaikh and Moudud, 2004).

The manufacturing sector plays a catalytic role in a modern economy and has many dynamic benefits that are crucial for economic transformation. That is, the manufacturing sector serves as a catalyst for economic growth and development, as well as the bedrock of every economy. In an advanced economy, the manufacturing sector is a leading sector in many respects. This buttressed Lewis (1967) who stated that in any economy, one or more sector serves as the prime mover, driving the rest of the economy forward. It is an avenue for increasing productivity in relation to import substitution and export expansion, creating foreign exchange earning capacity, raising employment and per capita income, which widen the scope of consumption in dynamic patterns.

Ogwuma, (1995) stated that it furthermore, promotes growth of investment at a faster rate than any other sector as well as wider and more efficient linkage among different sectors. The growth of industries in Nigeria may be investigated through the study of such vital indices of growth of value added, employment in modern establishment, capital formation in the sector, coverage of products industrialized and changes in trade structure. A cursory look at some concentrations of industrial development in Nigeria may lead to a misleading picture of a high state of industrialization in Nigeria. For a country of the size of potential in Nigeria, manufacturing is essential if the country is to achieve rapid economic and social development. This recognition of the importance of manufacturing industries in the growth process is linked with the choice of an appropriate strategy of industrial development.

Industrial development therefore is the application of modern technology, equipments and machineries for the production of goods and services, alleviating human suffering and to ensure continuous improvement in their welfare. Modern manufacturing processes are characterized by high technological innovations, the development of managerial and entrepreneurial talents and improvement in technical skills which normally promote productivity and better living conditions. In recognition of this, successive governments in Nigeria have continued to articulate policy measures and program to achieve industrial growth and development. This cannot be attained until manufacturing capacity is utilized to a reasonable extent.

Fabayo (1982), coined capacity under-utilization as a phenomenon which obtains when for one reason or the other, an industry is unable to fully utilize its installed scale of plant on a sustained basis. The manufacturing capacity utilization in the late 1970s was as high as 78.70 percent and nosedived to as low as 43.80 percent in the 1980s. Between 2000 and 2005, it oscillated around 34.60 and 52.78 percents. The manufacturing value added and employment generation which were also determinants of industrial development, oscillated within the same period. These were attributed to the infrastructural inadequacies and low incentives put in place to boost manufacturing productivity in Nigeria.

Ayodele and Falokun (2005), even noted that the introduction of the Structural Adjustment Program (SAP) did not ameliorate this problem but rather aggravated it as experienced through a regime of high inflation rate which makes domestic manufacturers and domestic market uncompetitive. From the foregoing, the trend of utilizing capacity in the manufacturing sector and how it has been enhancing industrial development has remained less/unascertained.

As Ogwuma, (1995) noted that in a less developed country like Nigeria, to bring about profound changes required in the manufacturing and industrial sector is to create new agro-based industries and attain a higher productivity, Nigeria will need a substantial amount of new capital equipment. This is a sufficient evidence to regard capital shortages as an important limitation to the development of industries, thereby retarding industrial development in Nigeria. Between 1990 and 1996, the manufacturing sector recorded a negative annual growth rate of 1.6 percent.

Consequently, the contribution of the sector to GDP fell from 11.2 percent in 1982 to 4.8 percent in 1996 and later 6.79 percent in 1999. The CBN report (1997) captured it that cost of raw materials accounted for 69.5 percent of the total cost of operations while wages and salaries, interest changes, depreciation and energy accounted for 7.5, 5.5, 3.5 and 2.9 percents respectively. Aggregate value of raw materials used increased by 43.5 percent, locally sourced materials accounted for 48.3 percent of the total cost of raw materials used, imported raw materials accounted for 51.7 percent, manufacturing value added -declined by 40.8 percent and overall investment expenditures of manufacturing enterprises declined by 0.8.

Oloyede (1976) opined that the strategy of import-substitution, which is generally favored in Nigeria, relies heavily on importation and does not sufficiently use local reserves. This has resulted in high production cost for manufacturers, low value added retained in the economy and depletion of international reserves. Consequently, the bulk of manufacturing capacity continued to remain unutilized while the provision of public utilities and other social services has deteriorated.

Ekpenyong (1992) observed that the rate of interest, as well as the inflation rate prevailing in an economy can affect the level of output in industrial sector. These two key factors determine the amount of loan and advances that can be made available to investors and producers to improve their productivity and efficiency.

Ukoha (2000) also investigated the determinants of capacity utilization in the Nigerian manufacturing industry between 1970 and 1998. He found out that the exchange rate, federal government capital expenditure on manufacturing and per capita real income has positive effects on manufacturing capacity utilization. However, inflation and loans and advances to manufacturing were found to have negative effect. Improving capacity utilization in the Nigerian manufacturing sector will enhance growth of the sector which will subsequently result in industrial development in Nigeria. A large amount and a sustaining growth rate in manufacturing value added are very necessary in order to ensure and maintain a desirable level of industrial productivity. For instance, the Nigerian manufacturing value added fell in 1985 from 5,954,697 to 1,357,907 in 1989 which also adversely affected industrial output to fall from 12,448,317 to 2,999,709.during this period, there was no incentive for industrial development.

2.1.7: Globalization And Trade Liberalization

Trade liberalization has been an important phenomenon, which many actors (institutions, firms, and private individuals) have over the years been agitating for (Czinkota and Ronkainen, 2007; Spiegel Special, 2007; Human Development report, 2004). The fundamental premise for trade liberalization is that all markets will benefit from deregulations and/or removal of all forms of control mechanisms, which summarily limit firms' and individuals' exchange relationships in an economy (World Development Report, 1990, 1994; Todaro, 1994; Human Development Report, 2004). In LDCs all forms of import and export controls and the running of most public enterprises, for example, will not be in concession with the process of globalization and, for that matter, in line with the liberalization of markets, which globalize markets demand (Human Development Report, 2002, 2004; World Development Report, 1994; Doole and Lowe, 2004).

As Czinkota and Ronkainen, (2007) stated that, one important effect of this trade liberalization is that many firms (e.g. "Mini-nationals" or "Born Global") are able to serve many markets from a handful of manufacturing bases. Czinkota and Ronkainen, (2007); and Doole and Lowe, (2004) argued thus, many firms are now, in the era of increased globalization and trade liberalization, not compared to build a plant in every Country as some established multinational corporations (MNCs) once had to do. Peng, M.W., et al, (2008); Beamish and Lu, (2004); Czinkota and Ronkainen, (2007) in addition contend that what the forces of globalization and trade liberalization have also produced is the intense competition among firms in all countries.

In LDCs, especially, imported goods and services present a major threat to the competitiveness of indigenous firms (Spiegel Special, 2007; Human Development Report, 2004,) As foreign manufacturers need not undertake local production in many LDCs nowadays, if they choose to, they can still serve those markets with goods and services exported into them, thanks to virtually no trade restrictions imposed on them. Chinese firms, for example, are said to have entered main markets of the world such as Europe and North America with products ranging from auto parts and appliances to telecommunications (Czinkota and Ronkainen, 2007).

Also Chinese firms are said to have invaded Africa with their products (Spiegel Special, 2007). If indigenous firms in Africa do not go abroad to pre-empt competition there, their competitors will come into their domestic markets to compete with them or even pre-empt them. The forces of globalization and trade liberalization leave no firm in LDCs safe from foreign competition. Positive with the forces of globalization and trade liberalization is that firms do not only have access to a larger number of markets, also goods and services, they are expected to operate in favorable environment where controls of all kinds are eliminated or minimized (Spiegel Special, 2007; Human Development Report, 2002; World Development Report, 1994). But, in spite of the advantages of globalization and trade liberalization, most firms in the LDCs face enormous problems, which negatively affect their competitiveness. Example of such negative factors are the unfair trade among nations (Killick, 1982; Unger, 1988; Human Development Report, 2002, 2004; Spiegel Special; 2007), where in the spirit to influence competitiveness of firms, most industrial countries erect trade barriers and give subsidies to their firms in entering and operating in foreign markets (Beamish and Lu, 2004; Human Development Report, 2004, 2002; Spiegel Special, 2007,).

As established elsewhere, the full-scale advantages of the globalization and trade liberalization cannot have some recognizable impact on many poor people in the poorest countries of the world. Human Development Report (2002,), states that as the poor countries 'over-liberalized' their economies, whilst the industrial countries erect trade barriers and offer subsidies to their firms. Most poor countries that have liberalized their economies without favorable systems, enabling environment, in place to foster the emergence and growth of their entrepreneurs have all, especially like Ghana, which has witnessed the elimination of most indigenous firms from the local market as competition intensified, mostly through massive imports of goods and services (Panford, 1994; Tangari, 1992; Awuah, 1997; FIAS, 2003; Spiegel Special, 2007).

An enabling environment will translate into firms getting, for example, easy access to most critical production inputs, from within or outside, at competitive prices; bank loans at competitive prices; efficient communication and transportation systems, and regular supply of electricity and water. And above all, there should be effective fiscal and monetary policies, which are conducive to, among other things, the conduct of business in an environment that is deeply involved in the processes of globalization and trade liberalization. Where the above conditions are lacking, as in the case of many LDCs, Ghana being no exception, the environment will be termed as being not 'enabling' (Kauda and Sorensen, 2001; FIAS, 2003).

The enhancement of industrial development has been a major policy focus in Nigeria since the 1970s. The favorable policy stance of the Federal government toward the industrial sector might have been informed by the obviously positive relationship between industrialization and general development of the Nigerian economy. In this regard, the federal government adopted various measures to encourage investment in the sector. The statement of fiscal and monetary policy objectives in the 1960s and 1970s emphasized the need to protect the infant (import substitution) industries. However, by the second half of the 1970s, the statement of policy objectives was extended to include the stimulation of indigenous investors in the manufacturing sector, including even those in small and medium manufacturing businesses.

However, these strategies appear not to have created the necessary foundation for an industrial revolution in the society. For instance, a review of import substitution industrialization by Egwaikhide (1992) shows that Nigeria’s import substitution programmed exacerbated the foreign exchange problem, while the production techniques of the protected industries were capital-intensive, with low labor absorption capacity.

In the 1980s, the economy took a different turn, partly due to declining oil revenues, inconsistent and ad hoc macroeconomic policies and intensive primitive accumulation. All austerity and stabilization measures put in place failed to reverse the declining trend (Ekpo, 1995). Deepening economic problems precipitated the adoption of the Structural Adjustment Program (SAP) from July 1986, of which trade liberalization was a major element. It was expected that a liberalized trade regime would stimulate industrial output expansion and enhance a better performance of the economy (Prasad et al., 2003). However, contrary to expectations that SAP policies would shift production and trade towards outward orientation, the industrial sector seems not to have made any significant contribution to export earnings.

According to Madunagu (1999); Toyo (2000) and Obaseki (1999) globalization have led to the creation of parasitic economic relationships and has systematically pushed Nigeria into economic crises as industries operating in Nigeria cannot compete with industries in advanced countries of the world, most especially Europe and America. They stated that the process of globalization which entails the expansion of capital and market forces into “uncultured terrain” brings along with it harsh socio-economic condition for the populace. An appraisal of these programmed shows that it was a failure since it could not yield the expected results. Ikpeze, (1994) argued that if this is true, it is important for us to examine how Nigerian industrial sector have been fairing under globalization. It is also important for us to ascertain whether globalization should be accepted with both hands or not, and asked what should Nigeria’s industrialization and trade policies be in the face of globalization?

Hirschman (1958) argued that the pattern of industrial development depends on the country’s form of backward and forward linkage effects the industries established in the country are expected to produce. Kuznets (1957) posited that in the process of industrialization, the share of the agricultural sector in national product declines, national income increases, while the share of the industrial sector increases with the national income. Chenery (1960) further posited a steady pattern of industrial sector development. According to him, as industrial sector development proceeds, changes are usually experienced in economic structures. A rise in the relative importance of the manufacturing sector changes in the production techniques and sources of supply for industrial commodities.

Britain, one of the forerunners in the industrialization process followed the pattern of capital accumulation in the seventeenth century which enabled industrialists to take advantage of the mechanical inventions of the late 15th century and this was one of the reasons that enabled England to gain an early start in industrial revolution before others. British woolen industry was regarded by the state as a prime national asset. Regulations were made to encourage it. These regulations include thus: farmers were forbidden to export wool; Heavy duties were imposed to foreign fibers; the use of cotton was checked; colonists were not allowed to make woolen materials for export; textile workers were not allowed to emigrate; and diplomacy was applied to open up new markets and also ward-off high tariffs.

It is interesting to know that, in the 12th and 13th centuries Britain was handicapped in the competition with its then contemporaries; France, Holland, Spain, Belgium, etc, she still arrive as an industrialized state before these other ones. One of the greatest impetuses to this was the Tudor Philosophy of uni- centricism. It is no small measure prepared English for swifter industrial take-off and advancement. As at the dawn of the 18th century, Britain was ready for industrial take-off. All factors highlighted above paved the way for industrial capitalism. Thus the stage was set and in the 18th century the action began, England became the first country to be industrialized (Tamuno, 2007).

Nevertheless, the path followed by France to industrial development was a bit different from that of Britain. Rather than over reliance on machine technology and industrial capitalism (mercantilism), France engaged in commercialization of agriculture, construction of railways and road network, modernization of her economy, etc. Here it must be noted that France did not experience a “take-off” what happened in France was gradual and steady growth that began in the eighteenth century in other words, there was qualitative break-industry (Tamuno, 2007).Adenikinju and Olofin (2000) examined the quantitative effects of the role of economic policy in the growth performance of the manufacturing sector in Africa. The study used panel data for seventeen countries over the period 1976 to 1993. Their econometric results suggest that level of human capital; proxy by primary and secondary school enrolment rates; have a positive impact on growth in manufacturing. The competitiveness index, that is the unit of labor cost, has a negative impact on the growth performance of the manufacturing sector in African countries, though the improvement in terms of trade was found to have a beneficial impact on manufactures. The trade liberalization policy, proxy by index of openness, has an insignificant effect on the growth in the manufacturing. On the other hand, some studies find little empirical evidence to support a link between trade liberalization and industrial growth (Lucas, 1988; UNIDO, 1995; and Young, 1991)

For instance, in Adenikinju and Chete (1995), it is shown that in the Nigerian manufacturing sector, import liberalization has had a negative impact on total factor productivity growth. The reason for this was adduced to the fact that domestic manufactures are unable to compete with better quality and often imported products. Several authors have also pointed to the example of Korea and Japan where some form of protection allowed for rapid transformation of the industrial sector (Pack and West-phal, 1986).

Globalization has also come to play a major role in recent patterns of industrialization of countries in recent years. In Nigeria, a major aspect of globalization is commercialization and privatization of industrial concerns which literarily translates to the “transfer of government owned shareholdings in the disguised enterprises to private shareholders, corporate individuals and corporate bodies (FRN, 1988). In essence the government has a restricted role to play which is simply that of maintenance of law and order. Other policy of 1989 widely accredited as a replacement of the amended indigenization policy of 1977 to specifically encourage foreign investments and allow indigenous businesses to benefit from the National economic reconstruction Fund.

2.1.8: Sustainable Industrial Development In Nigeria

The World Commission on Environment and Development WCED (Brundtland Commission, 1987) has defined sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs". Therefore, sustainable development means thinking of the future.

The sustainable development policy agenda focuses at least on processes (e.g., related to extraction, manufacturing, transport, agriculture, energy, construction, e.t.c), and may extend to more cross cutting technological and social systems changes. This is not to be confused with an environmental policy agenda which is to be explicitly effect-based, and derived from that, of a program of policies and legislation directed towards environmental improvements, relying on specific goals and conditions.

Therefore, sustainable development as accounted by Segynola (2002, 2004) in it concept highlighted namely the environmental based, the poverty based, the governmental based and nature of sustainable development. In addition, industrial development has positive and adverse effects on man and his environment. It has brought reward to people all over the globe-higher incomes and material welfare, lower sickness and deaths rates, greater knowledge and freedom. The aftermath of it is pollution, environmental degradation and destruction of resources. Indeed poorer countries do not enjoy the benefits of development rather they disproportionately suffer the cost.

For better understanding of the sustainable industrial development, different dimensions are being considered. In the context of United Nations (UN) world committee on Environment and Development Agenda 21 sustainable development is "Development that meets the need of the present without compromising the ability of the future generations to meet their own needs" sustainable development is a policy by which the environment can be protected from pollution, degradation and or restored, replaced or restituted after degradation. It involves economic and development activities that meet the needs of the present generation without compromising, reducing or destroying the ability of the future generation to meet their needs. Sustainability rests on three pillars–economic, social and environmental activities that promote the ability of the present and future generations to live within, the earth's capacity to support us, thus, economic activity, social equality and environment.

Segynola (2002, 2004) ascertained that "sustainable development as a concept is very wide and multi dimensional. Also sustainable development, Habitat (1994); stated in its elaboration that sustainable development" emphasis how decisions and actions today can affect the future, especially in relation to natural resources, availability, environment, health and destruction and global ecosystems. Sustainable development is fundamentally concerned with the two-way relationship between development and the environment. NEST's itemization of the key elements of the concept is to further express view on sustainable development.

Onyedika(2005) through the United Nations Development Program (UNDP) stressed the need to include environmental concerns in the nation's sect oral policies, plans and programmed to achieve a sustainable development. The environment is the focal point in the drive for development in various sectors and institutions, stressing that there would be no development without the environment.

Sharp and Kone (1992) in their study opined that, "Any grand designs to achieve sustainable development must be broken down into packages of a size and shape that ordinary people cannot only comprehend but control themselves". In facing the enormous challenges, the government realized that the current level of industrial experience suggests that much industrial learning and capacity building need to be done. Furthermore, that the costly nature of required capacity building and industrial learning imply that development partners like UNDP and UNIDO would as much as possible be relied upon.

In recent years, the thinking on industrial development has shifted considerably to reflect contemporary challenges and realities. Olamola (2004) observed that in 1998 when WTO was established, at the end of the Uruguay Round of (GATT, multi lateral Trade Negotiations, MTN's) which ended in Manakesh in 1994 with the aims at establishing commitment and discipline in three core areas–market access, domestic support and export competition through global commitment towards the issue of tariff and the removal of qualitative import licensing and restriction voluntary export restraints.

Tule, (2004) also observed that WTO is therefore an institutionalization of GATT agreement whose philosophy is anchored on the thinking that an open and liberal trading system underpinned by mutually agreed legally binding rules is a sure recipe for growth and the foundation of economic development, expansion of world trade, investment, increased production, job creation and consequently an increase in global open trading system based on free market philosophy and poverty reduction. While Ndiyo and Ebong, (2004) observed that pursuant to the WTO objectives is theoretically designed to ensure mutually reinforcing devices that eliminate barriers to trade as well as all sorts of discrimination in the international economic system. Hence, it emphasizes on free trade area and the principle of one country one vote. This is no doubt a very lofty and plausible initiative but how has these lofty goals materialized to the benefit of Nigeria and Africa in general. Available evidence reveals that the globalization phenomenon through the WTO has only served to complicate the already precarious position of Africa in the new international Economic Order (NIEO).

No doubt Aluko (2004) points out, that the African continent has suffered and it is still suffering from the problem of delay development. The continent and its people have been the victim of exploitation whether in the form of slavery, colonization, neo colonization, structural Adjustment, International money lending and money changing of the ongoing globalization. Jike (2004) also laments the disheartening condition of Africa when he states that theoretical postulations on the benefits of globalization are rather specious and misleading in the lights of prevailing ignoble economic condition in Africa, juxtaposed with the rest of the world. For him African countries are tottering under the weight of adversities stemming from an inequitable and unjust global configuration such that African economies have tragically become junk yard for all sorts of diseased and unserviceable items from the west such as automobiles (Tokumbo) clothes (Okirika) electronics etc. This is the stark reality that confronts countries even as it follows the supposedly path of globalization. Africa records a very poor outing in the area of international capital flow.

As Ojo (2004) observed the global increase that attends worldwide flows of foreign investment by 41 percent from USD 694 billion in 1998, and to a record of USD 1,491 billion in 1999. Africa's share could be said to be negligible. As record has it, about 77 percent of the Foreign Direct Investment (FDI) in 1999 or an estimated USD 837 billion took place among industrialized nations, with the largest share in the United Kingdom, United States. While in the developed economics of western Europe, North America and others, IMF world investment report (2002) recorded that there was an increase in their share of total World FDI inflow from USD 145, 019 million representing (64.4 percent) in the 1990/95 to USD 1,227.476 million representing (68.4 percent) in 2004; developing countries share continued to fluctuate.

For example, Africa which had USD 432 million, representing (1.9 percent) in 1990/95, witnessed downward trend in 1996 representing (1.5 percent); 1997 (2.2 percent); 1998 (1.3 percent); 1999 (1.2 percent), 2000 (0.6 percent); until 2001 when it experienced an increase to 2.3 percent. Jike (2004) observed that in terms of Net, Private Capital Flows, and Africa's share increased from USD 1, 267 million in 2000. While the increase would appear a welcome relief, the reverse becomes the case when compared with developments in other regions of the world. East Asia and Pacific improved from USD 19,402 million in 1990 to USD 45, 446 million in 2000.

The foregoing corroborates the assertion that global interdependence is not symmetrical. The South is not an equal partner of the North but in a position of subordination. No wonder Aluko (2004) opined that Africa is really exploited partner in market place of globalization particularly in the area of world trade and distribution of income. Consequently, remark that the continent has disappointingly become worst off in almost every facet of development. One particular area of concern is the increase ride of poverty has come to envelop the continent. Onah (1996), observed the Africa rank high in poverty index in view of the gross insufficiency of income/ expenditure/ consumption as well as a market degreed of deprivation in the society.

The ECA (2000) reported that industrialized countries have protected themselves against the most dynamic exports of African counties, particular textile, clothing, agriculture, and processing raw material to the detriment of Africa. However, there is alternative to continuing participation to globalization. Nigeria and Africa in general must be prepared to engage in open economy upon which the WTO is built. Through no experience of any country that has developed on the platform of entirely open economy; even the unite state of America, which has suddenly become the premedical proponent of open economy did not developed through the process. Here lays the reed to centralize and consolidate the current wave of democratization blowing across the continent as well as the current export at building strong regional structure through the Africa union (AU) and new partnership for Africa's Development (NEPAD).

