

## NEO-LIBERAL REFORMS AND THE CHALLENGES OF NATIONAL SECURITY IN NIGERIA'S FOURTH REPUBLIC

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### ABSTRACT

*The wave of neo-liberal reforms which started since 1980s has brought unprecedented hardship, poverty and income inequality in Nigeria. It heralded the privileging of the market over the state thereby reducing the state to a minimal role. The emergence of fundamental paradigm and ideological shift in the 1980s in development planning as a result of economic crises that bedevil the country from a state-centered to a market driven perspective has a significant impact on income redistribution and consequent challenge on national security. This is mainly because the priorities of neoliberal policies are to expand market forces, facilitate open competition, enhance mass production, attract foreign investment, and maximize consumption. By 1986, the Babangida regime adopted the World Bank/IMF inspired neoliberal policy of Structural Adjustment Programme (SAP). The programme of SAP could not solve the myriad of problems the economy was witnessing. These interrelated problems raised the issues of the role of the state in solving them hence, the need for the state to privatize, deregulate and commercialize government owned industries for efficiency. However, this has continued to create a gap between the rich and the poor. This study, argues that the structural imbalances in the Nigerian economy and reinforcement created by the implementation of neoliberal economic reforms has in the fourth republic, in theory been intended to remove the state from all but a minimal role in the economy. The Minimalist State theory notes that the state has neither the management capability to run the economy nor any legitimate authority to do so. Consequently, the state has been incapacitated from providing the social security for its citizens and this has serious implications for national security. The article adopts a methodology involving a review of extant literature.*

**Keywords:** *Neoliberalism, Globalization, National security, Liberalization, Policy*

### Introduction

Nigeria in recent times has witnessed an unprecedented level of national insecurity ranging from Boko Haram, Niger Delta militia group, and recently the Fulani militia etc. This is partly attributed to increasing poverty and economic inequalities that has widened over the years. The gap between the poor and the rich continue to increase. This is mainly because the priorities of neoliberal policies are to expand market forces, facilitate open competition, enhance mass production, reduce the state's anti-poverty programmes, attract foreign investment, and maximize consumption not necessarily for the Nigerian state but for the

advanced capitalist states and their companies. Though, the idea of neoliberal reforms was borne