Oruba and Awopegba (2004), opined that strengthening these institution will afford her better opportunity to bargain from a position of strength with international firms. Internally, the crisis of governance that characterizes the continent must be seriously combated if the above option must filed the desired result, corruption must be tacked head on through both institutional and legal frame Works. Security and public bureaucracy, the institutions of government should be reformed and repositioned to meet the challenges of globalization and industrial sustainability.

Olayiwola, Ogundiran and Akinboye (2004), in corroboration, agreed that the need for advancement in level of technology become central to the operation and sustenance of the present age of the globalization. Technology plays an important role in building the capability of a society in terms of the level of general education and technical competence, research, industrial and financial institutions, which bear on their abilities to finance and operate modern large scale businesses.

Hoeven (2001) opines that in view of these, Nigeria must make adequate effort to improve its level of technological development such has the advantages of strengthening her economies in the areas of manufacturing primary production and global competitiveness. If these challenges are to be met, Africa and Nigeria in particular must begin a determined struggle for internal autonomy. Grawforch (2001) also opines that to resist all sorts of dysfunctional economic policies, usually package and thrust on African economies, what the continent needs is redistribution from the developed countries of the world on the basis of a democratically designed development pact.

Yagub (2003) observed that the heavy dependence of the country on crude oil exports has unprecedented exposed the economy to the boom and bust cycles and the concomitant instable and unpredictable volume of revenue receivable by the government. For instance, CBN Economic and Financial Review, (1981-1986) shows that Nigeria's total export receipts from goods, services and transfers dropped from ₦10,899.6 million in 1979 to ₦7,884.2 million in 1983. The country's import, at the same time increased from ₦9, 890.1 million to ₦11, 022.1 million, during the same period. For instances, Anya (2001) also observed that as at 1999, oil and gas contributed 36.5 percent of the GDP, while industrial/manufacturing accounted for only 5.5 percent of the GDP. There is therefore need for the country to diversify the economy and focus on non-oil sector. In addition, Anya suggested that the country should maintain a healthy investment climate that can be cashed on by foreign investors. It should also pursue efficient and effective economic management of the country's resources so as to raise the people's standard of living and overall economic development of the nation.

It must be stressed however, that in its bid to liberalize the economy, the unbridled activities of the multinational cooperation's in the country should be closely monitored and controlled so that the country will not be reaped off by foreign capital, the fact that globalization entails opening up does not signify that the economy should be completely left uncontrolled. Democracy constitutions a challenge that globalization poses for Nigeria it has become an acceptable form of governance in the world system today. As observed by the UNDP National Human Development report,(2000\2001);

The end of the cold war provided a historic opportunity for a worldwide liberal, democratic revolution. In view of the western industrialized market economies, the collapse of authoritarian and socialist central planning has revalidated the claim of liberal democracy the doctrine of individual freedom and popular democracy, as an ideology of potentially universal validity.

By contrast, Afonja (2003) argued that India at their initial state of industrial development relied heavily on purchase of franchise of well established technologies. The technical skills gained in operating these franchises eventually led to the development of local capability to manufacture similar products locally and today, India is a major exporter of technology particularly industrial engines, high technology furnaces and agricultural equipments etc. The point is that technical progress is a vital requirement for sustainable industrialization.

However, the type of industrial growth which has taken place in Africa has failed to stimulate technical progress as demonstrated in some industrial projects in Nigeria. E.g Ajaokuta Steel. Adeyeye, (2006); Aina, (2006) and World Bank (1999) observed that despite the fact that most of the countries in the sub-region spend substantial proportions of their annual budgets importing technology, there has been little progress in the acquisition of technological capability. The Gross National Product (GNP) and the growth rate of GNP per capita index for the region are among the lowest in the world. The wholesale adoption of complex western industrial techniques which in many cases grind to a halt or have made little impact on industrial development has been the practice of many countries in the sub region. Quite often, the problem is not due to failure to assimilate technology but the absence of adaptation to new technology which further industrial growth needs.

Gapanski (1996) in a study using economic variables of output, labour and productivity growth rate over a period of 1951-1990, it was shown that African countries are far behind organization for Economic cooperation and Development (OECD) countries in economic growth. Even within Africa there is a very wide disparity and it is possible to group the countries of Africa into two: Group A comprising Egypt, Algeria, Morocco, South Africa and Tunisia while Group B encompasses the remaining 43 countries. The development variables for each group and OECD countries are shown in the

Table I: Economic growth in Africa countries compared with OECD countries.

Group	Output Y	Labor L	Productivity Growth Y
Group A Africa	39.4	5.9	2.4
Group B Africa	5.6	3.3	1.4
OECD Countries	290.4	13.7	3.0

Source: Gapanski, J.H (1996)

Note: Output Y is measured in billions of 1985 international dollars. Labor L is given in millions of workers, and productivity growth rate in percent above. Compared with other countries in sub region, South Africa has superior technological infrastructure and technological capacity. Ernest and O'Connor, (1989) observed that the level of industrial and technological development is very high. The country is the 19th largest producer of automobile vehicles in the world, with an annual output of about 400,000 units.

In addition, Ernest et al, (1994) and Lall, (1994) observed that apart from supplying the local market, South Africa exports fully built vehicles and vehicle components, manufactures helicopters, and is the leading world effort in the development of high technology Pebble-Bed Modular Nuclear Reactor (PBMR).

Afonja (2003) observed that Nigeria is one of the richest countries in Africa in terms of natural and human resources. The country is the sixth largest exporter of crude oil and has extensive resources of natural gas, solid mineral and forest resources, but is also one of the poorest in terms of human development and poverty, trailing behind Gabon, Cameron, Kenya, Ghana, Lesotho, Namibia and Botswana.

For instance, Arowolo (2006) rightly observed that four of the six automobile plants in Nigeria have collapsed and the surviving duo are operating at less than 10 percent capacity; the three paper projects however, while globalization is thought of by many as having the potential to make societies richer through trade and to bring knowledge and information to people around the world, there are many other scholars who perceive globalization as contributing to the exploitation of the poor by the rich countries, and as a threat to traditional cultures as the process of modernization changes societies. There are some who link the negative aspects of globalization to terrorism.

To put a complicated discussion in simple terms, they argue that exploitative or declining conditions contribute to the lure of informal 'extremist' networks that commit criminal or terrorist acts internationally. And thanks to today's technology and integrated societies, these networks span throughout the world. It is in this sense that terrorism too is "globalize". On the other hand a columnist in one of the international weeklies recently when he compared the pace of industrialization in Nigeria and Japan, aptly described Nigeria as "That country which has only thing and produces nothing and are in comatose; the petrochemical and fertilizer plants are operating epileptically and the small scale industrial base has collapsed and produces everything". The industry is at a rudimentary stage of development, mostly producing import substitution and low-technology products. Attempts to develop more technology intensive industries have failed woefully due to poor leadership and neglect of both infrastructural facilities with its concomitant abandonment of industrial and technological development projects.

Having reviewed the literature, obviously scholars have touched virtually all the aspects of this topic, but with exception on globalization and industrial development a study of Abia State. Therefore, it is this gap the Author wishes to fill using the same or similar techniques to study the topic in other to close up the missing gap.

2.2:Theoretical Framework

A discussion on Globalization and industrial Development in Nigeria require some level of theoretical explanations which have been established among scholars in the field of Sociology. This is necessary because opinion differs among scholars and decision makers on the area of study. This sub-section presents theory that is related to Globalization and industrial development. In particular efforts are made to lay a foundation on the link between globalization on one hand and on the other; industrial development.

World-systems theory (also known as **world-systems analysis** or **the world-systems perspective**) is a multidisciplinary, macro-scale approach to world history and social change that stresses that the world-system (and not nation states) should be the primary (but not exclusive) unit of social analysis.

World-system refers to the inter-regional and transnational division of labor, which divides the world into core countries, semi-periphery countries and the periphery countries. Core countries focus on higher skill, capital-intensive production, and the rest of the world focuses on low-skill, labor-intensive production and extraction of raw materials. This constantly reinforces the dominance of the core countries. Nonetheless, the system is dynamic, in part as a result of revolutions in transport technology, and individual states can gain or lose the core (semi-periphery, periphery) status over time. For a time, some countries become the world hegemony; throughout last few centuries during which time the world system has extended geographically and intensified economically, this status has passed from the Netherlands, to the United Kingdom and most recently, to the United States. Immanuel Wallerstein (1974) has developed the best-known version of world-systems analysis, beginning in the 1970s.

Wallerstein traces the rise of the world system from the 15th century, when European feudal economy suffered a crisis and was transformed into a capitalist one. Europe (the West) utilized its advantages and gained control over most of the world economy, presiding over the development and spread of industrialization and capitalist economy, indirectly resulting in unequal development of countries world over. World Systems Theory, like dependency theory, suggests that wealthy countries benefit from other countries and exploit those countries' citizens. In contrast to dependency theory, however, this model recognizes the minimal benefits that are enjoyed by low status countries, (e.g., Nigeria) in the world system. The theory originated with sociologist Immanuel Wallerstein, who suggests that the way a country is integrated into the capitalist world system determines how economic development takes place in that country**.**

According to Wallerstein, the world economic system is divided into a hierarchy of three types of countries: core, semi peripheral, and peripheral. Core countries (e.g., U.S., Japan, and Germany) are dominant, capitalist countries characterized by high levels of industrialization and urbanization. Core countries are capital intensive, have high wages and high technology production patterns and lower amounts of labor exploitation and coercion. Peripheral countries (e.g., most African countries, like Nigeria and low income countries in South America) are dependent on core countries for capital and are less industrialized and urbanized. Peripheral countries are usually agrarian, have low literacy rates and lack consistent Internet access. Semi peripheral countries (e.g., South Korea, Taiwan, Mexico, Brazil, India, Nigeria, and South Africa) are less developed than core nations but more developed than peripheral nations. They are the weaker members of "advanced" regions or the leading members of former colonial ones.

Core countries own most of the world's capital and technology and have great control over world trade and economic agreements. They are also the cultural centers which attract artists and intellectuals. Peripheral countries generally provide labor and materials to core countries. Semi peripheral countries exploit peripheral countries, just as core countries exploit both semi peripheral and peripheral countries. Core countries extract raw materials with little cost. They can also set the prices for the agricultural products that peripheral countries export regardless of market prices, forcing small farmers to abandon their fields because they can't afford to pay for labor and fertilizer. The wealthy in peripheral countries benefit from the labor of poor workers and from their own economic relations with core country capitalists.

The world-systems perspective looks at human institutions over long periods of time and employs the spatial scales that are required for comprehending these whole interaction systems. The modern world-system can be understood Structurally as a stratification system composed of economically, culturally, and militarily dominant core societies (themselves in competition with one another), and dependent peripheral and semi peripheral regions. Some Dependent regions have been successful in improving their positions in the larger core/periphery hierarchy, while most have simply maintained their peripheral and semi peripheral positions. This structural perspective on world history allows us to analyze the cyclical features of social change and the long-term patterns of development in historical and comparative perspective. We can see the development of the modern world-system as driven primarily by capitalist accumulation and geopolitics in which businesses and states compete with one another for power and wealth. Competition among states and capitals is conditioned by the dynamics of struggle among classes and by the resistance of peripheral and semi peripheral peoples to domination and exploitation from the core.

In the modern world-system, the semi periphery is composed of large and powerful countries in the third world (e.g., Mexico, India, Brazil, Nigeria and China) as well as smaller countries that have intermediate levels of economic Development (e.g., the newly industrializing countries of East Asia). It is not possible to understand the history of social change without taking into account both the strategies and technologies of the winners, and the strategies and forms of struggle of those who have resisted domination and exploitation. It is also difficult to understand why and where innovative social change emerges without a conceptualization of the world-system as a whole. New organizational forms that transform institutions and that lead to upward mobility most often emerge from societies in semi peripheral locations. Thus all the countries that became dominant core states in the modern system had formerly been semi peripheral (the Dutch, the British, and the United States).

Arrighi (1994) has shown that finance capital has been a central component of the commanding heights of the world-system since the fourteenth century. The current floods and ebbs of world money are typical of the late phase of very long ‘‘systemic cycles of accumulation.’’ Most world-systems scholars contend that leaving out the core/periphery dimension or treating the periphery as inert are grave mistakes, not only for reasons of completeness, but also because the ability of core capitalists and their states to exploit peripheral resources and labor has been a major factor in deciding the winners of the competition among core contenders. And the resistance to exploitation and domination mounted by peripheral peoples has played a powerful role in shaping the historical development of world orders. Thus world history cannot be properly understood without attention to the core/periphery hierarchy.

McMichael (2000) has studied the ‘‘globalization project’’ – the abandoning of Keynesian models of national development and a new (or renewed) emphasis on deregulation and opening national commodity and financial markets to foreign trade and investment. This approach focuses on the political and ideological aspects of the recent wave of international integration. The term many prefer for this turn in global discourse is ‘‘neo-liberalism,’’

The worldwide decline of the political left predated the revolutions of 1989 and the demise of the Soviet Union, but it was certainly also accelerated by these events. The structural basis of the rise of the globalization project is the new level of integration reached by the global capitalist class. The internationalization of capital has long been an important part of the trend toward economic globalization, and there have been many claims to represent the general interests of business before. Indeed, every modern dominant state has made this claim. But the real integration of the interests of capitalists all over the world has very likely reached a level greater than at the peak of the nineteenth-century wave of globalization. This is the part of the theory of a global stage of capitalism that must be taken most seriously, though it can certainly be overdone.

The world-system has now reached a point at which the old interstate system based on dependency and world-systems theories separate national capitalist classes exists simultaneously with new institutions representing the global interests of capital, and both are powerful forces. In this light each country can be seen to have an important ruling class faction that is allied with the transnational capitalist class. The big question is whether or not this new level of transnational integration will be strong enough to prevent competition among states for world hegemony from turning into warfare, as it has always done in the past, during a period in which a dominant state (now the United States) is declining.

The insight, that capitalist globalization has occurred in waves, and that these waves of integration are followed by periods of globalization backlash, has important implications for the future. Capitalist globalization increased both intra-national and international inequalities in the nineteenth century and it has done the same thing in the late twentieth century (O'Rourke & Williamson 2000).

Those countries and groups that are left out of the ''beautiful époque'' either mobilize to challenge the status of the powerful or they retreat into self-reliance, or both. Globalization protests emerged in the noncore with the anti-IMF riots of the 1980s. The several transnational social movements that participated in the 1999 protest in Seattle brought globalization protest to the attention of observers in the core, and this resistance to capitalist globalization has continued and grown despite the setback that occurred in response to the terrorist attacks on New York and Washington in 2001.

There is an apparent tension between, on the one hand, those who advocate de-globalization and delinking from the global capitalist economy and the building of stronger, more cooperative and self-reliant social relations in the periphery and semi-periphery and, on the other hand, those who seek to mobilize support for new, or reformed, institutions of democratic global governance. Self-reliance by itself, though an understandable reaction to exploitation, is not likely to solve the problems of humanity in the long run. The great challenge of the twenty-first century will be the building of a democratic and collectively rational global commonwealth. World-systems theory can be an important contributor to this effort.

III. methodology And Location Of Study

3.1:Research Design

This chapter discusses the methods used in the collection of data for the study, why these methods were used, what data were obtained how they were obtained and also the statistical tools used in the analysis. For the purpose of this study, the survey design was used to obtain data from the population. Questionnaires were used and at the end, valid generalizations were drawn. The research questionnaires was designed to source data and information through a survey conducted on a stratified sample randomly selected from the study population. Stratified sampling is a method of dividing the population into homogenous subgroups containing members who share common characteristics. Stratified sampling aims at ensuring proportionate representation of these subgroups in the sample and also used particularly for comparison of subgroups.

3.3: HISTORY And POPULATION OF STUDY

3.3.1: History

Abia State Nigeria was carved out of old Imo State on August 27, 1991 with Umuahia as its capital. The State is made up of seventeen (17) Local Government Areas. It is one of the five states in the Southeast geopolitical zone of Nigeria. The name ABIA was coined from the first letters of the names of the geo-political groups that originally made up the State, namely: Aba, Bende, Isuikwuato and Afikpo. Today, Afikpo is in Ebonyi State that was created in October, 1996. Abia State is situated between latitudes 04°45' and 06° 07f north and longitudes 07° 00' and 08° IO1 east. Imo, Anambra and Rivers border it in the west, northwest and southwest respectively.

To the north, northeast, east and southeast, it is bordered by Enugu, Ebonyi, Cross-River an Akwa Ibom States respectively. It belongs to the Southeast geopolitical zone of Nigeria and covers a landmass of 5,833.77 sq. km. The State is located within the forest belt of Nigeria with a temperature range of between 20°C -36°C lying within the tropics. It has the dry and rainy seasons - (October - March and April September respectively).

3.3.2: Population Of Study

By the projection of the National Bureau of Statistics, based on the 1991 census figure of I. million, Abia State was expected to have a population of 3.51 million. In 2006 the National Population Commission allocated 2,833,999 as the population of Abia State.

This figure is being contested at the population tribunal. The basis being that the survey carried out in Aba showed that Aba alone has 1.5m houses. When the other towns and communities are put into consideration, then Abia is well over 10 million people. Source:
(An investment haven: Guide to investment in Abia State, 2010)

According to the Aba Chambers of Commerce, Industry, Mines & Agriculture (ACCIMA, 2011), there are two hundred (200) duly registered Manufacturing industries. These comprise Large, Medium and Small Scales. Although many Industries abound which are not registered with the association, and are operating in the Abia State. But for records purposes, we limited the study to only industries that are registered with ACCIMA. (See the appendix 1 duly registered manufacturing industries and their employees in Abia State). Since the boundary on who is to be included in the population has been established. Consequently; we choose stratified sampling method for the study. In this method, the population was grouped into definite characteristics thus: Large, medium and small scales, the grouping is referred to as strata. From these strata we applied simple random selection procedure on each stratum. In each of the various strata, different percentages were used.

Twenty percent (20%) for Large, (30%) percent for Medium and 50% Small Scale industries respectively in selecting the cases for the study.(See appendices ii, iii, IV for the list of sampled industries).

Therefore, the population of this study is the combined elements of the subgroups of the various strata, which are Eleven thousand four Hundred & seventeen employees (11,417). Sub-samples from the various strata, were combined to form the total sample size of one thousand one hundred & forty two (1,142) employees from the sampled industries, which is ten (10 %) percent of the population of sample size industries. Also for easy administration of the questionnaires, we subdivided the entire sample size into large scale twenty (20%) percent of the sampled population which is, two hundred & twenty eight (228), Medium Scale thirty (30%) percent which represents (343), and Small Scale fifty (50%) percent which represents (571) questionnaires respectively according to their numerical strengths.

3.3.3: Sampling Size And Sampling Techniques

In order to get an accurate and reliable result of this research study, we used samples which were proportional to the size of the stratums share of the population. The stratified sampling procedure is superior to the simple random sampling because it used extra methods of representativeness by first, identifying the requisite characteristics and these characteristics were used as a basis for the sampling. Ten (10%) percent of the entire population was used as the sample size for the study, this is because the population of the study is quite large. it is pertinent to used large sample to improve the likelihood of obtaining reliable result that are similar to what would have been obtained using the entire population.

A simple random probability sampling technique was used for the subgroup within the strata. The Sampling frame here consisted of all the registered manufacturing industries in Abia state obtained from Aba Chamber of Commerce. The Sampling unit refers to the subject element i.e., employees of the sampled industries, from whom we sought information. The respondents who were sampled included employees such as the Directors, Entrepreneurs Managers, secretary, Production Managers, Procurement Managers and other officers who have adequate knowledge of the production systems of their respective establishments.

3.3.4: Determination Of Sample Size

The coefficient level was set at 95 percent (.05) for `example a 99 percent confidence level means that there was 99 percent chance that the sample was distributed in the same way as the population. We used the stratified sampling technique which involves getting to the potential respondents through different stages of sampling. This method involves random selection from each stratum of the number of employees selected was proportionate to the stratum share of the total population. We drew sample from the list of registered manufacturing industries in Abia state from Aba Chambers of Commerce, Mines & Agriculture registered members (ACCIMA 2011).See Appendix. 1.

During the enterprise enumeration, we listed large, medium and small scale manufacturing industries; then a sample of respondents from each industries selected using quota sampling. Quota sampling is a special case of stratified random sampling in which the number of members to be selected from each stratum is fixed by a predetermined quota rather than proportionate representation.

We deemed it necessary to use a higher sample size for the study to get an accurate result. There are Twenty Five number of Large Scale industries; five industries amongst the twenty five were selected which represents Twenty percent sample of the large scale industries. There are fifty nine Medium scale industries, Seventeen industries were selected which represents Thirty percent (30%) of the Medium Scale sampled, while there were One Hundred and Sixteen Small Scale industries, fifty eight industries were selected which represents fifty percent. See appendices i-vii, the lists of Manufacturing Industries and the sample sizes (Enterprise Enumeration in Abia State, 2011).

The lists of employees were sourced from the Head of Human resource Units and administrative unit of the industries selected through their nominal roll. A total of one thousand one hundred forty two employees were randomly selected for this study out of Eleven thousand four hundred and seventeen employees. This sampling procedure is superior to the simple random samplings or even the systematic sampling procedure, because it uses extra methods of representativeness by first, identifying some characteristics as a basis for further random sampling.

3.3.5: Methods Of Data Collection

The questionnaire instrument was used in this study to collect data. The questionnaire was titled 'globalization and industrial development in Nigeria: A study of Abia State'. The instrument have two parts A and B. A contains Bio data information except name. Part B contains general questions on globalization and industrial development in Nigeria: A study of Abia State. The questions were simple, clear and easy to understand. Each question is accompanied with A-True and or B-False choice answers. The questionnaires were properly designed in a simple language to avoid further explanations by the researcher.

3.3.6: Sources Of Research Data

There are several sources of data in use for research. But the primary and secondary were used as sources of data in this research. Therefore, the primary data include the first hand data collected with the use of the questionnaire instrument. While the secondary source of data were collected from existing literatures sources, academic journals, and official statistics, government documents among others that are related to the present study.

3.3.7: Validity Of Instrument

The researcher consulted experts in the field who carefully examined all the items on the questionnaire and ensured proper judgment on how well the items represent the intents of the study.

We approached the ACCIMA with a letter of Introduction from the HOD to allow us their library for the research. See appendix 1. Sequel to this, we applied for the use of the Library to enable us get adequate information for this research which was granted. Consequently, virtually all the relevant information needed for the research was gathered from ACCIMA library. This was made possible because of the level of cooperation The Director of ACCIMA showed. When we got to the field, the respondents were assured of confidentiality and anonymity as no name was required in the questionnaire, but only number tags was used to identify the questionnaire(s). The data was coded and the variables analyzed independently.

3.3.8: Reliability Of The Instrument.

We used the test-retest method to establish reliability of the questionnaires instrument. The questionnaires were given to the same population on more than once and at the end, the individual score from the entire testing was compared. The scores obtained were related, resulting to no relationship between the scores.

Reliability of test is the degree to which a test consistently measures what it intends to measures. This involves the accuracy and exactness of both the process and results of the measurement. Therefore, the correlation coefficient ranges from 0 to 1.00. A zero coefficient meaning that there is no relationship, while 1.00 coefficients indicate a perfect relationship. To ensure reliability of these instruments, however, extra times were taken to getting the questionnaire properly evaluated by experts in the field including my supervisor.

3.3.9: Method Of Data Analysis And Presentation Of Data

The data collected through the questionnaire were statistically analyzed, using percentage and chi-square (X^2) methods. Data collected through different respondents were subjected to cross tabulation, frequency count and percentages. The results were summarized numerically in tables. Percentages were used in this study, literally percentage means rate or number percent (i.e.) per hundred. The percentages were values which divide the total frequency into hundreds. The very simple and straight forward method of presenting research report is the use of percentages, which we adopted.

In presenting the data in percentage, the frequency distribution of the subjects' responses on every item were computed in order to describe the total sample as well as the various groups. The major advantage of presenting this research result in percentages is that the data are made meaningful and comprehensible to the focal audience of this study.

See: The techniques are as follows:-
F/N X 100/1
Where, F – Frequency of responses
N – Total respondents
I – A constant
% – Percentage

Where, X^2: represents the chi-square test.
Chi – Square statistical method in testing the hypothesis was adopted. The X^2 test is an important extension of hypothesis testing and is used when it is to compare the actual (observed) distribution with a hypothesis or expected distribution. In order to determine whether to accept or reject a course for decision, the hypothesis is tested adopting chi-square (X^2) i.e.: $X^2 = (O - E)^2 E$
O = the observed frequency
E = the expected frequency
= summation
X^2 = Chi-square
European Scientific Journal May edition

Also: = CT x RT
GT
CT = column total
RT = Row total
GT = Grand total
And: V = (R – 1) (C – 1)
Where: V = Degree of freedom
R = Total number of rows.
C = Total number of columns

The hypothesis is tested by 95% confidence interval at 5% level of significance. Chi-square is considered as a measure of discrepancy between observed (0) and expected (E) frequencies.
If there is no discrepancy, then $X^2 = 0$, as the discrepancy becomes larger the X^2 becomes larger. The frequencies that are obtainable from the samples are called the observed frequencies and the frequencies expected on the basis of null (H_o) hypothesis are called the expected frequencies.

Decision Rule

If the chi-square (X^2) determined is greater than the table value of hypothesis, the alternative is accepted, while the null (H_o) is rejected. But if the chi-square calculated is less than the table value of hypothesis, the alternative (H_1) hypothesis is rejected, while the H_O is accepted.

IV. Data Presentation, Analysis And Discussion Of Finding.

4.1: Data Presentation.

This Chapter consists of statistical calculation performed on data collected to provide answers to the questions initiating the research. Responses were classified according to sex, age, educational level etc. of the respondents. This chapter therefore edited, analyzed and also interpreted the primary and secondary data obtained with the view to providing answer(s) to the research problems. Specifically, the chapter covers the following issues:

a) Data analysis
b) Testing of Hypothesis
c) Discussion of findings

Essentially the results of the findings will enable us draw inference pertinent to the research study, establish relationships between variables and draw conclusions about the relationships. One thousand, one hundred & forty two (1,142) questionnaires were distributed to employees and other relevant staff who could give information regarding the performance of their industries in the sampled industries.

4.2: Analysis Of Data.

The data collected from the field were analyzed. All the four hypotheses were tested using the designated statistical tool(s) chi-square (X^2), with primary data sourced through the questionnaires distributed to the sampled industries.

Table 4.1: Questionnaires distributed and returned

Questionnaire	No. of Respondents	Percent (%)
Number Administered	1142	100%
No. Returned	1130	96%
No. Un-Returned	12	4%

One thousand, one hundred & forty two (1,142) questionnaires were distributed in all. One thousand one hundred & thirty questionnaires were returned. This represents ninety six percent (96%) response rate, while twelve (12) questionnaires were not returned. This represents four percent (4%) of the number of administered questionnaires.

Table 4.2: Return rate of Questionnaires by type of Industry.

Industries	Questionnaire	No. of Respondents	Percent (%)
Large Scale	228	224	20%
Medium Scale	343	340	30%
Small Scale	571	521	46%
Total	1142	1130	96%

The table shows that a total of one thousand one hundred & forty two (1,142) questionnaires were distributed. Large scale industries got two hundred & twenty eight (228), Medium Scale had three hundred & forty (340) and Small Scale five hundred & seventy one (571) questionnaires respectively. A total of one thousand, one hundred & thirty questionnaires were returned representing ninety six percent (96%) of the total Sample. Twelve questionnaires were not returned, this figure represents four (4%) percent of the total sample.

Analysis of Socio-demographic Characteristics of Respondents.

Table 4.3: Ages of respondents.

Age	No. of Respondents	Percent (%)
Below 25yrs	30	3
25yrs – 35yrs	670	59
36yrs- 45yrs	260	23
46yrs-above	170	15
Total	1130	100

The above shows that 3% of the respondents are less than 25years of age. Majority of the workforce (59%) were employees who are aged between 25 and 35years of age. This was followed by employees who are aged between 35years. This constituted 23% while those who are aged 46years and over was 15%.

Analysis of Educational Qualifications of Respondents.

Table 4.4: Educational qualification of Respondents

Educational Qualification	No. of Respondents	Percent (%)
FSLC	60	5
SSCE/GCE	80	7
HND/B.sc	701	62
M.sc	289	26
Total	1130	100

The above shows that 5% of the respondents have FSLC. This was followed by workers who have the SSCE/GCE; they constituted seven percent (7%) of the total distributed questionnaires. this was followed by respondents have B.sc/HND with sixty two percent (62%),while Twenty six percent (26%) of the respondents have their M.sc. The literacy levels of the respondents are therefore, high.

Table 4.5: Sex of Respondents.

Sex	No. of Respondents	Percent (%)
Male	700	62
Female	430	38
Total	1130	100

The above table shows that Male respondents are seven hundred (700) in number, which represents sixty two percent (62%). While Female respondents are four hundred & thirty, this represents percent (38%) of the respondents.

Table 4.6: Respondents idea of size of their industry.

Size of industry	No of Respondents	Percent (%)
Large Scale	219	19
Medium Scale	340	30
Small Scale	571	51
Total	1130	100

The data above indicate that there were two hundred & nineteen, (19%) of the respondents from the Large scale industries, (30%) were from Medium scale industries, while five hundred and seventy one (51%) of the respondents were from Small scale industries.

Table 4.7: Work Experience of Respondents

Yrs of work Experience	No. of Respondents	Percent (%)
Less than 5years	100	9
5 – 10 years	250	22
11 years and Above	780	69
Total	1130	100

The table indicates that workers who have spent less than five years numbered one hundred (9%) of the total number of respondents. Those with between five and ten years of work experience numbered 22%; while those who had worked for 11years and more were 69%.

Table 4.8: Position held by respondents.

Position of respondents	No. of Respondents	Percent (%)
Entrepreneur	51	5
Manager	100	9
Production Manager	280	25
Procurement Manager	128	11
Sales Executive	571	50
Total	1130	100

The above table indicates that good numbers of respondents fifty percent (50%) are sales Executive, eleven percent (11%) are procurement manager (25%) percent respondents are Production Managers, while a meager fifty one respondents which is (5%) of the respondents are Entrepreneurs.

One of the critical issues in globalization that this thesis focuses attention on is the Opening up of Market, as this will enable products of local industries to compete with products from foreign industries. The argument here is that opening up of market without any protection of local industries will lead to their demise because their working environment is very difference from the environment of their foreign counterparts. Consequently, this makes cost of their products higher and the demand for local product declines, making industries produce under their installed capacity.

The following are examples of the local operating conditions for the local industries which have brought about the problems.

Part B of questionnaire:

Question 1: Non availability of raw material has affected production in your industry.

Table 4.9: Non availability of raw materials affects production

Option	No. of Respondents	Percent (%)
True	981	87
False	149	13
Total	1130	100

The table shows that nine hundred & eighty one or eighty seven (87%) percent respondents said that unavailability of raw materials had negatively affected their production level, while one hundred & forty nine or thirteen (13%) percent respondents do not agree that sources of raw material have affected the production level of their company.

With increased globalization, Africa's share of World trade in general and raw materials in particular has also been declining during the last twenty years. African average share of World exports dropped from 5.3% (1960-69) to 1.5% (1999). In 1970, the $1/day poverty rate (22.2%) was very similar to that of Asia (22.4%). By 1998, however, the African rate almost doubled to 40.5% whereas Asian has almost disappeared (1.7%), (Sala-Martin, 2002). The increase was insignificant during the 1970s but it grew to be substantial during the 1980s and 1990s and dropped again thereafter.

Question 2: Access to finance/capital has affected your industry in the recent past.

Table 4.10: Access to capital has affected production.

Options	No of Respondents	Percent (%)
A. True	858	76
B. False	272	24
Total	1130	100

As shown in the table, eight hundred & fifty eight or seventy six (76%) percent respondents are of the opinion that access to finance/capital has affected industrial activities in their establishment. while two hundred & seventy two or twenty four (24%) percent respondents said that access to capital has not affected their industries.

in the decades since 1980, the International Monetary Fund (IMF) and World Bank have increasingly required certain measures to be adopted by low-income borrowing countries as conditions to access to foreign credits Banks in Nigeria prefers borrowing to the foreign industries whom they believe have foreign currencies and with enough collateral to borrow as a result, concerns about the adverse effects of globalization has increased.

According to Isaac et al(2005), the reasons for lack of access credit facilities are: (i) SMBs are regarded by creditors and investors as high-risk borrowers because of insufficient assets and low-capitalization, vulnerability to market fluctuations and high mortality rates; (ii) information asymmetry arising from SMBs' lack of accounting records, inadequate accounting statements or business plans makes it difficult for creditors and investors to access the creditworthiness of potential SMBs proposals; and (iii) high administrative/transaction costs of lending or investing small amounts do not make SMB financing a profitable business''

Question 3: High multiple taxations on locally made goods have increased production cost in your industry.

Table 4.11: Multiple taxes have increased production cost.

Options	No. of Respondents	Percent (%)
A. True	592	52
B. False	538	48
Total	1130	100

The table shows that five hundred & ninety or fifty two (52%) percent respondents are of the opinion that multiple taxation on locally made goods have contributed immensely to the increase in production cost. while five hundred & thirty eight or forty eight (48%) respondents do not see multiple taxation part of factors that increase the production cost Multiple taxes are the most potent threats to manufacturers in the country. However, in the presence of large informal sector and constraints in implementing effective expenditure-based redistribution measures, it may be necessary to have a combination of income and consumption taxes, the latter covering all goods and services, at fairly uniform rates. But such an option may not be easily available, with a tax system already in place. The task therefore is to reform the existing tax system so as to minimize the excess burden of taxation within the broad contours of the existing system.

This involves reforms of all major taxes at the central, state, and local levels. Governments at all levels have continued to legislate or demand different forms of taxes, levies and financial support, which had continued to increase the cost of production in Nigeria. When company vehicles go out on official duty/businesses, agents or officials of different tiers of government stop them and ask for one compliance document or the other thereby increasing cost of production.

Question 4: Irregular electricity supply increases cost of production.

Table 4.12: Irregular electricity supply increases cost of production

Options	No. of Respondents	Percent (%)
A. True	1100	97
B. False	30	30
Total	1130	100

This table indicates that one thousand, one hundred or ninety seven (97%) percent respondents are of the opinion that erratic power supply increases cost of production. while thirty or three (3%) percent respondents said erratic power supply does not increase cost of production in their industries. Power supply in Nigeria is an exclusive responsibility of the Federal government. After independence, the National Electric Power Authority (NEPA) managed the power sector for about 45 years and due to poor performance, the government decided to deregulate the sector and NEPA was transformed into a company-Power Holding Company of Nigeria (PHCN) through the Electric Power Sector Act of 2005. The company was to manage the power sector for 18 months after which the sector will be fully deregulated with several private companies emerging to handle different aspect such as generation, transmission and distribution.

Due to poor implementation, the privatization of PHCN was delayed till date. At the moment, Nigeria faces a serious energy crisis due to declining electricity generation from domestic power plants. Power outages are frequent and the power sector operates well below its estimated capacity. The current power generation in the country is about 4000MW. Nigeria electricity consumption per capita is 111 kWh, which is one of the lowest in sub-Saharan Africa. This low level of consumption is a result of suppressed demand caused by deteriorated electricity supply infrastructure. Nigeria has 5,900 MW of generation capacity (three hydro-based and five thermal plants) and plans to expand its generation, transmission and distribution systems (http://www.gasandoil.com/goc/news/nta30428.htm) contrarily to this; foreign counterparts have a better and perfect electricity generating system where advance technology on electricity like solar energy and inverter batteries are used in place of electricity to generate power.

Question 5: Lack of access to modern technology makes production cumbersome.

Table 4.13: Lack of access to modern technology makes production cumbersome.

Options	No. of Respondents	Percent (%)
A. True	1000	88
B. False	130	12
Total	1130	100

The table shows that One thousand or eighty eight (88%) percent respondents are of the opinion that lack of access to modern technology makes production of goods cumbersome. While one hundred and thirty or twelve (12%) percent said that lack of access to modern technology do not make production cumbersome.

The problem of aging, replacement of obsolete technology and the inability to acquire the latest up to date technology in virtually all our indigenous industries have hindered industrial development. International comparisons also suggest that the problem of low investment is central to the explanation of low growth and high poverty incidences in Sub-Sahara Africa. All through the 1990s, Hernandez-Cata, (2000) indicates that the ratio of investment to GDP for region fluctuated round 17% percent, below the ratios attained in Latin America (22percent) and Asia (29percent). In the light of empirical evidence, it is obvious, therefore, that raising investment ratios must be an integral part of globalization strategy to enhance growth, improve living standard and consequently reduce poverty, contrary to expectations, the reverse is always the case. Globalization is offering new technological opportunities, but these are not seized by developing countries.

Question 6: Unfair competition with foreign industries endangers the survival of your industry.

Table 4.14: competition with foreign industries endangers the survival of local industries.

Options	No of Respondents	Percent (%)
A. True	752	67
B. False	378	33
Total	1130	100

Seven hundred and fifty two or sixty seven percent (67%) of respondents are of the view that competition between the indigenous and foreign industries endangers the survival of the former, while three hundred and seventy eight or thirty three percent (33%) respondents do not buy the idea that unfair competition of the local industries with their foreign counterparts had negative effects on the survival of the former.

Countries have to meet the competitiveness challenge in terms of agility, networking, and learning to arrange production to achieve quality, productivity, and flexibility. The good news is that, with the potential of human development and advanced technologies, developing countries can leapfrog. The bad news is that this process is not automatic. On the contrary, unless conscious efforts are made, countries are unlikely to be able to adapt to the demands of a globalized economy. They may even experience, on one hand, displacement of workers who lack the necessary skills and the prerequisite general education to learn new skills rapidly, and, on the other hand, a shortage of qualified workers for the new industries and modes of production.

Question 7: Lack of good road network for distribution of finished goods hampers production.

Table 4.15: Lack of good road network hampers distribution of goods.

Options	No. of Respondents	Percent %
A. True	638	56
B. False	492	44
Total	1130	100

The table above shows that six hundred thirty eight or fifty six percent (56%) respondents agreed that good road network helps in the distribution of finished goods of their products, while four hundred ninety two or forty four percent (44%) of the respondents are of the opinion that it does not hamper distribution.

The provision of economic infrastructure can expand the productive capacity of the economy by increasing the quantity and quality of such infrastructure, thereby accelerating the rate of economic growth and enhancing the pace of socio-economic development. Again, road infrastructure has been found by Cesar and Surhid (1992) to be a significant factor of economic growth and development. In their 1992 World Bank study, they employed "an empirical approach to explore the

association between road infrastructure and economic development. The study revealed that there are consistent and significant associations between economic development, in terms of per capita gross national product (GNP), and road infrastructure, in terms of per capita length of paved road network. The study also showed that road condition seems to be associated with economic development.

Indeed, good infrastructure raises productivity and lowers production costs. Assessment of transport sector in many modes shows that the country has fallen well behind international benchmarks. The condition of much of her infrastructure has suffered from many years of under-investment and lack of maintenance. For instance, the Lagos-Ibadan expressway (a federal road) was opened to the public in 1981 and 30 years after, it was recently maintained. This is the situation of many national highways across the country. Nigeria has a total road length of 193,200 kilometers, comprising 34,123 km Federal roads, 30,500 km State roads, and 129,577 km Local Government roads.

At 2005 prices, this road network is estimated to have a replacement value of N4.567 trillion. It has been estimated that over the next 10 years, N300 billion will be required to bring national roads into a satisfactory condition. Current neglect of these roads implies a loss of network value of N80 billion per year and additional operating costs of N35 billion per year (FGN, 2009b). This situation is economically unhealthy and cannot support the country's drive for economic transformation.

Question 8: Poor and low consumer purchasing power discourages production.

Table 4.16: Low consumer purchasing power discourages production.

Options	No. of Respondents	Percent%
A. True	920	81
B. False	210	19
Total	1130	100

In the table above, nine hundred and two or eight one percent (81%) respondents are of the view that low or poor consumer purchasing power discourages production; while two hundred and ten or nineteen percent (19%) respondents say it does not.

Quite expectedly inter-bank rates jumped from about 50 percent in 1991/92 to between 100 and 200 percent in 1992/93. The operating environment was also characterized by a continued decline in the value of the Naira with adverse consequences on the purchasing power of the consumer. At the same time, the income of the consumer was ravaged by inflationary spiral... Manufacturers had to contend with weak demand and unimpressive turnover as a result of the erosion of the purchasing power of the consumer... Inflation is not galloping; it is zooming (AFBTE 1992/93). Hence, the upward pressure on production inputs cost which characterized the previous year's worsened, while low purchasing power continued to exert a depressing effect on sales, further accentuating the low level of capacity utilization and labor shedding (MAN Report 1995).

Q9: Policy incentives are tilted in favor of large Scale industries.

Table 4.17: Policy incentives tilted in favor of large scale industries.

Options	No. of Respondents	Percent %
A. True	566	50
B. False	564	49.9
Total	1130	100

The responses in the table show that five hundred and sixty six or fifty point one percent (50.1%) of the respondents hold the view that policy incentives are tilted in favor of large Scale industries but five hundred and sixty four or forty nine point nine percent (49.9%) of the respondents say that policy incentives are not tilted in favor of large scale industries. The World Bank (1992) has provided a working definition of industrial policy as "government efforts to alter industrial structure to promote productivity based growth." Industrial policy is probably the most important document, which indicates the relationship between government and business.

Q 10: Poor managerial capacity affects your production plans.

Table 4.18: Poor managerial capacity affects production plans.

Options	No. of Respondents	Percent %
A. True	450	40
B. False	680	60
Total	1130	100

From the table above sixty percent (60%) or six hundred and eighty respondents disagreed that poor managerial capacity affects their production plans; while four hundred and fifty or forty (40%) respondents agreed that it affects production. Globalization is pressuring African states and civil society at large to reorganize and devise more efficient mechanisms and networks to be able both to benefit from the expansion of trade flows, investment and finance, technology etc... Into an integrated global market and withstand the risks of instability occasioned by globalization.

These post-adjustment studies reveal, also, that new entrepreneur types are emerging on the scene [Dike 1997] and the scale and orientation of activities of old-established entrepreneurs are changing as the ideological climate also becomes more favorable to private enterprise. Even so, we need still to establish the extent the entrepreneurship system evolving in the post-adjustment decades – the 1990s onwards – differs from the system of the pre-adjustment decades. Can the system evolving in the post-adjustment decades provide a basis for dynamic industrialization in sub-Saharan Africa – not a static one? The term dynamic industrialization implies the expectation that the accumulation system evolving from the entrepreneurship of the 1990s onwards will contribute towards enhancement of capabilities – reflected in development of export capacities in sub-Saharan African firms leading in the long-term to industrial transition in the fashion of the Asian NICs.

Question 11: Low skills of the workers affect production in your industry.

Table 4.19: Low skills of workers affect production.

Options	No. of Respondents	Percent %
A. True	712	63
B. False	418	37
Total	1130	100

In the above table, seven hundred and twelve or sixty three (63%) respondents agreed that low skills of the workers negatively affect production in the industry, four hundred eighteen or thirty seven percent (37%) respondents said that low skills of workers do not affect production in the industry. According to Wade (2002), less developed countries are disadvantaged by lack of income, skills, infrastructure, and in terms of standards and rules that are part of the international system. Because of this, Western suppliers have a disproportionate advantage.

Question 12: Poor account keeping habits, weak financial and marketing planning has negatively affected your industry.

Table 4.20: Poor accounting system, weak financial and marketing planning has negatively affected industry.

Options	No. of Respondents	Percent %
A. True	598	53
B. False	532	47
Total	1130	100

The table above shows that 53% percent or 598 respondents are of the view that poor accounting habits, weak financial and marketing planning have negative effect on the industries, While 532 or 47% of the respondents disagreed.

We tend to treat money and categorize it differently depending on where it comes from, where it is kept and how it is spent. This phenomenon is called mental accounting. For example, we show less concern about a restructuring charge as opposed to a traditional P&L (Profit & Loss) item. In short, some items receive more scrutiny while others go through the screening process very easily. But the fact is that every rupee spent is exactly the same irrespective of what category it falls into.

Question 13: Inconsistency, poor formulation and implementation of government policies affect industrial activities.

Table 4.21: Inconsistency and poor implementation of government policies affect industrial activities.

Options	No. of Respondents	Percent %
A. True	602	53
B. False	528	47
Total	1130	100

The table shows that six hundred and two or fifty three percent (53%) of the respondents hold the view that inconsistent, poor formulation and implementation of government policies affect industrial activities, while five hundred and twenty eight or forty seven (47%) percent respondents feel that it does not rather than acknowledge this failure as a mark of the inadequacy of its globalization project, the World Bank takes the escapist route by attributing it to such factors as poor governance, stop-go implementation syndrome (or irregularity in the taking of the adjustment 'medicine'), as well as political and bureaucratic corruption (Hussain 1995; Pleskovic and Stiglitz1997).

A major problem with the globalization program is that they were introduced into Africa as debt-settling projects rather than development program, and worse still, with little regard to market imperfections in the African domestic economies. The result is that the expectations from globalization are not being realized. Economic globalization is not so beneficial to Africa – it is on balance counter-productive (Gibbon 1990, 1995; Olukoshi 1998).

Question 14: Non-patronage of products of SMEs due to low quality products by the consumers affects production.

Table 4.22: Non patronage due to low quality products affects SMEs production.

Options	No. of Respondents	Percent %
A. True	631	56
B. False	499	44
Total	1130	100

The table above shows that non-patronage of products of Small and Medium Scale enterprises due to low quality greatly affects volume of production. This is the views of six hundred and thirty one or fifty six (56%) percent of respondents. On the other hand, four hundred and ninety nine or forty four (44%) percent of other respondents disagreed with this fact.

With increasing opening up of economies and globalization in general, markets have become competitive and firms struggle for dominant positions in the markets. Within this game, consumers become victims of the outcome in both product safety and quality due to unfair competition (Kanouté, 2005). Consumers are the victims of these unfair competitions both directly and indirectly. Indirectly consumers pay the costs of counterfeiting and low quality. Indirectly consumers pay the costs of counterfeiting and low quality products through higher prices necessitated by brand owners' expenditures on trademark protection. Directly consumers bear the cost in the form of dissatisfaction with counterfeit and low quality products, personal injury from the awful low quality products, and confusion regarding their own place in the market (Bamossy & Scammon, 1985). Marketing of low quality products in developing countries has become widespread and consequently leading to both deaths and economic disastrous of consumers through losing their money and properties.

Empirical observations have shown that there may be more bogus than genuine products in circulation in developing countries' markets (Osibo, 1998). Factors that contribute to the availability of low quality products in these markets range from both political and socio-economic factors. The global media is flooded with news on harmful and low quality products in several markets. Recently cases of 84 deaths of children in Nigeria due to harmful teething pain drugs and melamine milk scandal which left 6 children dead and other 300,000 sickened are examples that shade the magnitude of the problem.

Question 15: lack of modern processing facility limits industrial production in your company.

Table4.24: Lack of modern processing facilities limit industrial production.

Options	No. of Respondents	Percent %
A. True	633	56
B. False	497	44
Total	1130	100

The table shows that six hundred thirty seven or fifty six (56%) percent respondents are of the view that lack of modern processing facilities limits industrial production, while four hundred ninety seven or forty four (44%) of the respondents are of the opinion that it does not limit production. Most industries in Nigeria are still using the old fashion machinery in processing their products instead of improved implements, this has limited production index. with improved technology in machines more goods are produced with less manpower.

Question 16: Does poor capacity utilization limits profit margin in my industry.

Table 4.25: poor capacity utilization limits profit margin in the industry.

Options	No. of Respondents	Percent %
A. True	611	54
B. False	519	46
Total	1130	100

The table above shows that six hundred eleven or fifty four (54%) percent of respondents are of the view that poor capacity utilization limits profit margin in their industry. On the other hand, five hundred & nineteen or forty six (46%) percent of the respondents were not in agreement with this view that poor capacity utilization limits the level of profit in the industry. Olukoshi (1989) records that with capacity utilization ranging between 20 percent to 40 percent in the industrial sector, about 101 companies surveyed by the Manufacturers Association of Nigeria had shut down for periods of between 7 and 12 weeks by July 31, 1983, with about 200,000 workers lay off. A remarkable feature of the employment structure in the manufacturing sector in 1994 is that virtually all its sub-sectors recorded significant declines in their workforce reflecting the slowdown in manufacturing activity.

Low levels of factory operation, sales declines and the absence of investment were compelling factors for rationalization and labor retrenchment by companies faced with rising overhead costs. In observing the continued distress of the manufacturing sector after nearly a decade of the implementation of the globalization program, the 1994 Report stated that the industrial production continued to stagnate as evidenced by the relative decline in capacity utilization from 37.38 percent in July-December 1991 to 36.36 percent in the period under review. Industrial recovery remained scuttled by an unhealthy business environment characterized among others by persistent depreciation and instability of exchange rate, high rates of interest and crippling inflation; inadequate protection for local industries as a result of uncritical application of trade liberalization policy, and continued flagging consumer spending which had added to the drag on production and investment (MAN 1992).

Capacity utilization is a major index of efficiency in the utilization of available resources in a given industry within an economy. It is usually determined subject to the overall installed capacities of plants and production systems in an economy. Available studies show that there has been general underutilization of capacity in Nigerian economy (Salimonu, et al 2006).

Question 17: Poor communication network hampers production.

Table 4.26: Poor communication network hampers production.

Options	No. of Respondents	Percent (%)
A. True	560	49.6
B. False	570	50
Total	1130	100

Communication is the live wire of any industry or organization. In line with this, the table above shows that, five hundred and sixty or forty nine point six (49.6%) percent of respondents opinion that poor communication network does not hamper production. while five hundred seventy or fifty (50%) percent respondents said poor communication network hampers production.

Wade (2002) argues that information and communication technologies are being oversold as a solution to higher efficiency of corporate and public organizations and to stronger responsiveness of government to citizen-customers. Wade (2002) posits that efforts to bridge the digital divide may cause developing countries to depend on the West. Less developed countries need more representation in the standard-setting bodies. Additionally, current attempts do not address issues of sustainability, such as computer servicing and training.

Wade (2002) addresses several common beliefs regarding information and communication technologies. First, the digital divide is a major un-equalizing force in the world economy. Second, supplying more information and communication technologies to developing countries will solve the un-equalization. Third, information and communication technologies will overcome infrastructural obstacles of developing countries. Fourth, normal cost/benefit analysis cannot be applied to information and communication technologies. Fifth, the high failure rate of information and communication technologies projects is a reflection of the need for more training. Wade (2002) disagrees with these beliefs; he posits that the digital divide is actually a reflection of the income division. He also disagrees that the spread of computers will cause efficiency gains in firms and public administrations and lower transaction costs. Wade (2002) believes that organization inefficiencies will override potential benefits. Furthermore, the addition of information and technology communications in developing countries that do not have the capacity to maintain such systems will create a new "e-dependence" on developed countries. Developing countries get incentives from the World Bank to introduce new information and communication technologies, but this then ties them to open-ended commitments to suppliers for continued support.

Question 18: Insecurity to life and properties drives investors away.

Table 4.27: Insecurity to life and properties drives away investors.

Options	No. of Respondents	Percent (%)
A. True	630	56
B. False	500	44
Total	1130	100

Above table shows that six hundred and thirty or fifty six (56%) percent respondents said insecurity of live and properties drive away prospective investors. while five hundred or forty four (44%) percent respondents said that insecurity of life and property do not drives away investors. With globalization, insecurity increases and violence erupts, the ramifications become global in reach. The forces of globalization, when coupled with those of environmental degradation, expand concepts of threat and security, both individually and through their connections. We have already begun recognizing new global threats from non-state groups and individuals, and security is now being defined more broadly to include, among other, wars between and within states; transnational organized crime; internal displacements and migration; nuclear and other weapons; poverty; infectious disease; and environmental degradation. All of this imperils human security, which in turn drives societal insecurity and, in many cases, violence. Placed in the context of globalization, violence and insecurity can spill out since now they can travel further, just as people, goods and services can. Security is about protecting people from critical and pervasive threats. This ranges from the security of nations to that of individuals and of societies.

Human security is about creating systems that give individuals and communities the building blocks to live with dignity. Livelihoods are, therefore, an essential element of human security. Acting together, globalization and environmental stress may directly threaten the livelihoods of the poor, i.e., the capabilities, material and social assets and activities required for a means of living, and decrease their ability to cope with, and recover from, environmental stresses and shocks.

For "winners" of the process, globalization becomes an integrating
Phenomenon—one that brings together markets, ideas, individuals, goods, services and communications. For the "losers" in the process, however, it can be a marginalizing phenomenon. Just as the winners come closer to each other they become more "distant" from the losers.

The dependence within society on each other becomes diminished as Trans boundary dependence increases. To use a basic example, as West African consumers develop a liking for imported rice, their "links" to farmers on other continents who export rice to them increase For "winners" of the process, globalization becomes an integrating phenomenon— one that brings together markets, ideas, individuals, goods, services and communications for the "losers" in the process,

Question 19: High cost of foreign exchange limits production in your industry.

Table 4.28: High cost of foreign exchange limits production.

Options	No. of Respondents	Percent %
A. True	715	63
B. False	415	37
Total	1130	100

From the data above, seven hundred and fifteen or sixty three (63%) respondents said high cost of foreign exchange limits production in their industries. while four hundred and fifteen or thirty seven (37%) percent of respondents are of opinion that high cost of foreign exchanges does not limit production in their industries.

Since trade liberalization is also accompanied by currency devaluation, the Nigerian government also adopted the floating exchange rate in place of the administratively managed (adjustable peg) exchange system (Odusola and Akinlo, 2001; Agbeyegbe, Stotsky and WaldeMariam, 2006). The deregulation process proceeded simultaneously in all sectors of the economy with exception of labor market (Akinlo, 1996). Although manufacturing sector industrial capacity utilization in the second half of 1995 recorded marginal improvements at 28.75 percent, from 27.74 percent recorded in the corresponding period of 1994 and 26.97 per cent in the first six months of 1995, the performance was still patently below expectations from globalization. But that was the inevitable consequence of the unprecedented official depreciation of the naira exchange rate from N22.00 to N85.00 for US S1.00 in 1995.

Gwynne and Kay (2000) observed that by the uncritical integration of these economies into the global economy, the neo-liberal model had consequently made them more dependent on, and hence, vulnerable to, global economic shifts – with adverse consequences in unemployment rates, real minimum wage, real wages, welfare of the poor, and the urban informal sector. The steep devaluation of the naira during globalization introduced high rates of inflation, which adversely affected industrial operation – especially in the manufacturing sector

Question 20: high dependence on imported raw materials hinders production capacity of your industry.

Table 4.29: High dependence on imported raw materials hinders production capacity.

Options	No. of Respondents	Percent (%)
A. True	1120	99
B. False	10	1
Total	1130	100

The table above shows that one thousand, one hundred twenty or Ninety nine (99%) percent consider high dependence on imported raw materials as a hindrance to production capacity. while ten or one (1%) respondent do not consider high dependence on imported raw materials as a hindrance to production capacity. With increased globalization, Africa's share of World trade in general and raw materials in particular has also been declining during the last twenty years. African average share of World exports dropped from 5.3% (1960-69) to 1.5% (1999). In 1970, the $1/day poverty rate (22.2%) was very similar to that of Asia (22.4%). By 1998, however, the African rate almost doubled to 40.5% whereas Asian has almost disappeared (1.7%) (Sala-Martin, 2002). Developing countries compete with high broome countries that have all the resources in raw material sourcing thereby out weighing the former.

Question 21: Does lack of financial support from commercial Banks hinders your production activities.

Table 4.30: lack of financial support from commercial Banks hinders production activities.

Options	No. of Respondents	Percent (%)
A. True	761	67
B. False	369	33
Total	1130	100

In the above table, seven hundred and sixty one or sixty seven (67%) respondents share the view that lack of financial support from commercial Banks hinder production activities; this was contrary was the views of three hundred and sixty nine or thirty three (33%) respondents said lack of financial support from commercial Banks do not hinder production activities in their industries. As Rodrick (1998) asserts that the growth performance of those Asian Countries that gained from open trade can be attributed to how they managed key macroeconomic boche rather than trade policy. The implication is that limited access to credit for firms could result to low aggregate production in modern economic activities; economic growth depends on an efficient financial sector that pool domestic savings and mobilize foreign capital for productive investments and international trade. In the decades since 1980, the International Monetary Fund (IMF) and World Bank have increasingly required certain measures to be adopted by low-income borrowing countries as conditions to access to foreign credits Banks in Nigeria prefers borrowing to the foreign industries whom they believe have foreign currencies and with enough collateral to borrow as a result, concerns about the adverse effects of globalization has increased.

The analysis so far tends to confirm the argument that globalization adversely affected industrial development in Nigeria. As it has been expressed, it could not address the industrial crisis, but worsened it – particularly due to the massive depreciation of the naira.

The structure of most industries was affected in this globalization era – especially in terms of industry-wide contraction or expansion. Firms in the industry at this period were pre-occupied with research into local raw materials sourcing and the problem of high costs of production.

These led to structural changes in the industry that were evident in production technology, price structure and market structure – as earlier highlighted.

4.3: Research Questions

The main interest of this research and the questions it (this study) intends to answer revolve around finding solutions to the impact of globalization on industrial development in Nigeria, problems militating against industrial development in Nigeria so that they can improve; stabilize their performance and hence fulfill their expected roles in the economic development of Abia State in particular and Nigeria at large.

Most developing countries such as Nigeria heavily rely on the vibrancy of their SMEs in solving basic problems of unemployment, poverty, disease, rural-urban migration, etc. The impact of globalization on industrial development in this regard has been rather insignificant to the point that if Nigeria is to make progress in its economic growth and development, urgent drastic action needs to be taken regarding improving the lot of her industrial development. It is against this background that this study is using the following specially constructed and directed questions to investigate and hence recommend solutions to the problems of industrial development in Abia and Nigeria in general.

The following research questions which would be answered in the research will guide the study.

- What are the reasons for emphasizing trade liberalization, opening of markets and removal of obstacles to trade by World Trade Organization (WTO)?

Trade liberalization is the process of making trade free from any barriers. The WTO TBT Agreement goes some way towards addressing trade barriers by requiring countries to act in transparent and non-discriminatory manners. The agreement aims to ensure that regulations, standards, testing and certification procedures do not create unnecessary obstacles to international trade. It provides a notification procedure that requires all WTO members to notify their proposed technical regulations. This allows members to comment on proposed measures before they are adopted.

However, technical barriers remain a major impediment to international trade and for countries to reap benefits of globalization; they need to have well structured institutions that will govern the complex process of integrating and interacting with the whole world.

Opening up of the economy signifies the increase in interactions of businesses both domestic and foreign businesses; as Yamin (1997) points out that increased risk to businesses, their owners and customers is one of the drawbacks of government deregulations.

- What is the relationship between trade liberalization, opening up of markets and removal of obstacles for trade on the one hand, and below capacity utilization by some industries in the Third World countries?

The lowering of controls on exports allows firms and industries to target the export markets and overcome under utilization of capacities, if any, due to deficient demand at home. The net result of this is to allow the producers to reap the benefits of scale and thus make it possible to reduce costs. This is supposed to affect productivity growth positively. The act of opening up economies is known as "free trade" or "trade liberalization." Trade liberalization means opening up markets by bringing down trade barriers such as tariffs. Doing this allows goods and services from everywhere to compete with domestic products and services. But in practice the set-up of global trade rules and the way these are administered by the World Trade Organization, (WTO) work best for those countries who are already rich, and increases the gap between them and poorer countries who are already struggling to compete. Providing equal access to markets encourages free and fair competition which benefits suppliers and consumers. Increasing market access on fair terms, and keeping markets open ensures that the rules-based international trading system functions efficiently.

In Nigeria, most manufacturing firms depend largely on the financial and capital markets for the required credit to fund their operations. However, banks in Nigeria believe that lending to the manufacturing sub-sector is very risky and that increasing credit to this sector is not justified in terms of risk and cost (Olorunsola, 2001). Consequently, banks charge high interest rates, demand high levels of collateral and make few loans of more than a year in term. The high interest rate in the Nigerian financial system is a reflection of the extremely poor infrastructural facilities and inefficient institutional framework necessary to bring about substantial reduction in the risk associated with financing an extremely traumatized economy (World Bank 2002; Adebayo et al 2004). There is no doubt that such inefficiency in the financial system can manifest its negative impacts by creating distortions in the manufacturing sector of the economy and reducing capacity utilization of industries in the Third World and Nigeria in particular.

- Is there any relationship between under capacity utilization and the collapse of some industries in Abia State?

Capacity utilization refers to the extent to which an enterprise or a nation actually uses its installed productive capacity. thus it refer to the relationship between actual output produced and potential output that could be produced with installed equipment, if the capacity was fully used, one of the most used definitions of capacity utilization rate is that, the ratio of actual output to the potential output. But the potential output can be defined at least two different ways. One is the engineering or technical approach according to which potential output represents the maximum amount of output that can be produced in the short-run with the existent stock of capital (Nelson, 1989). Capacity utilization is a major index of efficiency in the utilization of available resources in a given industry within an economy. It is usually determined subject to the overall installed capacities of plants and production systems in an economy. Available studies show that there has been general underutilization of capacity in Nigerian economy (Salimonu, et al 2006).

There are a number of factors that could be associated with the performance of productivity indices such as capacity utilization in any economy. Among such factors are, inflation rate (IFR), exchange rate (EXR), interest rate (ITR) as well as the level of production and utilization of energy for industrial purposes. This can come as a result of uncertainty about future prices which is likely to entail higher risk incidence and unanticipated changes in the distribution of resources. It therefore means that for a given average inflation rate, higher inflation volatility can depress economic growth. Since one of the major drivers of economic growth in any country is the level of technology for enhancing productivity (Parkin et al 2005), it then becomes quite obvious that inflation volatility can affect the performance of available technology possibly by introducing some level of uncertainty in the acquisition and utilization of capacities. Another factor that can influence the level of capacity utilization of industries is the prevailing interest rates (lending rates) for investment funds in the financial market. Consequently, under capacity utilization is synonymous with collapse of industries due to the fact that industries operating below the installed capacity will lose machinery and other related factor of production thereby leading to the total collapse of the industries. MAN emphasized that under or low capacity utilization has undermined the competitiveness of manufacturing industries, whose fortunes have been worsened by the impact of globalization.

- What are the strategies used by stakeholders to stay in business in form of cut-throat competition?

The strategy involves the creation of specialized Working Groups and Market Access Teams on the markets to deal with specific trade. The teams rely on co-operation between member representative bodies to establish a best practice approach based on their experience in trade.

The stakeholders strategize to remain in business by producing counterfeit version of the products of the genuine one in the market and most often selling it lower and or in the same price with the genuine products. For instance the shoe, hand bag and clothe dealers in Ariara Market in Aba, used to buy a genuine original products from abroad, they dismantle it and get the pattern for their imitation products. These products most often are marketed in the same shop at a reduce prices or the same price with the original products from abroad with little or no differences but with label made in so and so country. Although, one would always identify their products with the quality of materials, the materials come with low inferior quality materials compared with those made abroad.

4.4: Test Of Hypotheses

Having done the analysis of the responses by the respondents on globalization and industrial development in Nigeria, the hypotheses would now be tested. The said hypotheses are as stated in chapter one and are as follows:

Hypothesis I

H_o: There is no relationship between globalization and demise of Small, Medium & Large scale industries.

Hypothesis II
H_o: There is no relationship between globalization & the transfer of modern technology.

Hypothesis III
H_o: There is no relationship between access to capital and capacity Utilization among Small, Medium & Large Scales in Abia State.

Hypothesis IV
H_o: There is no relationship between globalization and unfair Competition among Small Medium & Large Scales and their foreign counterparts.

Hypothesis I
H_o: There is no relationship between globalization and demise of Small, Medium & Large scale industries.

Question 10: Policy incentives are tilted in favor of large Scale industries.

Table 4.10: Policy incentives are tilted in favor of large Scale industries.

Options	No. of Respondents	Percent %
A. True	566	50
B. False	564	49.9
Total	1130	100

Expected frequency (ii) – Row
Total x Column total/ Grand Total
= (rt)(ct) / N and encapsulate them in ( )
Calculate the cal X^2
Substituting with the formula
$X^2 = \sum (Oi\text{-}ei)^{2/} ei = (Oi\text{-}ei)^2 / ei + (Oi\text{-}ei)^2 / ei + (Oi - ei)^{2/} ei + (Oi\text{-}\underline{ei})^2 / ei = (566\text{-}50)^2 / 50 + (564\text{-}49.9)^2 / 49.9$
10.32 x 10.32 + 10.30 x 10.30 = 212.6
The calculated X^2 value is 212.6. The degree of freedom, v = (r-1)(c-1). There are two items in the row and two items in the column.
Therefore, V= (2-1) (2-1) =1

At œ = 0.05, V= 1, cal X^2 =212.6, TabX^2 = 3.841 indicating that the difference between the observed frequencies and the expected frequencies are statistically significant. Therefore, we reject the Null Hypotheses (Ho) which states that there is no relationship between globalization and demise of small & Medium Scale Industries.

Thus: 212.6 > 3.841. In support of the Hypotheses Ekpenyong (2002) Rodriguez and Berry (2002) who observed that most SMEs in Nigeria either remain small, moribund or shut down within few years of operation. In particular, this phenomenon has become more prevalent under the liberalized trade arrangements occasioned by Structural Adjustment Program (SAP) and globalization. Also, MAN (2000) argued that the situation of declining contribution by the manufacturing sector to GDP is due to the high cost condition in the country occasioned by poor and inadequate infrastructural support services and other policy-included distortions which pose a series of threats not only for out-puts growth in the manufacturing sector but also for competitiveness.

There is also the lack of a level playing ground for local industries to compete with cheap import owing to premature and uncoordinated pursuit of import liberalization, dumping and inconsistency in government policies. It further stated that the best quality imports from advanced countries catch the fancy of the upper echelon of income groups those lower priced substandard quality products from Nigeria, South East Asian countries attract the lower income groups whose buying power has been weakened by the massive depreciation of the naira value.

Hypothesis II
H_o: There is no relationship between globalization & the transfer of modern technology.

Question 5: lack of Access to modern/innovative technology makes production cumbersome.

Table 4: lack of Access to modern technology makes production cumbersome.

Options	No. of Respondents	Percent (%)
A. True	1000	88
B. False	130	12
Total	1130	100

Expected frequency (ii) – Row
Total x Column total/ Grand Total
= (rt)(ct)/N and encapsulate them in ( )
Calculate the cal X^2
Substituting with the formula
$X^2 = \sum (Oi\text{-}ei)^2/ ei = (Oi\text{-}ei)^2/ ei + (Oi\text{-}ei)^2/ ei + (Oi - ei)^2 / ei + (Oi\text{-}ei)^2/ei = (1000\text{-}88)^2/88 + (130\text{-}12)^2/ 12 = (10.36)^2 + (9.8)^2 = 107. + 96.04$
= 203.34
The calculated X^2 value is 203.34. The degree of freedom, V= (r-1) (c-1). Therefore there two items, the rows and columns. Therefore, V = (2-1) (2-1) = 1.
At œ = 0.05, V= 1, cal x^2 =203.34, tab X^2 = 3.841. 203.34 < 3.841.

Therefore the difference between the observed frequencies and the expected frequencies are statistically significant. Therefore, we reject the Null Hypotheses (H_o) which states that there is no relationship between globalization and the transfer of modern technology. In support this; Zachery (2006) observed that one of the first steps in starting most public projects is the appointment of a technical partner who selects the technology and equipment. Quite often the selected partner lacks competency and sub technical aspects of the project are designed to ensure perpetual dependence on the technical partner, with or no chance of technology transfer to local personnel.

Furthermore, early opportunities and benefits derivable from Foreign Direct Investment and transfer of technology accruable to Nigeria's economy were lost see also Adeyeye, (2006); Aina, (2006) and World Bank (1999) observed that despite the fact that most of the countries in the sub-region spend substantial proportions of their annual budgets importing technology, there has been little progress in the acquisition of technological capacity. Quite often, the problem is not due to failure to assimilate technology but the absence of adaptation to new technology which further industrial growth needs.

Hypothesis: Iii
H_o: There is no relationship between access to capital and capacity Utilization among Small, Medium & Large Scales in Nigeria.

Question 2: Access to finance/capital had affected your industry in the recent past.

Table 4.10: Access to finance/capital had affected SME industries in the recent past.

Options	No. of Respondents	Percent (%)
A. True	858	76
B. False	272	24
Total	1130	100

Question: 21 Does poor capacity utilization limit production in your industry?

Table 4.21: Does poor capacity utilization limit production?

Options	Frequency	Percent %
A. True	611	54
B. False	519	46
Total	1130	100

Expected frequency (ii) – Row
Total x Column total / Grand Total
= (rt)(ct)/ N and encapsulate them in ( )
Calculate the cal X^2
Substituting with the formula
$X^2 = \sum (Oi\text{-}ei)^2/ei = (Oi\text{-}ei)^2 / ei + (Oi\text{-}ei)^2/ ei + (Oi - ei)^2/ei + (Oi\text{-}ei)^2/ei$
$(858\text{-}76)^2/76 + (272\text{-}24)^2/24 + (611\text{-}54)^2/54 + (519\text{-}46)^2/46 (10.3)^2 + (29.3)^2 + (10.3)^2 + (10.3)^2$
106.09+ 858.5 +106.09+106.09= 1176.77
The calculated X^2 =value is 1176.77, the degree of freedom, V= (r-1) (c-1). Therefore the four items, the rows and columns. We therefore have, V = (4-1) (4-1) = 9.
At œ = 0.05, V= 1, cal x^2 =1176.77, tab X^2 = 16.92. 1176.77 < 16.92.

Therefore the difference between the observed frequencies and the expected frequencies are statistically significant. Therefore, we reject the Null Hypotheses (H_0) which states that there is no relationship between access to capital and Capacity Utilization in many SMEs in Nigeria. Arimu (1997) states that for nation to industrialize, a country requires substantial capital investments which are possible, through either earnings of foreign exchange from exports, borrowing fluctuating downward with the consequent debt crises pushing the economy into depression to the extent that international community is reluctant to grant further credit facilities until the country shows a practical demonstration of improved ability to pay. NISER (2000) also reported that generally capacity utilization from 1992-1999 was low due to high cost of production, high cost of transportation, electricity, communication, labor and exchange rate due to the continuing depreciation of the naira exchange rate. Like the large-scale industries, in Nigeria assemble finished goods, depend critically on imported raw materials and equipment and suffer from the same problems. But the size, nature, characteristics and isolation of the small industries have made them more vulnerable to these constraints than the large ones, and also Arowolo (2006) rightly observed that four of the six automobile plants in Nigeria have collapsed and the surviving duo were operating at less than 10 percent capacity.

Hypotheses: Iv
Ho: There is no relationship between globalization and unfair Competition among Small Medium & Large Scales and their foreign counterparts.

Question 6: Unfair competition with foreign industries endangers the survival of your industry.

Table 4.6: Unfair competition with foreign industries endangers the survival of local industries.

Options	No. of Respondents	Percent (%)
A. True	752	67%
B. False	378	33%
Total	1130	100%

Expected frequency (ii) – Row
Total x Column total/ Grand Total
= (rt)(ct)/N and encapsulate them in ( )
Calculate the cal X^2
Substituting with the formula
$X^2 = \sum \underline{(Oi\text{-}ei)}^2/ ei= \underline{(Oi\text{-}ei)}^2/ ei + \underline{(Oi\text{-}ei)}^2/ei + \underline{(Oi - ei)}^2/ei+ \underline{(Oi\text{-}ei)}^2/ei$
$(752\text{-} 67)^2/67+ (378\text{-}33)^2/33 \quad (10.22)^2+ (10.45)^2$
104.4+ 109.2 = 213.6
The calculated X^2 value is 213.6, the degree of freedom, V= (r-1) (c-1). Therefore, there two items, the rows and columns. We therefore have, V = (2-1) (2-1) = 1.
At œ = 0.05, V= 1, cal x^2 =213.6, tab X^2 = 3.841. =213.6 < 3.841.

Therefore the difference between the observed frequencies and the expected frequencies are statistically significant. Therefore, we reject the Null Hypotheses (H_0) there is no relationship between globalization and unfair Competition among local SMEs and their foreign Counterparts. In support of this, Akinlo and Odusola,(2003) observed, import oriented consumption pattern of Nigerian population makes this unworkable. This is because the effectiveness of exchange rate deregulation in reducing import requires that the import elasticity of demand be greater than one which is contrary to the import demand in Nigeria. This coupled with the free flow of finished goods militated against manufacturing SMEs competitiveness after liberalization. Also Abubakar, (2001) argued that since the 21st century which is the millennium of technology, information, and knowledge, the present socio-economic conditions of Nigeria suggests that it has a long way to go in the global competition of the country. The economy is not only dependent on rent derived from oil but also extroverted in terms of importation of industrial goods from western countries. With the collapse of infrastructures, and brain drain in the contemporary globalized world, industrial driven resources is the key to economic growth. This is because industrialization ensures production and generates positive externalities for spearheading the economic growth path. However, the process of globalization has given rise to greater competition towards markets and investments.

4.5: Discussion of Findings

In the course of this study, numerous observations were made on the reason for low capacity utilization by industries in Nigeria under the globalization trend; some views highlighted in the literature review proved contrary to the views contained in the hypotheses. With vast Nigeria populations and ethnic diversity as well as its inherent vast market, productive Farmlands, rich variety of mineral deposits richly endowed natural resources; Nigeria ought to be a heaven for industrial development. Unfortunately, the country have a large SMEs subsector that is characterized by avalanche of problems ranging from lack of basic infrastructures to lack of modern technological facilities for processing and preservation of its richly endowed assorted resources of fruits and cash crops. All these have militated against high capacity utilization. The efforts of successive government to building a virile and thriving industrial sector have been vitiated by policy instability.

Consequently, impacting on low performance of industries, this is responsible for policy enunciation, implementation, and monitoring. The Manufacturers Association of Nigeria (MAN) identified poor power supply, policy inconsistency, touting and unfair practice of revenue generation as some of the problems facing industrial development in the country. From the responses to the questions imposed on respondents in the questionnaire and other observations made, we also identified some key major problems militating against industrial development in the State of Abia which crystallized in viz:

Infrastructural Problem: The Manufacturing sector is crucial for employment generation, wealth creation and raising the quality of life of society. However, the sector remains weak due to some of challenges including the poor state of the nation's infrastructure which imposes high cost of production, Weak technological support and low levels of innovation which lead to production of low quality product, thereby preference for foreign made goods are encouraged. In Nigeria, the available infrastructure, technology and other environmental factor are not sufficient to produce at optimal levels resulting to under capacity utilization being experienced by industries.

Access To Modern Technology: This is perhaps the greatest obstacle constraining productivity in Nigeria as developments in technology and innovations are the primary forces propelling industrialization today. In addition to the problem of appropriate choice, reliance on imported technology also raises the problem of the ways in which technology is often transferred. The proposition that foreign technology may sometimes be acquired on terms that are highly unfavorable is well known. Less extensively studied but gaining increased attention is the near certainty that some form of technology transfer have the effect of undesirably retarding the development of indigenous technological mastery. Due to frequent breakdown, no money to replace damage parts; these reduce the capacity utilization rates; Low technology is responsible for the inability of local industry to produce capital goods such as raw materials, spare parts and machinery.

Access To Finance/Capital: Lack of funds has made it difficult for firms to make investments in modern machines, information technology and human resources development which are which are usually capital intensive and critical in reducing production costs, raising productivity and improving competitiveness. Banks are not lending, when they do; they interest rate charges are high with collaterals. High interest rates and the reluctance on the part of financial institutions to comply with laid down lending guidelines tend to frustrate corporate investment and fail to ensure protection and growth of local industries. Due to these and preference of financial institutions to lend to foreign companies that would meet their demand, industries in Nigeria are unable to acquire modern technologies. Consequently, the equipment frequently breakdown and this reduces capacity utilization rates.

Government Policy Inconsistency/Bureaucracy: Investment in manufacturing requires long range planning; consequently stable and consistent macroeconomic policies are a pre-requisite for high performance in the sector. However the increasing policy inconsistency resulting in instability in the macro-economic environment, affects the corporate planning adversely**.**

Non-Availability Of Local Raw Materials: Costs of raw materials continue to move up every day and because most of the industries use raw materials imported abroad, this become a big challenge, E.g. Steel Mills. Apart from the unfortunate state of the country's Steel Mills, dearth of infrastructure is one of the major hindrances in the steel and also the furniture sector. The dumping of cheap and substandard furniture products produced with cheap labor is suffocating at the local industries in Nigeria.

Multiples Taxes And Levies: The manufacturing sector was further burdened by unfavorable aspect of Common External Tariff (CET) policy, which does not help local industries. Multiple taxes are the most potent threats to manufacturers in the country. Governments at both federal and state levels have continued to legislate and demand different forms of taxes, levies and financial support, which had continued to increase the cost of production in Nigeria. When company vehicles go out for sales, agents or officials of different tiers of government stop them and ask for one compliance document or the other thereby increasing cost of production. Other problems which relate to government fiscal policy measures especially in the area of tax administration which has remained weak, resulting in massive tax evasion, extortions, illegal levies, low compliance, corruption at the ports, inefficient duty drawbacks.

Unfair Competition: most industries in Nigeria cannot compete with their foreign counterparts due to low standard of their products. Some of the imported products are even cheaper than the locally made goods because they have comparative advantages of production than those locally made products. The foreign environment at which these foreign products were produce are relatively conducive compared to the Nigeria environment. According to Madunagu (1999); Toyo (2000) and Obaseki (1999) globalization have led to the creation of parasitic economic relationships and has systematically pushed Nigeria into economic crises as industries operating in Nigeria cannot compete with industries in advanced countries of the world, most especially Europe and America.

Also there is menace of sub-standard goods from the borders through smuggling which is another critical factor that troubles the manufacturing sector and these have hindered favorable competition.

Consequently the influxes of inferior and substandard products from other nations through smuggling have brought low capacity utilization.

Marketing Related Problems: Deteriorating state of infrastructure has remained a major challenge to industrial growth. The roads are not maintained; the highways are impassible as they are filled with potholes and highly dilapidated trailers transporting goods are usually seen fallen on our road, waterways are limited and hardly maintained. All these have been impediments to the distribution of the manufacture goods to the final consumers in our society. Also ignorant attitudes of the industrialists over advertisement of their goods to consumers at all time are another problem.

Porosity Of The Borders: The menace of sub-standard goods through smuggling is another critical factor that troubles the manufacturing sector. The influxes of inferior and substandard products from other nations through Smuggling have prevented the country from collecting appropriate revenue, and make the prices of locally produced goods uncompetitive.

Poor Electricity Supply: In relation to power supply and utilization as a factor in capacity utilization of industries, the dismal power supply situation has been identified as the main factor for the poor performance of the industrial sector. This is evident in the figures released by MAN which showed that in 2006 the PHCN supplied only 41.7 percent of the power required by manufacturers, while 58.3 was met through generating sets (National Planning Commission 2004; Central Bank 2006; Ogunjobi 2007). On a general outlook, only 40 percent of Nigeria's population has access to electricity as at 2008. In 2005 Nigeria produced 23 billion kilowatt-hours of electricity, exceeding domestic consumption of 17 billion kilowatt-hours. However, Nigeria's electric network operated well below its capacity of 5,900 megawatts, and power outages are commonplace. Foreign electric power companies have been encouraged to build independent power plants to help meet the demand for electricity (LC, 2008).

The gross decline in the manufacturing capacity utilization was largely due to erratic power supply, the current power generation of 3,000 megawatts was inadequate for the industrial development of the country. During the year under review, manufacturing sector had to grapple with increasingly epileptic power supply, exorbitant cost of diesel to power generating sets, shortage in supply and increase in the price of gas. And even now, there is a threat to regulate private power generation with tendency to punish and tax those who generate power for themselves as the state has failed in its obligation. This situation had led to the closure of many industries while many others had relocated to neighboring countries where adequate power supply was guaranteed.

Infrastructure road block has been the bane of current industrialization efforts. In short, electricity supply limitations have given a prop to the phenomenon of runaway industries to neighboring states of Ghana, Cote' d' Ivoire and Cotonou with attendant job loss. Many factors were identified by MAN to be the root cause of the problem. The reasons behind the low growth and performance of the Nigerian manufacturing sector during the last few years include "high production costs caused by energy, high interest and exchange rates, influx of inferior and substandard products from other nations, multiplicity of taxes and levies, poor sales partly as a result of low purchasing power of the consumers, bogged down with delay in clearing consignments due to existence of multiple inspection agencies at the ports, etc"

The industrial sector remains veritable source for the mobilization of small domestic savings and is widely spread across the length and breadth of the country though with concentration in the major cities. The SMEs promote indigenous technology and enhances the dispersal of economic activities which result to poverty reduction. Despite laudable efforts by the government and donor agencies, the contribution of the sector to the economic development of Nigeria has remained rather low.

V. Summary, Conclusion And Recommendations

This chapter summaries the research findings and on the basis of these makes some recommendations.

5.1: Summary:

The economy is a multidimensional variable which deals with costs of production, governments fiscal and monetary policies, exchange rate, level of inflation and taxation in the organizations, market and level of competition(foreign and local) and suppliers. In this research, our findings indicate that the nature of the economy is a very important variable because of its overwhelming impact on capacity utilization cause by globalization trend. The economic problems which affect this consist of: Lower consumer demand for domestic products occasioned by preference of Nigerian for imported products. Low level of effective demand for domestic products, leading to under-utilization of capacity and Low value of the nation's currency the naira; make it difficult and expensive to replace aging machines. Shortage of raw materials and other production input due to dearth of foreign exchange. Porosity of the nation's frontiers has make smuggling of goods a lucrative business. Under- invoice of foreign Asian products, make their goods cheaper than domestic products.

The importation of fairly used goods which affects the demand for domestic goods and the problem associated with World Trade Organization (WTO) on agreement which emphasizes Trade liberalization. From the above, there is enough evidence to show that industries in Nigeria are operating in a difficult and unfavorable economic terrain. The research has shown that the nature of the Nigerian economy has a negative impact on capacity utilization. It is not unique to a particular industry but has affected all industries across the locations. The respondents identified several economic problems. The most salient ones were discussed here. The problem with non-availability of raw materials, access to finance/capital, high/multiple taxation on locally made goods, irregular electricity supply, and lack of access to modern technology, unfair competition with foreign goods, lack of good road network for the distribution of finished goods, low consumer purchasing power, poor linkages among vibrant industries with the rest of the domestic sector, as well as Lack of access to credit facilities.

The preference for an average Nigerian for foreign goods has also meant low level of effective demand for domestic products. All these have contributed to the problem of low capacity utilization. We had observed that industries are currently operating below installed capacities and are as well suffering from the problem of downsizing through persistent trimming of the workforce. This inevitably means operating below capacity utilization. Moreover, there are problems associated with globalization and the membership of Nigeria in the World Trade Organization (WTO). Nigeria is a signatory to the body since 1986 and the agreement promotes free trade globally. It is quite unfortunate that the local industries were not prepared for the competitive challenges brought upon it by the unannounced incursion of the liberalization and globalization of trade.

The impact of the agreement is that the local industries have been operating at a comparatively disadvantaged position. This is further compounded by the fact that some of the imported goods found in the Nigerian markets are often under-invoiced from the country of origin. This again inevitably makes imported items to be cheaper than domestic ones. The consequences have been unbearable for the domestic industries. Finally, some of the respondents argued that some industries in the medium and small scales sector are not performing, largely because of poor marketing strategies. It is the contention of these respondents that these industries are not spending enough on advertisement to reach average Nigerians.

The impact of this on capacity-utilization is quite overwhelming, the logic of reasoning in pure economic terms is that low level of effective demand will lead to low capacity-utilization, while low capacity leads to low profits. All things being equal, it is logical to think that an industry that is operating below its installed capacity cannot be making maximum profits from its operations. It is clear from the foregoing discussion that the Nigerian economy has a negative impact on capacity-utilization.

5.2: Conclusion

This study has demonstrated that globalization is a phenomenon which has assumed a new phase in contemporary world, and Nigeria must equip and package itself effectively to confront its challenges. The study also articulates the view that globalization in its current dimension is characterized by three distinct but interrelated features, the integration of the economic systems of nation states into 'global economy'; the primacy and supremacy of international markets and international competitiveness; and the phenomenal rise in the internationalization of labor, capital and portfolio investments.

However, we critically examined the three forces that propelled globalization namely technological revolution, economic liberalization and democratic governmental system. We submit that the new thrust of globalization makes it imperative for states to understand the intricacies of the phenomenon so as to enable them devise strategic ways to harness its advantages. The impact of globalization must be faced by developing nations for them to be relevant in the global scheme of things.

Abia in particular, is faced with enormous challenges which are surmountable. Abia State cannot afford to detach itself from Nigeria nor is Nigeria isolated from the global economic interplay. The country should make conscious effort to transform the economy so as to fully harness the benefits of globalization. The various constraints that have continued to undermine economic stability in the country should be seriously tackled. The real sector of the economy that constitute the basis for sustainable growth e.g. agriculture, mining, industry and energy should be the core concern of economic policy, and hence properly harnessed for the industrial development.

The nation's technological base should be re-activated and revitalized; hence the need to complete the ailing industries like the Ajaokuta Steel rolling Mills, the Aladja steel plant and the Katsina, Jos and Osogbo Steel rolling Mills. Finally, given the nature and character of the country with its inherent weak domestic base, globalization, certainly has its adverse implications on the nation's economy. However, in order to reduce the negative effects and harness the benefits of overwhelming globalization trend; there is the need to restructure and transform the Nigerian political economy.

5.3: Recommendations

These are recommendations on the study; Membership of World Trade Organization (WTO) by Nigeria is a problem. It is high time Nigeria takes thorough thought about her membership of this organization. Though Trade liberalization is perfectly good but not at the detriment of the Manufacturing sector. What is the impact of trade liberalization on the nation's economy, the real sector and the workforce at large? The benefits of globalization and the WTO agreement is that Nigeria can go into trade in any part of the World and other nations freely. There is nothing so special in this trade liberalization if the impact will be adversely felt by the domestic industries.

Obviously, the industrial sector was not prepared for the challenges of globalization. It is a double tragedy of unimaginable proportion as the industries face both domestic recession and World market exposure simultaneously. Virtually all the indigenous industries bear the brunt so much so that many of them have folded up, while those remaining in business are downsizing and operating below their installed capacity.

There are two important observations about the cheaper Asian Products, first the products were produced under repression and subordination as illustrated by factories where teenage girls without access to unions, were subjected to tight supervision, despotic or paternalistic regimes, (Andrea and Beckman, 1999). According to the GS report (1982), it was economically ridiculous and morally absurd to allow goods to enter the country that are produced under such absolute subjugation of human rights.

Secondly, the cheap Asian goods were under invoiced from the countries of origin so as to attract high level of effective demand 'abroad'. Mkandawire and Soludo (1999) emphasized that adequate preparation should be made in terms of relevant supply arrangements to elicit the desired export responses before deep liberalization schemes are implemented. The experiences of Argentina, Brazil, Zimbabwe and Mauritius show that trade liberalization were managed more selectively in a context which the export sector was already quite diversified. The industries there were given adequate opportunity in terms of time to make adjustments but the contrary was the case in Nigeria.

The industries had attained a reasonable degree of competitiveness. In Zimbabwe to be specific, their industries were given adequate opportunity before the implementation of the phase of import liberalization which allowed in imported goods that would compete with their outputs. This information therefore induced many industries to invest in technological improvements of various kinds in anticipation of more competitive environment. Obviously, an industrializing nation like Nigeria venturing into trade liberalization finds that it must compete with already established industries in developed countries with vastly superior technology and managerial skill, financial abilities, and even intangible assets such as brand name and loyalty. It is very difficult for the industries from an industrializing country to survive in their own domestic market without external influence let alone breaking into export markets, if free trade prevails (Chang, 1996).

The implication, as argued by Mkandawire and Soludo (1999) is that some protection or subsidy on the infant industries would be required initially before exposing it to international competition. In essence, without protection for industrial activities, such activities might never even develop at all, and deindustrialization might occur if existing industries are exposed to full blown and sudden international competition. Dell (1982) provided justification for the protection by arguing that,' there is no single industrial country that did not employ vigorous protection at some stage in its history among the much applauded newly industrializing countries, the most important have highly regulated economies.

Even a highly industrialized country like Japan, continues to this day to protect its industrial development in a variety of ways. While Japan is under great pressure to dismantle this protection, the important lesson to learn from here for developing countries is that 'properly managed protection to growth is an indispensable instrument in promoting growth". It is clear from the foregoing that the Nigerian domestic products are competing with products which are produced under repressive labor conditions and under-invoicing into the international trade. It is also obvious that Nigerian industries cannot compete with the Asian Tigers' products in terms of pricing and quality, which explain why the Asian countries are coming up with cheaper products.

Nigerian government should be helpful to the industrial sector in term of tax holidays, tax relief and exemption; otherwise the industrial sector will completely collapse. Nigeria should take a second look at its membership of WTO and then selectively engage in those trades that will not jeopardize her national interests, especially that aimed at protect the small and medium scale industries. Therefore, it is not good for Nigeria to open her frontiers to allow foreign markets at the expense of her own industries. The foreign competitors have economies of scale advantages which they have over indigenous competitors.

The strategy according to Ihovbere (1996) is necessary because, the state has been identified with all the ills of the region and has been unable to serve as a fountain of protection and inspiration to the people, it becomes rather evident that until this state is restructured to serve the interest of majority, intervene less in the economy, facilitate an enabling environment for creativity and productivity.

Flour Mill is another typical example of industry that faced difficulties operating in Nigeria. It operates at approximately 20-30% below cost. Huge plants have been set up for Mill which at the same time incurs huge overheads that unless the raw materials are imported it makes the plant unable to run at capacity and therefore take advantages of the economies of scale. Another problem is the enabling conditions of operation for industry in Nigeria. The massive bureaucracy and red tape create problems of their own.

Also the security issues, has become a serious problem; it is hard to attract long term investors to Nigeria where they do not feel secured with the menace of ' BOKO HARAM', in the North, MASSOB in the East MOSSOP, AREA-BOYS in the South-South and South West, coupled with kidnapping as well as other ethnic unrest resulting to Government instability. Operating costs in Nigeria are very high, as generators are required for most businesses, electricity are not always constant in most places, to some areas it is not found; regular power supply are not assured. In line with this the transactions cost are huge, Nigeria is basically a cash orientated society. The problems are enormous; however attempts should be made to talk to the relevant parties to find solutions. A dialogue between the stakeholders of the economy should equally be in motion for acceleration of the process of integration which will boost the resource base of the country.

Bibliography

[1]. Abubakar, D. 2001, "Globalization, Social Sciences, and Nigeria in the 21st century, "Nigerian social Scientist 4 (1): 15-19.
[2]. Adegbola, K. 1983."Manufacturing Industries, in Oguntoyinbo, J.S ed. I Geography of Nigerian Development, 2nd edition Ibadan: Heinemann Educational Books Ltd: 326-338.
[3]. Adejugbe, A. (1987): Manufacturing, In Oloku, F.A. et al, eds., Structure of the Nigerian Economy. Macmillan, London.
[4]. Adejugbe, M.O.A; 1980. " Nigeria's Industrial Policies and Performance in the Military Era, 1966 – 1979." Proceedings of the Annual Conference of Nigeria Economic Society: 225-242.
[5]. Adejugbe, M O A. Macroeconomic policy and the industrial Sector, in macroeconomic policy in an open developing economy.1994.
[6]. Adelakun, S.A (1994).Options for Survival of Oshogbo Steel- Rolling Coy. Ltd; in Proceeding of the Nigerian Metallurgical Society. The 12th annual conference. Enugu: Citallo Publishers: 31.
[7]. Ademisokun – Tortum (1992). The Politics of Trade and Industrial Policy in Africa.
[8]. Adenikinju, A and Alaba, O. Energy use and productivity performance in the Nigerian manufacturing sector (1970-90). Centre for econometric and allied research and department of economics; University of Ibadan: Nigeria; 2000.
[9]. Adenikinju, A. F. and L. Chete (1995). Productivity, Market Structure and Trade policy Reforms in Nigeria. A research report presented at a workshop by African Economic Research Consortium, (AERC), June.
[10]. denikinju, A.F. and L. N. Chete (2002). Productivity market Structure and Trade liberalization in Nigeria. AERC Research paper 126, November, Nairobi
[11]. Kenya.
[12]. Adenikinju, A. and Olofin, S. O. (2000) "Economic Policy and Manufacturing Sector Growth Performance in Africa" The Nigerian Journal of Economic and Social Studies, 43(1), March 2000, 1-20
[13]. Adeyeye, J. 2006 "Poor Countries are spending more money on arms than health," The Punch, October 3, 2005: 3
[14]. Afonja, A.A 2003, Public-Private Partnership in Development of Technological Infrastructure in Nigeria. Ibadan: NISER Publication.
[15]. Association of Food, Beverage, and Tobacco Employers (AFBTE), 1989, Annual Reports and Accounts.
[16]. Association of Food, Beverage, and Tobacco Employers, 1992/93, Annual Reports and Accounts.
[17]. AFBTE At Ten, 1990, A Publication of the 10th Anniversary of the Association of Food, Beverage and Tobacco Employers.
[18]. African Research Review: An International Multi-Disciplinary Journal, Ethiopia Vol. 4 (2) April, 2010 ISSN 1994-9057 (Print) ISSN 2070-0083 (Online)
[19]. Agboli, M & Ukaegbu C.C. (2006). Business Environment and Entrepreneurial Activity in Nigeria: Implications for Industrial Development Journal of Modern African Studies, vol.44 no. 1, pp1-30
[20]. Aina, T.A 1996. "Globalization and Social Policy in Africa," Research Network Codesira Bulletin. 4
[21]. Aisbett, E. (2003). Globalization, poverty and inequality: are the criticisms vague, vessel or valid? a paper prepared for the NIBER pre-conference on Globalization, Poverty and Inequality.
[22]. Ake, Claude (1981) A political Economy of Africa. Lagos: Longman. Nigeria Ltd.
[23]. Akinbobola, A. (2001). Globalization and its Impact on the Emergent States, Concept Academic Monograph Series, Lagos: Concept Publications Limited
[24]. Akinbode, A. (2003), The Retardative Impact of Poverty and Development" Paper Presented at the International Conference on Rethinking Governance and Development in the 21st Century, Institute of Governance and Development, Ambrose Ali University, Ekpoma, 25-27 June.
[25]. Akinboye, L.O (2004) "Globalization, Information Technology and the Nigerian Financial System, "in Globalization and Africa's Economic Development. Ibadan: NES: 185-208.
[26]. Akinlo, AE, & Odusola, A.F. (2003). Assessing the impact of Nigeria Naira Depreciation on Output & Inflation. Applied Economics, Vol.35, No 6pp.691-703.
[27]. Alli, F. (2009) Nigeria: years of manufacturing with tears, - any hope in sight? Vanguard (Lagos). Available from: http://allafrica.com/stories/200805290133.html
[28]. Aluko, S. (2004) "Background to Globalization and Africa's Economic Development" in Globalization and Africa Economic Development, Ibadan: NES: 35-68.
[29]. Anyanwu, J.C. et al (1998): The Structure of the Nigerian Economy (1960-1997). Onitsha: Joanne Educational Publishers
[30]. nyanwu C M. Productivity in the Nigerian manufacturing industry. Research department: central bank of Nigeria; 2000. p. 124-129
[31]. Appiah – Kubi, K (2001) "State – owned Enterprises and Privatization in Ghana" The journal of modern Africa Studies, 39(2).
[32]. Arrighi, G. (1994) The Long Twentieth Century. Verso, London.
[33]. Asiodu, P. C. (1967). Industrial Policy and Incentives in Nigeria; Nigeria Institute of Social and Economic Research, Ibadan. NISER Reprint Series No.44.

[34]. Asobie, H.A (2001) "Globalization, A view from the South," Annals of Social Sciences. Academy of Nigeria, No 13, Jan-Dec: 1-18.
[35]. Awuah, G. B. (1997). Promoting Infant Industries in less developed countries (LDCs): a network approach to analyze the impact of the exchange relationships between multinational companies and their indigenous suppliers in LDCs' efforts to boost infant industries' development: International Business Review, 6 (1), 71-87.
[36]. Ayagi, I. (1990). Nigeria: The Trapped Economy, Heinemann Educational Books Ltd. Ibadan Bank of Industry (2003). "Globalization and Industrial Development in Nigeria: Which way forward"? Nigeria.
[37]. Ayanwale, A. FDI and Economic Growth. Evidence from Nigeria. African 26 Economic Research Consortium; Research Papers 2007;165:48
[38]. Ayeni, B. 1981. The spatial Distribution of Manufacturing industries in Nigeria. Ibadan: Technical Report NO. 2 Department of Geography. UI.
[39]. Banji Oyelaran –Oyeyinka (1997) the Management of Technology and technical Change in Alhing Public Enterprises Technological Project Failures and Prospects for Industrial Renewal in Nigeria (1997), ed Banji-Oyelaran-Oyeyinka G.O.A Laditan, O.D. Kajogbola and AF Akinbinu Raw Material Research and Development Council Abuja; Nigeria.
[40]. Bayo, A. (2000) Globalization and Nigerian Economy. The Economist 4: 30 - 37.Berger, M. 1995 Industrialization & Policies in Nigeria; Munich: Weltforum Verlag.
[41]. Beamish, P. W., and Lu, J. W. (2004). Network development and Firm Performance: A Field Study of Internationalizing Japanese Firms. The Multinational Business Review, Vol. 12, No. 3 (winter), pp. 41-61. CBN Economic and Financial review, 1981 – 1986.
[42]. Bigsten, A and Soderbom, M. What have we learned from a decade of manufacturing enterprise surveys in Africa? The World Bank research observer 2006; 21(2):241-265.
[43]. Blouet, B. w and D. Blouet (2002). Import Substitution Industrialization (isi) 4th Ed. New York: john willy.
[44]. Briggs,i.N.(2007). Nigeria: Mainstreaming Trade Policy into National Development Strategies. African Economic Policy Centre (ATPC) Work in Progress No.52, Economic Commission for Africa Brookings Papers on Economic Activity. No
[45]. Brundtland, H. (1987). Our common future: World Commission on Environment and Development. Oxford
[46]. University Press
[47]. Bruton, H. (1998). A Reconsideration of Import Substitution. Journal of Economic Literature 36(2): 903-936.
[48]. Canning David, & Pedroni Peter. (2004). The Effect of Infrastructure on Long Run Economic Growth. [Online] Available:www.pdfsearchengine.com
[49]. Cardoso, F. H. & Faletto, E. (1979) Dependency and Development in Latin America. University of California Press, Berkeley.
[50]. CBN Economic and Financial Review, 1981-1986.
[51]. CBN Report, 1997.
[52]. CBN (2009) Central Bank of Nigeria Statistical Bulletin, 16. Abuja.
[53]. Central Bank (2006). Annual report and statement of Accounts. Abuja: Central Bank of Nigeria Publication.
[54]. Cesar Queiroz, & Surhid Gautam. (1992). Road Infrastructure and Economic Development: Some Diagnostic Indicators, (World Bank, D.C., June 1992, WPS 921).
[55]. Chang, H. 1996. The political Economy of industrial policy, London: Macmillian publishers.
[56]. Chete, L. and Adenikinju, A. Trade policy and productivity growth: evidence from Nigeria. Final report presented at a workshop by African economic research consortium (AERC); 28 May–2 Jun. 2003.
[57]. Clark, I. (1999). Globalization and international relations theory, Oxford: Oxford University Press.
[58]. Collins, P., 1980. "Public Policy and the Development of Indigenous capitalism: The Nigerian Experience" in Collins, P (ed), Administration for Development in Nigeria, Lagos: African Education Press.
[59]. Coleman, D. and Nixson, F. (1978), Economic of changes in less Developed Countries. Oxford: Philip Allen.
[60]. Cooper, F. (2001) 'What is the Concept of Globalization Good For'. An African Historian's Perspective', African Affairs,No.100.
[61]. Coughin, Peter and Genishon, Ikiara eds. 1988. Industrialization in Kenya: In search of a strategy Nairobi: Heinamann
[62]. Czinkota, M.R., and Ronkainen, I. A. (2007). International Marketing (8 ed.), United States of America. Thomson South-Western.
[63]. Crawford, G. (2001).' eliminating World Poverty: is Neo-liberal Globalization the Answer? A challenge to the UK Government White Paper ' ROAPE, No. 58.
[64]. Dani, R. (1999) New Global Economic and the Developing Countries Making Openness Work, Baltimore, John Hopkin University Press.
[65]. Daniel, R (1999).His Globalization gone too far? Washington, DC Institute for international Economics.
[66]. Dauda, B. (1993). Industrial Policy and The Nigeria Bureaucracy, 1900-1988. In: Elizabeth Eldredge, Toyin Falola, Paul Lovejoy, Donna Maier, and Ann O'Hear(Eds.)African Economic History, Vol. 21:73-96.
[67]. David V (1997). Barrier or Benefit? Regulations, Transatlantic Trade. Washington DC Brookings Institute Press.
[68]. Dawson, J. (1994). Responses to Adjustment–the Marginalization of Small Enterprises in Nigeria. Small Business Enterprise Development, Vol. 5 no.2, pp. 18-24
[69]. Dell, S. 1982. "Stabilization: 'the Political Economy of overkill,' World Development," 10(8): 597-612.
[70]. Dembele D. M. (1998), "Africa in the Twenty-first Century", Codesria Bulletin,1
[71]. Dicken, P. (1992), Global Shiff: The Internationalization of Economic Activity (2nd edition), New York: The Gullford Press
[72]. Dike Enwere, (1997); Structural Adjustment and Small-Scale Industrial Entrepreneurs in Southeastern Nigeria UNRISD Discussion Paper DP 81 United Nations Research Institute for Social Development, General (April).
[73]. Dike, Michael Enwere, (2003); Revisiting the classics of Development Economics: Lewis's Surplus Labor Theory and Current Debates on Development African Development Review- vol.15, no.2/3 pp. 297-338..
[74]. Dipak, M, and Ata, M. The African manufacturing firm, an analysis based on firm studies in Sub-Saharan Africa. Taylor and Francis Ltd. 2003.
[75]. Doguwa, SI, Essien, SN, Bamaga, MA, Nwogwugwu, IE and Adetoba, OB 2009, Definition of Key Financial and Statistical terms. Abuja: Central Bank of Nigeria
[76]. Doole, I & Lowe, R. (2004). International Marketing Strategy: Analysis, Development and Implementation (4thed.). London. Thomson Learning.
[77]. Eat well, J. (1996) "International Financial Liberalization: The impact on World Development", UNDP, Office of Development Studies, New York, Discussion Papers
[78]. series 12.
[79]. Economic Commission of Africa ECA (2000) "Globalization, Regionalism and Africa's Development Agenda" Paper Prepared for UNCTAD, Bangkok Thailand.
[80]. Edward, Elgar (2002). Information Technology Global Catastrophe.

[81]. Egbon, P.C; 1995. Industrial Policy and Manufacturing Performance in Nigeria, Ibadan: National Centre for Economic Management and Administration (NCEMA).
[82]. Egwaikhide, F. O. (1992). Import Substitution Industrialization in Nigeria: A Selective Review (Mimeo) NISER, Ibadan.
[83]. Ekpenyong, S. (1992) the City in Africa. Lagos: African Heritage Research Center Publication.
[84]. Ekpenyong, D.B. (2002). Performance of Small Scale Enterprises in Nigeria During the Structural Adjustment Programme Implementation Survey Findings. Journal of Financial Management & Analysis. Vol.15,No.1, pp. 38-50.
[85]. Ekpo, A. H. (1995). Openness and Economic Performance in Nigeria: A time series analysis. In External Trade and Economic Development in Nigeria. Selected papers for the 1995 Annual Conference Nigeria Economic Society, pp. 107-122.
[86]. Ekuehare; B.U; 1996 "Design and Management of Sectoral Polices in Nigeria: Industrial Policy under SAP" in Ibadan, M.I. and M.A. Iyoha (Eds.), Macroeconomic Policy Analysis Tools, Techniques and Application to Nig. Ibadan.
[87]. Enterprise Enumeration in Abia State, 2011
[88]. Enimola, S. S. (2009).The Determinants of Capacity Utilization in Nigeria Manufacturing Industry. Journal of Economic Thought, 3(1), 57- 63.
[89]. Ernest, D and D, O' Connor 1989. Technology & Global Competition, the challenge for newly industrializing economics. Paris Overdevelopment Centre.
[90]. Ernest, et.al. 1994. "Technological Capabilities: A conceptual framework." UNCTAD Six-Country Research Project Report. An African Historian's Perspective", African Affairs, No. 100.
[91]. European Scientific Journal May edition vol. 8, No.9 ISSN: 1857-7881 (Print) e - ISSN 1857- 7431 120
[92]. Evangelos, A. C. (2001). "The Need for Stronger Domestic Policies and International Support", Finance and Development, IMF, December, Washington DC
[93]. Fabayo, J. A. (1981): "Manufacturing and Industrial Utilization in a Developing Economy: A Case of the Nigerian Cotton Textile Industry. The Journal of Business and Social Studies, Vol. 4, No. 22, pp. 53-63..
[94]. Fagen, R. Theories of Development: The question of class struggle. Monthly review.35,1983.
[95]. Falokun, G. O. (1995): "Sources of Industrial Growth in Nigeria", Nigerian Institute of Social and Economic Research (NISER) Pp. 12-13.
[96]. Fare, R., S. Grosskopf and E. C. Kokkelenberg (1989a), "Measuring Plant Capacity, Utilization and Technical Change: A Nonparametric Approach", International Economic Review 30(3), 655-666
[97]. Federal Republic of Nigeria, 1986. Structural Adjustment Programme for Nigeria, July 1986 –June 1988, Lagos: FG Printers.
[98]. FGN. (2009b). Report of the Vision 2020 National Technical Working Group Transport, Federal Government of Nigeria.
[99]. FIAS (2003). Ghana: Administrative Barriers to Investment Update, Accra.
[100]. Foster–Carter, A. Neo-Marxist Approaches to development & Underdevelopment" Journal of Contemporary Asia 3, 1973, 7-33.
[101]. Francis, F. (2001). Economic Globalization and Culture. A Discussion Organized by Merril Lynch Forum.
[102]. Frank, Andre Gunder, & Barry K. Gills. 1993. The world system, London: Routtedge
[103]. Frederich, R.A (1978) Sociology of Sociology. New York: Free Press, 1978, pp. 34-36
[104]. Fu-Chen, L. et al. (2000). "Globalization and Urban Transformation in the Asia Pacific Region", UNU/IAS Working Paper, No. 40.
[105]. Ganny, B. (1998). Globalization Confronting Fear About Open Trade, Washington DC Brookings Institute Press.
[106]. Gay, L.R Educational Research: Competencies for Analysis & Application. Charles E. Merrill Publishing Company, A Bell & Howell Coy Columbus, Ohio 1981.
[107]. Gapanski, J. H 1996. "Economic Growth & its components in African Nations. "The Journal of developing Areas, 12(3); 525-548.
[108]. Griffiths M; 2005 Encyclopedia of international Relation and Global Politics Routledge New York
[109]. Gilles Cazelais. Typeset with LATEX on April 20, 2006
[110]. Gwynne, R. N., and Kay, C., 2000, 'Views From the Periphery: Futures of Neo-Liberalism in Latin America', Third World Quarterly, Vol. 21, No1. 141-156.
[111]. GS Report, 1982, Report by General Secretary (A.Oshiomole) to national Executive Council of NUTGTWN, Lagos.
[112]. Guide to Investment in Abia State, 2010
[113]. Harvey, D. (1989). The Condition of Post Modernity: An Enquiry into the Origins of Cultural Change. Oxford: Black Well.
[114]. Hirschman, Albert O. 1958. The Strategy of Economic Development. New Haven, CT: Yale University Press.
[115]. Hoeven, R.V (2001). 'Assessing Aid and Global Governance, Journal of Development Studirs, Volume 37, No. 6(Audust).p.109-117.
[116]. Human Development Report (2002). Deepening democracy in a fragmented world, New York. Oxford University Press
[117]. Hussain, M.N., 1995, 'The Balance-of-Payments Contraint And Growth Rate Differences Among African And East Asian Economies', Economic Research Papers No. 20, African Development Bank
[118]. Ihonvbere, J. O 1996 "Africa and the New Globalization Challenges and options for the Future" in Howard F. Didsbury Jr. (ed.) Future Vision Ideas, Insights and Strategies. Maryland Standard Press.
[119]. Ikpeze, N, 1991 'New Industrial Policies and Perspectives for Manufacturing in Nigeria, 'In Hans, H. Bass et. al (eds) African Development Perspective Yearbook 1990/01 Vol. I, Ham bury: lit Verlag.
[120]. Ikpeze, N, 2000, "Post–Biafran Marginalization of the Igbo" In Amadiume, I.O and Abdullahi, A. (eds) The Politics of Memory: Truth, Healing and Social Justice, London: Zed Books, pp 90-109.
[121]. Imeobore, A.M.A Industrial Overview of the contribution of Industry to sustainable Development in Nigeria: A report prepared for UNIDO for the R10+10 Assessment. Environmental Resource Managers Ltd. V.I Lagos.
[122]. International Journal of Academic Research in Business and Social Sciences June 2012, Vol. 2, No. 6 ISSN: 2222-6990
[123]. Isaac Oluwajoba Abereijo and Abimbola Oluwagbenga Fayomi. (2009).'Innovative Approach to SME Financing in Nigeria: A Review of Small and Medium Industries Equity Investment Scheme (SMIEIS) J.Soc.Sci, 11(3):219-227 (2005)
[124]. Jike, V.T (2004) "Globalization & the Crises of African Development in Globalization and Africa's Economic Development. Ibadan NES.
[125]. Johansen, L. (1968), "Production functions and the Concept of Capacity", in Recherches Recentes sur la Fonction de Production, Collection Économie Mathématique et Économétrie 2, 46–72.
[126]. Kayode M. O. (1987): The Structural Adjustment Programme (SAP) and the Industrial Sector: NISER,Ibadan, Nigerian 1987.
[127]. Kuada, J and Sorensen, O.J., (2001). Firms in the South: Interactions between National Business Systems and the Global Economy. In: Jakobsen, G and Torp, J.E (Editors), Understanding Business Systems in DevelopingCountries,SagePublications,NewDelhi/London.
Killick, T., (1982). Policy Economics: A Textbook of Applied Economics on Developing Countries, Heineman, London

[128]. kilby, F. (1988), 'Breaking the Entrepreneurial Bottleneck in less Developing Countries: is there a useful Role for Government?' Journal of Development Planning Vol. 18, pp: 21-49

[129]. Kuznets, (1957) Modern Economic Growth: Findings and Reflections Nobel Lecture delivered in Stockholm, Sweden & Published in the American Economic.

[130]. Lall, S. 1994, "Science and Technology in the new global environment: implications for developing countries" UNCTAD Division of Science and Technology.

[131]. Lewis, W. A. (1962): "The Theory of Economic Growth", London: Allen and Union.

[132]. Library of Congress – Federal Research Division, (2008). Country profile: Nigeria

[133]. Lo, F. (1994). "Uneven Growth, the Mega-trends of Global Change and the Future of Asia-Pacific Economics", The Asia Pacific Economies: A challenge to South Asia.

[134]. Lucas, R. E. (1988). On the Mechanics of Economic Development. Journal of Monetary Economics 22, July.

[135]. Mambula, C. (2002) Perceptions of SME Growth Constraints in Nigeria, Journal of Small Business Management, Vol, 40. N0. 1, PP58-65.

[136]. Madeley, J. (2000). Trade and Hunger: An Overview of Case Studies on the Impact of Trade Liberalization on Food Security. (Online)Available at www.forumsyd se (May 20, 2006)

[137]. Madichie, N. (2008). An evaluation of the country of-origin Effects on the Nigerian Guinness Brand. In: veloutsou, C & Papadopoulos, N. (Eds.) Marketing in dynamic Environments: contemporary Research Advances. Athens Greece: ATNER press, chapter 10.pp. 117-128.

[138]. Madunagu, E. (1999). "Globalization and its Victims" Guardian (July 26) P 53.

[139]. Malik, A, Teal, F and Baptist, S. The performance of Nigerian manufacturing firms: report on the Nigerian manufacturing enterprise survey. Centre for the study of African economies. University of Oxford; 2004.

[140]. Manufacturers Association of Nigeria (MAN), 1989, Sample Survey of the Performance of the Nigerian Manufacturing Sector 1987-1989.

[141]. Manufacturers Association of Nigeria (MAN), 1992, Half-Yearly Economic

[142]. Review, July-December. Manufacturers Association of Nigeria (MAN), 1994, Half Yearly Economic Review, July-December.

[143]. Manufacturers Association of Nigeria (MAN), 1995, Half Yearly Economic Review, July-December.

[144]. Manufacturers Association of Nigeria (MAN 2000) MAN Half Yearly Economic Review: July to December 1999 MAN Lagos.

[145]. Manufacturers Association of Nigeria (MAN), 2010, Half Yearly Economic Review, July-December.

[146]. May, S., Chenery, G., & Roper, J. (1960). The debate over corporate social responsibility. Published by Oxford University Press US.

[147]. Mazumdar, D and Mazaheri, A. The African manufacturing firm: An analysis based on firm, studies in Sub-Saharan Africa. Taylor and Francis Ltd. 2003

[148]. McMichael, P. (2000) Development and Social Change: A Global Perspective. Pine Forge Press, Thousand Oaks, CA.

[149]. Mkandawire, T and C.C Soludo, 1999. Our continent, our Future Africa perspectives on Structural Adjustment, Dakar: African World Press Inc.

[150]. Modelski, G (1972), reintroduced the term to - In the effects of globalization on Health. Report from a symposium held at the Nigeria Economic society (NES). Communiqué of 41st Annual Conference; the Millennium Conference

[151]. Mojekwu, J. N. and Iwuji, I. I. (2011),"factors affecting capacity utilization Decision in Nigeria" Canadian centre of science and Education. Vol. 5, p157-163

[152]. Morin, N. and Stevens, J.J. (2005). "Diverging Measures of Capacity Utilization: An Explanation." Business Economics October, 46-54.

[153]. National Planning Commission (2004). National Economic Empowerment and Development Strategy (NEEDS) package, Vol.1, National Planning Commission, Abuja.

[154]. National Planning Commission (2004). Nigeria: National Economic Empowerment and Development Strategy.

[155]. Abuja: National Planning Commission.

[156]. Ndiyo, N.A and Ebong F.S (2004) "The Challenges of Openness in Developing Economics: Some Empirical lessons from Nigeria in Globalization & Africa's Economic Development, Ibadan:NES:571 – 598.

[157]. NISER Survey of Business Conditions Experience and Expectations in the Manufacturing Sector 2000: A Publication of NISER Annual Monitoring Research Programme (NAMRP)

[158]. Ninsin, K.A (2000). Globalization and the future of Africa. AAPS Occasional paper series, 4, (No. 1)

[159]. Obadan, M.I and Ayodele, A.S 1998, "Commercialization and privatization Policy in Nigeria" Ibadan: National centre for Economic and Management Administration (NCEMA): 206

[160]. Obadan, M. I. (1999) "International Capital Flows and the Recent Financial Crises: What have we Learned?" Presidential Address of the Nigerian Economic Society, July 21.

[161]. Obadan,M. I. (2004) Foreign Capital Flows and External

[162]. Debt perspectives Countries Nigeria and The LDCs

[163]. Group, Ibadan University Printer,Nigeria.

[164]. Obaseki, P. I. (1999). Policies and Strategies for dealing with the Problems of International Affairs, Lagos, Feb. 1999.

[165]. Oesterdierhoff (1991) Colonialism, A Theoretical Overviewed, Kingston: Wiener, Princeton and Randle Publishers.

[166]. Ogbuagu, C.S.A. (1983). The Nigeria Indigenization Policy. Nationalism? In: Africa Affairs. Vol. 82, No. 327:241-266.

[167]. Ogunjobi, A (2007). Succumbing to imports. TELL, May 21, 2007 pp. 40- 41. In: Emeka, E. O. 2008. Development crisis of power supply and implications for industrial sector in Nigeria. Kamla-Raj 2008 Stud

[168]. Tribes Tribals, 6(2): 83-92 (2008)

[169]. Ogwuma P.A. 1995. 'Nigeria's Structural Adjustment Programme: Prospects, Challenges and Future Policy Options', in Beyond Structural Adjustment: Development Policy Options For Nigeria in the Twenty First Century, Papers

[170]. Ohmae, K. (1990). The Borderless World: Power and Strategy in the Interlinked Economy, New York: Mckinsey & Co.

[171]. Ohiorhenuan, J.F.F 1980 "Nigerian Economic Policy under Military Rule", Proceedings of the 1980 Annual Conference of the NigerianEconomic Society, Nigerian Economic society: 65 -87.

[172]. Ohiorhenuan, J.F.F. (2000), "The Past and Futine of Development, "A Paper Presented at the 41st Annual Conference of the Nigerian Economic Society.

[173]. Ohiorhenuan, J.F.F (1989). The State and Economic Development in Nigeria Under Military Rule, 1966-79: in tekena N. Tamuno and J.A. Atand (EDS.); Nigeria Since Independence. The First Twenty- Five Years Vol. IV Government and Public Policy: 141-151.

[174]. Ojo, M.O. (2004) "Globalization and Economic Development: International Experience" in Globalization and Africa's Economic Development. Ibadan: NES: 69-106.
[175]. Okome, Mojubaolu Olufunke(1999). state and Civil Society in Nigeria in the Era of Structural.
[176]. Oladeji S.I (1998). Technology policy and the development of small and Medium scale enterprises in contemporary Nigeria in: techno Vation, Vol. 18, Issue 2:125-132.
[177]. Olukoshi, A.O., 1989, 'Impact of IMF/World Bank Programmes on Nigeria', in Bade Onimode ed., The IMF, The World Bank, And African Debt: The Economic Impact, Vol. I, London, Zed Books.
[178]. Olukoshi, A.O., 1990, Nigerian External Debt Crisis: Its Management, Lagos, Malthouse Publishers and Nigerian Institute of International Affairs.
[179]. Olukoshi, A.O., 1995, 'Politics of Structural Adjustment in Nigeria', in
[180]. T.Mkandawire and A. Olukoshi, eds, Betweeen Liberalization and Oppression: The Politics of Structural Adjustment in Africa, Dakar: CODESRIA.
[181]. Olukoshi, A.O.,1998, 'The Elusive Prince of Denmark, Structural Adjustment and the Crisis of Governance in Africa', Nordiska Africanistutet Research Report, No. 104.
[182]. Olamola, P.A 2004 "Globalization Competition Policy and Economic Development in Sub-Saharan Africa: Opportunities & Challenges" in Globalization & Africa Economic Development, Ibadan: NES: 107 -128.
[183]. Olayiwola k and Ogundiran O. (2004) "Positioning Nigeria in the Knowledge Society in a Globalization era" in Globalization and Africa's Economic Development Ibadan: NES: 209 – 234.
[184]. Oloyede, B. (1976): "Research Methods in Finance", Forthright Education Publishers, Lagos, Nigeria.
[185]. Omobowale M.O. (2010) Problems facing Local Manufacturers in the Nigerian Agro-Allied Machine Fabrication Industry; accepted for publication by the "African Technology Development Forum Journal"
[186]. Omotola, J.S (2003) "Globalization, New Regionalism and the Challenge of Development in Africa. "Mimeo, Department of Political Science, Kogi State.
[187]. Omotola, J.S. (2004) "Globalization in Poverty: Deregulation of Disarm Government in Nigeria. "Paper Presented at the National Conference on Deregulation in a Globalization Economy, Organized by Faculty of Social Sciences. Ambrose Alli University, Ekpoma, 24-26 May, 2003 "Globalization New Regionalism and the Challenge of Development in Africa". Mimeo, Department of Political Science, kogi State University Anyigba, Nigeria.
[188]. Onah, F.E. (1996) "Post-Adjustment Policies towards Poverty Alleviation in Nigeria "Nigeria Journey of Economic and Social Studies (NJESS), 38 (3).
[189]. Onyedika, N. 2005, UNDP Seeks Inclusion of Environmental Issues in all National Policies. The Guardian, Lagos, Monday 19th December: 43.
[190]. Onimode, B. (2000) Africa in the World of 21st Century, Ibadan: University of Ibadan Press.
[191]. Onyeonoru, I. (2003). "Globalization and Industrial Performance in Nigeria", Africa Development, Vol. XXVIII, Nos 3 & 4, pp. 36-66
[192]. O'Rourke, K. H. & Williamson, J. G. (2000) Globalization and History. MIT Press, Cambridge, MA.
[193]. Organized Private Sector (OPS) membership list ACCIMA 2011.
[194]. Oruba, C.O and Anopegba, P.O (2004) "the Role of Good Governance in the Development Process in a Globalize World: Challenges or the Nigeria Economy", in Globalization and Africa's Economic Development Ibadan NES: 377-406.
[195]. Oyelaran– Oyeyinka, B; 1997 Nnewi; an Emergent Industrial Cluster in Nigeria, Ibadan: Technopol Publishers.
[196]. Oyejide, T.A 1975, "the strategy of Industrial Development in Nigeria" Quarterly Journal of Administration, Vol. 8, No. 2
[197]. O. O. Osibo, Faking and Counterfeiting of Drugs, West African Journal of Pharmacy, 12(1) (1998), 53-57.
[198]. Panford, K. (1994). Structural adjustment, the state and workers in Ghana: An African development, a Quarterly Journal of the Council for the Development of Social Science Research, Codesria, Dakar
[199]. Peng, M.W., Wang, D.Y., and Jiang, Y., (2008). An institutional-based view of international business strategy: a focus on emerging economies, Journal of International Business Studies 39, pp. 920-936.
[200]. Peter, O. N (2002) Restriction of economic, through privatization. The Economist 4p.32-34.
[201]. Pleskovic, B., and Stiglitz, J.E., 1997, Annual World Bank Conference on Development Economics, Washington D.C.: The World Bank.
[202]. Portees Alejandro, Carlos Dore-Cabral, and Patricia Landolt. 1997. The Urban Caribbean. Baltimore, Md: Johns Hopkins University, Press Peter, ON Restriction Economic Through Privatization. The Economist 4: 32-34
[203]. Phillips, D. (1999). "Not a chance", Proceedings of the one-day seminar of the Nigerian economic Society workshop
[204]. Prasad, E. S. et al. (2003). Effects of Financial Globalization on Developing Countries: Some Empirical Evidence, IMF, Washington DC
[205]. Rajan, JF 1976, „Measuring Capacity Utilization in Manufacturing" , FRB NY Quarterly Review/Winter. (1976) pp. 13-20
[206]. Rauch, J. and Trindade, V. (2003), "Information, International Substitutability and Globalization", American Economic Review, Vol.93, No3, June.
[207]. Rizzo, M. (2002) "Being taken for a Ride: Privatization of Dares Salaam Transport System 1083-1998, 'journal of Modern Africa Studies 40(1).
[208]. Rodriguez, E. & Berry, A. (2002). SMEs and the new Economy: Philippine Manufacturing in the 1990s. In Charles Harvey and Boon-Chye Lee, (Eds), The Role of SMEs in National Economics in East Asia. Cheltenham: Edward Elgar.
[209]. Roodt,M (2001) Participation, Civil Soceity and development" in Coetzee, J et al (eds) Development; Theory,Policy and Practice ,Oxford Univesity Press;Oxford pp465-466
[210]. **Roberstson R and Scholte J; 2007 Encyclopedia of Globalization volume 4U-ZMTM Publishing Inc New york Sharp, R. and Mohammedan Kone (1992) A future Rooted in Africa Soil Environment, Development and the Search for Sustainability <u>Africa Recovery Briefing Papers 5, 1992</u>**
[211]. Salimono, A. (1999) Globalization and Challenges. A Paper Presentedat the International Summit on Globalization as a Problem of Development in Havanna. Aiba Jan 1822.
[212]. Schadler, S. (1994) "Surges in Capital Inflows: Boom or Curse?", Finance and Development, Vol.31, No 1, March
[213]. Schatz, I. 1973 Industrialization in Nigeria: A Spatial Analysis. Munchen: We forum – Verlag.
[214]. Schoite, J. (2000) Globalization: A Critical Introduction, London: Macmillan Press.
[215]. Schneider, F. and D. Eriste, 2002 Hiding in Shadows: The Growth of the Underground Economy, Washington: International Monetary Fund.

[216]. Segynola, A.A 2002 Environmental Degradation Coping Strategies & Sustainable Development Implication for Rural Industrialization in Nigeria. In: GED Omuta, E.A Ikhuoria (Eds): Geography and Sustainable Development. The Nigerian Geographical Association, Chapter 13:123-130.
[217]. Segynola, A.A, 2004 on Sustainable Development in Nigeria. Monograph Series. Benin City: Rasjel Publishers: 1-9
[218]. Sen, Amartys (1999), Development as Freedom. Oxford, New York. Oxford University Press. ISBN 019289330.
[219]. Shaikh A .M. and Moudud J K. (2004) Measuring Capacity Utilization in OECD Countries: A Co-integration Method. The Levy Economics Institute Working Paper Collection Working Paper No. 415
[220]. Shonekan, E. (1985). "Towards the Year 2000– Coping with the Challenge Ahead". In Olufemi Eperokun et al (eds.),Nigeria's Bumpy Ride into the 20th Century (Ibadan: House of Lords).
[221]. Soderbom, M; & teal, F. (2002). "The Performance of Nigerian Manufacturing Firms: Report on the Nigerian Manufacturing Enterprise Survey 2001" UK: Centre for the Study of African Economies University of Oxford.
[222]. Spiegel Special: Geschichte- Afrika, das umkampfte Paradies, Nr. 2/22--05-2007 Stiglitz, Joseph, E. (2002), Globalization and its discontents. New York. W.W Norton. ISBN. 0–393-32439–7.
[223]. Sawyerr, Akilapa, 1998, 'Globalization and Social Sciences in Africa', Presidential Address at the 9th General Assembly of CODESRIA Dakar, Senegal, December 14-18.
[224]. Tamuno, O. S. (2007). Historical dynamics of World Economies, Owerri, Springfield Publishers
[225]. Tangari, R. (1992). The Politics of Government--business relations in Ghana. TheJournalof Modern African Studies 30, 97-111 Thoenig, M. and Verder, T. (2003), "A Theory of Defensive Skill-Based Innovation and Globalization", American Economic Review, Vol. 93, No3, June.
[226]. Todaro, M.P (1994) Economic development in the third world, New York: London.
[227]. Todaro, P. M. (1994) Economic Development. Longman, New York
[228]. Toyo, Eskor (2000). Background to Globalization: A Mimeograph Published by the Academic Staff union of Universities (ASSU), Nigeria.
[229]. Toyo, E. (2002) Background to Globalization. Ibadan: Asuu Publication series, UNDP, National Human Development Reports for Nigeria, 2000/2001
[230]. Tule, M.K (2004) "Globalization and Economic Development in West Africa: A Synthesis of Issues" in Globalization and Africa's Economic Development, Ibadan: NES: 431-483
[231]. Ukaegbu, C. Managers and their entrepreneurs: power and authority in indigenous private manufacturing firms in Nigeria. African entrepreneurship: Theory and Reality. Gainesville (edited by in spring, A. and. McDade, B), FL: University Press of Florida; 1998. p. 181–198.
[232]. Ukoha, O. O. (2000): "Determinants of Manufacturing Capacity Utilization in Nigeria, 1970 1998". The Nigeria Journal of Economics and Social Studies, Vol. 42(2):121-130.
[233]. UNIDO-United Nations industrial Development Organization (2005). Industrial Development Report 2004/2005, Vienna: UNIDO.
[234]. UNIDO (2000), Public-Private Partnerships for Economic Development & Competitiveness: With Special Reference to the African Experience, Publication of United Nations Development Organization Vienna.
[235]. UNIDO, 2002, Industrial Development Report 2002/03, Vienna, UN.
[236]. Unger, K. (1988). Industrial Structure, technical change and micro-economic behaviour in LDCs. In Dosi et al (ed.). (1988). Technical Change and Economic Theory.London.PinterPublishers
[237]. Usoro, E.J. (1977), Government Policies, Politics & Industrial Development strategy in Nigeria, 1947-1974 "In Teriba, O. & M. O.
[238]. Usoro, E.J, 1997 "Government Policies, Politics & Industrial Development strategy in Nigeria, 1947-1974 "In Teriba, O. & M. O. Kayode (EDs) Industrial Development in Nigeria: Patterns, Problems & Prospects Ibadan: Ibadan. University Press.
[239]. Uzaoga O. W. (1981): Money and Banking in Nigeria, Fourth Dimension Publishers, 1981, Enugu.
[240]. Vachani, S. (1994). The Impact of Economic Liberalization on Small Companies' Competitiveness. Small Business Enterprise Development, Vol. 5. no.2, pp.41-46.
[241]. Valk, de Peter, (1996) African Industry in Decline: the Case of Textiles in Tanzania in the 1980s, London: Macmillan Press Ltd & New York: St. Martin's Press (in association with the Institute of Social Studies**)**
[242]. Wade, R. (2000) 'Globalization and its limits in Acts R.J and Jervis R. (eds) International Policies: Enduring Concepts and Contemporary Issues, New York England: Longman/ Addison Wesley Educational Publisher, pp.363-381.
[243]. Wallerstein, I. World System Analysis. (Standard: Stanford University Press)
[244]. Wangwe, S. (ed) Exporting Africa: Trade, Industrialization and Technology in Africa. UNU-INTECH, Rout ledge Publication (1995)
[245]. World Bank (1994); Adjustment In Africa: Reforms, Results and the Road Ahead World Bank/Oxford University Press 1987).
[246]. World Bank (1989a); Sub-Saharan Africa: From Crisis to Sustainable Growth World Bank Washington D.C.
[247]. World Bank (2002). World Development Report 2002. Building institutions for markets, Oxford University Press, Oxford. In: Adebayo, M.A;, B.O Babasanmi. 2004. Institutional framework, interest rate policy and the financing of the Nigerian manufacturing sub-sector. African development and poverty reduction: The Macromicrolinkage. Forum Paper. Somerset West, South Africa. 13-15th October, 2004. pp.2-3
[248]. Yagub, N. (2003), Review of the 2001 National Human Development Report in the Nigerian Social Scientist, 6, (No. 1)
[249]. Yeung, C. and F. Lo. (1996). Emerging World Cities in Pacific Asia, Tokyo: United Nations University
[250]. Zarnowitz, V. (1996): Business Cycles: Theory, History, Indicators and Forecasting.Chicago: University of Chicago.
[251]. Zuvekas, C (1979), Economic Development: An Introduction. London: Macmillian Press Ltd.

Section B: General Questions on the Impact of Globalization on Industrial Development in Nigeria.

5	Questions	True	False
6	Non availability of raw materials has affected production in your industry		
7	Access to finance/capital had affected your Industry in the recent past		
8	High multiple taxations on locally made Goods have increased production in your Industry.		
9	Irregular electricity supply increases cost of Production in your industry		
10	Access to modern technology makes Production cumbersome.		
11	Unfair competition with foreign industries endangers the survival of your industry.		
12	Lack of good road network for the Distributions of finished goods hamper Production.		
13	Poor and low consumer purchasing power Discourages production		
14	Poor linkages of vibrant industries with the rest of the domestic sector affect Production activities in your industry.		
15	Policy incentives are tilted in favor of large Scale industries		
16	Poor managerial capacity affects your Production plans		
17	Low skills of the workers negatively affect Production in your industry		
18	Lack of adequate knowledge of the Entrepreneurs affects production.		
19	Lack of access to credit and poor incentives to Small scale industry affects production		
20	Poor account keeping habits, weak Financial and marketing planning has Negatively affected your industry.		
21	Inconsistency, poor formulation and poor Implementation of government policies affect industrial activities.		
22	Non patronage of products of small and Medium scale enterprises by the people affect Production.		
23	Lack of preservation/ storage facilities has Negatively affected your organization.		
24	Poor quality products affect patronage by Consumers		
25	Lack of modern processing facility limits Industrial Production in your company.		
26	Poor capacity utilization limits Production in your industry.		
27	Poor educational background of operators Contributes to the Poor state of affairs of many SMEs		
28	Poor communication networks hamper Production.		
29	Insecurity of lives and property drive investors away.		
30	Bribery and corruption affect activities of		
31	Tariff structure for finished goods Affect your industry.		
32	Smuggling of goods across borders affect your industry		
33	Incessant harassment by local government officials affects production in your industry.		
34	Non patronage of locally produced goods by government Agencies and departments affect your industry		
35	Unauthorized levies and taxes, tax clearance certificates add to the production cost in your industry		
36	Nigerians preference for imported goods affects demand for locally produced goods.		
37	Lack of subsidy and incentives for local industries affect capacity utilization in the industry?		
38	Lack of access to export market and market information affect your industry.		
39	High cost of foreign exchange limit Production in your industry		
40	High dependence on imported raw materials Hinders production capacity of your industry.		
41	Lack of financial support from commercial Banks hinders your production activities.		

Appendix 1: List of registered industries in Abia State.

No	Names of industries	No of Employees
1	Ceeton & Sons Cosmetics Ind. Ltd.	16
2	Boof Ind. Nig. Ltd.	32
3	United Biscuits	32
4	Ikoro Cables Ltd	23
5	Guentsy Engineering Ltd.	32
6	Onwuka Nails Ltd	31
7	Be Bella investments Ltd.	31
8	Nico Plastics	29
9	Domestic Plastics Ltd.	40
10	Continental Plastics Ltd.	35

11	Korama Manufacturing Industries.	27
12	Eagle Aluminum Industry	31
13	Nokosing Paper Ltd	25
14	Boof Industry Nig. Ltd.	41
15	Chikason Industries Nig. Ltd	28
16	ULover Resources Ltd.	19
17	Luna Water	20
18	Onwuka Nails Ltd.	25
19	Pineapple Industry, Aba	27
20	Ema-Bukar Ventures Ltd.	17
21	Onigbo Snuff Industry, Umuahia	20
22	Chiemeka Tarpaulin Inds Ltd.	31
23	Palmwine industry	50
24	Beverage Industry, Aba	33
25	Kalpex Industry Ltd.	62
26	Gap Duns Inter Ltd.	41
27	Cona Wilson Ltd.	24
28	Kalpex Industry Ltd	22
29	Gap Duns Inter Ltd	35
30	Renaissance Ltd	27
31	Uni-malt Ltd	48
32	Seaman's Aromatic Snaps	45
33	Vego International Oil Services Co. Ltd	23
34	Top Tree Oil, Aba	50
35	Dachiafor Inds Nig. Ltd	30
36	Basso International Ltd.	18
37	All Beauty Therapy Ltd.	20
38	Toonak Bergel Cosmetics Ind. Ltd	14
39	ICI Garment Nig. Ltd	33
40	E.A Ubani & Sons Ltd.	16
41	U.O.O Livestock & Feeds	25
42	Ezera Food Mills Ltd.	13
43	INECO Investment Ltd.	37
44	Poscoo Investment Ltd.	18
45	Megee Investment Nig Ltd.	16
46	Unifashion Shoes.	16
47	System Shoes Ltd.	19
48	Cittraco Industry Ltd.	24
49	Aba Bag Multi-Purpose Co-op. Society Bags.	27
50	Zan Cosmetics Inds Ltd.	21
51	Bena Cosmetic Ind. Nig. Ltd.	23
52	Chikason Industries Nig. Ltd	22
53	Afam Uzokwe Ltd	21
54	Aldins Industries Ltd.	28
55	Boof Industry Nig Ltd	30
56	Jofradon Ventures Ltd	16
57	Maobison Interlink & Assoc. Ltd	24
58	Tega Paints Ltd	40
59	Vitak (Electric wire), Aba	31
60	Ibeanu coy, (Best Soap), Aba	68
61	Udeagbala Holdings, Aba	57
62	Pioneer Oil Mills	77
63	Samek Industries, Alayi	22
64	Oil Palm Mills, Item	30
65	Aqua-Dera Technologies Ltd.	17
66	Ikoro cables Ltd	23
67	Vinna investment Ltd	52
68	Flab Enginnering Ltd	15
69	Nico Plastics	22
70	Gentry services Ltd	17
71	Cubani Electrical	18
72	Ben-soka Industry	16
73	Evita Waters	20
74	Engineering Ltd	15
75	Happy Bite Foods	43
76	Oreson Global Nig. Ltd	42
77	Ziengof Services	21
78	Daveng Nig. Ltd	31
79	New Edition	22
80	High taste	28

81	Mandyvera Nig. Ltd.	20
82	Amtess Nig.	25
83	Inter U & Co.Ltd	42
84	Dynamic Farm Ltd	21
85	Janet Galaxy Livestock	43
86	May Weather Inv. Ltd	20
87	Ojiugo Bakery Enterprises	29
88	Benforward investment Ltd	57
89	Jutrac Multi inds Ltd	98
90	Benkay Pharm Chem Ltd	25
91	Nason waters, Aba	34
92	Vego international oil serv. Ltd	23
93	Seaman's Aromatic Snaps	45
94	kechis Enterprises	23
95	Bonny-Moko & Sons Trading Co. Ltd	24
96	Unifashion Shoes	31
97	M.O Nnaji Industry	50
98	Jeroleem Nig Ltd (Biscuits)	23
99	Neil Young International Biz Ltd	31
100	Megee Investment Nig Ltd	20
101	Malted Biscuits	51
102	Penco group of companies	23
103	Venal bottling	21
104	Planet oil & chemical industry	29
105	Enyinco Agro ind. Ltd	36
106	Benez bottling Health Product Ltd.	41
107	Patezeh Nig. Ltd.	69
108	Beenard & Roses industries Ltd.	40
109	Yoyo Farms Ltd	38
110	Lehep chem. & Allied Products Ltd	43
111	INECO Investment Ltd	36
112	Belock International Ltd	32
113	Hobil Investments Ltd	34
114	Nigerian Breweries, plc Aba	374
115	7up Bottling Company, Aba	314
116	Coca – Cola bottling Co; Aba	332
117	Cadbury Plc, Aba	227
118	Nigerian Bottling Co (NBL	212
119	Harmony Foams, Oboro Umuahia	100
120	Aba Textile Mill, Aba	132
121	Guinness Nigeria Plc	267
122	Aba Garment MCS. Ltd.	231
123	Niger Motors, Aba	345
124	UTC Textile Mills, Aba	132
125	Niger Garments Ltd, Aba	172
126	Lever Brother, Aba	152
127	Metallurgical Complex, Aba	116
128	SCOA MOTORS	124
129	CFAO, UAC Foods	112
130	Shell Petroleum Oil Flow Station	210
131	Patterson Zochonis (PZ), Aba	130
132	Abia Palm Company Ltd,	112
133	Star paper Mill Ltd	349
134	Modern Poultry Farms, Ogwe	150
135	Aba Recycling Plant. Isiala Ngwa.	120
136	Chalk Industry, Aba	130
137	Nigerian Breweries, plc Aba	374
138	Harmony foam	100
139	7up Bottling Company, Aba	205
140	Nigerian Bottling Co (NBL)	212
141	UCL, Modern Ceramics Ltd, Umuahia	134

142	Empire Carpets, Umuahia	120
Z143	Kene Paper Mill Ltd	40
144	Amaic Paper Mills Ltd	30
145	Chiba Farms, Aba	60
146	Feed Mills and Sawmills	150
147	Cashew Complex	50
148	Double Diamond Plastics Inds Ltd	43
149	Cloth weaving Industry, Akwaete	20
150	Cassava Grinding Mills	70
151	Choba Inds Nig. Ltd	45
152	Ndyson Plastics Inds Ltd	40
153	E.J. Inds (WA) Co.Ltd	30
154	Bambo Nig. Ltd	13
155	Alliance Boots Ltd	17
156	Roses Pharmaceuticals Ltd	20
157	Copa Engineering Ltd	15
158	Bonsaac Inds Ltd	29
159	Saclux Paints Ltd, Umuahia	112
160	Home charm Paints	67
161	Korama Clover Ind. Ltd.	93
162	Falcon Bottling Co. Ltd.	57
163	Star line Nig Ltd	99
164	Adaobi Plastics Industry, Aba	97
165	Plastic Polythene Industry, Umuahia	86
166	Clover Paints, Aba	100
167	Chemster Paints Industries (Nig), Aba	73
168	Alpa Consortium Ltd	42
169	Jerrynell Construction Ltd	27
171	Dan peters Nig Ltd	29
172	Golden & pisker Nig. Ltd	30
173	Ojek Resources Ltd	34
174	Peptrack Nig. Ltd	45
175	Roofing Industry, Aba	25
176	Donchart & Company Ltd	26
177	Westham Group of Companies Ltd	22
178	Angel Michael Inter Co. Nig Ltd	13
179	Vee-Tek Ltd	18
180	karisto Industrial system Ltd	25
181	Fatina Drugs, Aba	20
182	Godsplan Nig. Ltd	20
183	NDAFIA FOODS	30
184	Niggled Nig. Ltd	48
185	universal oil Nig. Ltd	47
186	palm wine industry Ariam	36
187	Johnny kele palm oil	59
188	Iko group of companies	118
189	Spices Chop	32
190	Ideal Pharmaceutical Ltd	45
191	Crunches Foods	42
192	Vita Electrical	47
193	Berger Paints Plc	97
194	Tonimas Oil	58
195	Celplas industries Nig. Ltd, Aba	50
196	Slok Nig Ltd	20
197	Fairline Pharm Inds Ltd	34
198	Oceanic Paper Mills	56
199	Geymay Industry Ltd.	90
200	North/South Aluminum	40

Appendix: II. Large Scale Manufacturing Industries in Abia State

No	Names of industries	No. of Employee
1	Nigerian Breweries, plc Aba	374
2	7up Bottling Company, Aba	314
3	Guiness Plc, Aba	205
4	Coca – Cola bottling Co; Aba	332
5	Cadbury Plc, Aba	227
6	Nigerian Bottling Co (NBL	212
7	UCL, Modern Ceramics Ltd, Umuahia	134
8	Harmony Foams, Oboro Umuahia	100

9	Aba Textile Mill, Aba	132
10	Guinness Nigeria Plc	267
11	Aba Garment MCS. Ltd.	231
12	Niger Motors, Aba	345
13	UTC Textile Mills, Aba	132
14	Niger Garments Ltd, Aba	172
15	Lever Brother, Aba	152
16	Metallurgical Complex, Aba	116
17	SCOA MOTORS	124
18	CFAO, UAC Foods	112
19	Shell Petroleum Oil Flow Station	210
20	Patterson Zochonis (PZ), Aba	130
21	Abia Palm Company Ltd,	112
22	Star paper Mill Ltd	349
23	Modern Poultry Farms, Ogwe	150
24	Aba Recycling Plant. Isiala Ngwa.	120
25	Chalk Industry, Aba	130
	TOTAL	4895

Appendix III: list of sampled Large Scale industries.

No.	Names of sampled industries	No.of Employee
1	Nigerian Breweries, plc Aba	374
2	Harmony foam	100
3	7up Bottling Company, Aba	205
4	Nigerian Bottling Co (NBL)	212
5	UCL, Modern Ceramics Ltd, Umuahia	134
	Total	1,025

Appendix IV: List of registered Medium Scale industries in Abia State.

No.	Names of industries	No. of Employee
1	Empire Carpets, Umuahia	120
2	Kene Paper Mill Ltd	40
3	Amaic Paper Mills Ltd	30
4	Chiba Farms, Aba	60
5	Feed Mills and Sawmills	150
6	Cashew Complex	50
7	Double Diamond Plastics Inds Ltd	43
8	Cloth weaving Industry, Akwaete	20
9	Cassava Grinding Mills	70
10	Choba Inds Nig. Ltd	45
11	Ndyson Plastics Inds Ltd	40
12	E.J. Inds (WA) Co.Ltd	30
13	Bambo Nig. Ltd	13
14	Alliance Boots Ltd	17
15	Roses Pharmaceuticals Ltd	20
16	Copa Engineering Ltd	15
17	Bonsaac Inds Ltd	29
18	Saclux Paints Ltd, Umuahia	112
19	Home charm Paints	67
20	Korama Clover Ind. Ltd.	93
21	Falcon Bottling Co. Ltd.	57
22	Star line Nig Ltd	99
23	Adaobi Plastics Industry, Aba	97
24	Plastic Polythene Industry, Umuahia	86
25	Clover Paints, Aba	100
26	Chemster Paints Industries (Nig), Aba	73
27	Alpa Consortium Ltd	42
28	Jerrynell Construction Ltd	27
29	Dan peters Nig Ltd	29
30	Golden & pisker Nig. Ltd	30
31	Ojek Resources Ltd	34
32	Peptrack Nig. Ltd	45
33	Roofing Industry, Aba	25
34	Donchart & Company Ltd	26
35	Westham Group of Companies Ltd	22
36	Angel Michael Inter Co. Nig Ltd	13
37	Vee-TekLtd	18

38	karisto Industrial system Ltd	25
39	Fatina Drugs, Aba	20
40	Godsplan Nig. Ltd	20
41	NDAFIA FOODS	30
42	Niggled Nig. Ltd	48
43	universal oil Nig. Ltd	47
44	palm wine industry Ariam	36
45	Johnny kele palm oil	59
46	Iko group of companies	118
47	SPICES CHOP	32
48	Ideal Pharmaceutical Ltd	45
49	Crunches Foods	42
50	Vita Electrical	47
51	Berger Paints Plc	97
52	Tonimas Oil	58
53	Celplas industries Nig. Ltd, Aba	50
54	Slok Nig Ltd	20
56	Fairline Pharm Inds Ltd	34
57	Oceanic Paper Mills	56
58	Geymay Industry Ltd.	90
59	North/South Aluminum	40
	Total	2,625

Appendix V: list of sampled Medium Scale industries.

No.	No of industries	No of Employees
1	Empire carpets, umuahia	10
2	Cashew complex	40
3	Feed Mills and Sawnmills	50
4	Cloth Weaving Industry	79
5	Cassava Grinding Mills	50
6	Chalk Industry Aba	80
7	Choba Industry Nig. Aba	68
8	Double Diamond Plastic Ltd.	56
9	Adaobi Plastics Industry, Aba	97
10	Saclux Paints Ltd. Umuahia	112
11	Chemster Paints Industry, Aba	73
12	Clover Paints, Aba	100
13	Plastic Polythene Industry	86
14	Star line Nig. Ltd	99
15	Falcon Bottling Co. Ltd	57
16	Korama Clover Industry	93
17	Home charm Paints	67
	Total	2197

Appendix VI: List of registered small scale industries in Abia State.

No	Names of industries	No of Employees
1	Ceeton & Sons Cosmetics Ind. Ltd.	16
2	Boof Ind. Nig. Ltd.	32
3	United Biscuits	32
4	Ikoro Cables Ltd	23
5	Malted Biscuit	51
6	Guentsy Engineering Ltd.	32
7	Onwuka Nails Ltd	31
8	Be Bella investments Ltd.	31
9	Nico Plastics	29
10	Domestic Plastics Ltd.	40
11	Continental Plastics Ltd.	35
12	Korama Manufacturing Industries.	27
13	Eagle Aluminum Industry	31
14	Nokosing Paper Ltd	25
15	Boof Industry Nig. Ltd.	41
16	Chikason Industries Nig. Ltd	28
17	ULover Resources Ltd.	19
18	Luna Water	20
19	Onwuka Nails Ltd.	25
20	Pineapple Industry, Aba	27
21	Ema-Bukar Ventures Ltd.	17
22	Onigbo Snuff Industry, Umuahia	20

23	Chiemeka Tarpaulin Inds Ltd.	31
24	Palmwine industry	50
25	Beverage Industry, Aba	33
26	Kalpex Industry Ltd.	62
27	Gap Duns Inter Ltd.	41
28	Cona Wilson Ltd.	24
29	Kalpex Industry Ltd	22
30	Gap Duns Inter Ltd	35
31	Renaissance Ltd	27
32	Uni-malt Ltd	48
33	Seaman's Aromatic Snaps	45
34	Vego International Oil Services Co. Ltd	23
35	Top Tree Oil, Aba	50
36	Dachiafor Inds Nig. Ltd	30
37	Basso International Ltd.	18
38	All Beauty Therapy Ltd.	20
39	Toonak Bergel Cosmetics Ind. Ltd	14
40	ICI Garment Nig. Ltd	33
41	E.A Ubani & Sons Ltd.	16
42	U.O.O Livestock & Feeds	25
43	Ezera Food Mills Ltd.	13
44	INECO Investment Ltd.	37
45	Poscoo Investment Ltd.	18
46	Megee Investment Nig Ltd.	16
47	Unifashion Shoes.	16
48	System Shoes Ltd.	19
49	Cittraco Industry Ltd.	24
50	Aba Bag Multi-Purpose Co-op. Society Bags.	27
51	Zan Cosmetics Inds Ltd.	21
52	Bena Cosmetic Ind. Nig. Ltd.	23
53	Chikason Industries Nig. Ltd	22
54	Afam Uzokwe Ltd	21
55	Aldins Industries Ltd.	28
56	Boof Industry Nig Ltd	30
57	Jofradon Ventures Ltd	16
58	Maobison Interlink & Assoc. Ltd	24
59	Tega Paints Ltd	40
60	Vitak (Electric wire), Aba	31
61	Ibeanu coy, (Best Soap), Aba	68
62	Udeagbala Holdings, Aba	57
63	Pioneer Oil Mills	77
64	Samek Industries, Alayi	22
65	Oil Palm Mills, Item	30
66	Aqua-Dera Technologies Ltd.	17
67	Ikoro cables Ltd	23
68	United Biscuits	32
69	Vinna investment Ltd	52
70	Flab Enginnering Ltd	15
71	Nico Plastics	22
72	Gentry services Ltd	17
73	Cubani Electrical	18
74	Ben-soka Industry	16
75	Evita Waters	20
76	Engineering Ltd	15
77	Happy Bite Foods	43
78	Conawilson Ltd	24
79	Oreson Global Nig. Ltd	42
80	Ziengof Services	21
81	Daveng Nig. Ltd	31
82	New Edition	22
83	High taste	28
84	Mandyvera Nig. Ltd.	20
85	Amtess Nig.	25
86	Inter U & Co.Ltd	42
87	Dynamic Farm Ltd	21
88	Janet Galaxy Livestock	43
89	May Weather Inv. Ltd	20
90	Ojiugo Bakery Enterprises	29
91	Benforward investment Ltd	57
92	Jutrac Multi inds Ltd	98

93	Benkay Pharm Chem Ltd	25
94	Nason waters, Aba	34
95	Vego international oil serv. Ltd	23
96	Seaman's Aromatic Snaps	45
97	kechis Enterprises	23
98	Bonny-Moko & Sons Trading Co. Ltd	24
99	Unifashion Shoes	31
100	M.O Nnaji Industry	50
101	Jeroleem Nig Ltd (Biscuits)	23
102	Neil Young International Biz Ltd	31
103	Megee Investment Nig Ltd	20
104	Malted Biscuits	51
105	Penco group of companies	23
106	Venal bottling	21
107	Planet oil & chemical industry	29
108	Enyinco Agro ind. Ltd	36
109	Benez bottling Health Product Ltd.	41
110	Patezeh Nig. Ltd.	69
111	Beenard & Roses industries Ltd.	40
112	Yoyo Farms Ltd	38
113	Lehep chem. & Allied Products Ltd	43
114	INECO Investment Ltd	36
115	Belock International Ltd	32
116	Hobil Investments Ltd	34
	Total	1684

Appendix VII: list of sampled small scale industries

No	Names of industries	No of Employees
1	Bena Cosmetic Ind. Nig. Ltd.	23
2	Seaman Aromatic Snaps	45
3	Ema-Bukar ventures Ltd	17
4	All Beauty Therapy Ltd.	20
5	U.O.O Livestock & Feeds	25
6	ICI Garment Nig. Ltd	33
7	Ezera Food Mills Ltd.	13
8	Seaman Aromatic Snaps	45
9	Dynamic Farm Ltd.	15
10	Janet Galaxy Livestock & Poultry Ltd.	19
11	Nifex Industries Ltd.	37
12	Planet Oil & Chemical Industry.	42
13	Tega paints	71
14	Seaman's Aromatic Snaps	65
15	Ezera Food Mills Ltd.	13
16	Toonak Bergel Cosmetics Ind. Ltd	14
17	Ibeanu Coy, Best Soap	68
18	INECO Investment Ltd.	37
19	Kalpex industry Ltd	62
20	Udeagbala Holdings, Aba	57
21	Zan cosmetics inds Ltd	21
22	Vitak (Electric wire), Aba	31
23	E.A Ubani & Sons Ltd.	16
24	Pioneer oil mills	77
25	Dynamic Farm Ltd.	15
26	Nason waters, Aba	15
27	Gap Duns Inter Ltd	41
28	Unifashion shoes	16
29	Top Tree Oil, Aba.	54
30	Seaman's Aromatic Snaps	65
31	Continental Plastics Ltd.	35
32	Pineapple industry, Aba	27
33	Kurama Manufacturing Industries.	27
34	Nico Plastics	29
35	Domestic Plastics Ltd.	40
36	Onwuka Nails Ltd.	25
37	Unifashion Shoes.	16
38	Megee Investment Nig Ltd.	16
39	System Shoes Ltd.	19
40	Cittraco Industry Ltd.	24
41	Aba Bag Multi-Purpose Co op. Society Bags.	27

42	Dachiafor Inds Nig. Ltd	30
43	Basso International Ltd.	18
44	Ceeton & Sons Cosmetics Ind. Ltd.	16
45	Zan Cosmetics Inds Ltd.	21
46	Eagle Aluminum Indu	50
47	Nokosing Paper Ltd	25
48	Luna Water	20
49	ULover Resources Ltd.	19
50	Chikason Industries Nig. Ltd.	28
51	Boof Industry Nig. Ltd.	41
52	Boof Ind Nig. Ltd.	32
53	Poscoo Investment Ltd.	18
54	Aqua-Dera Technologies Ltd	17
55	Onigbo snuff industry	20
56	Beverage industry	33
57	Oil palm mills	80
58	Samek industries, Alayi	22
Total		1684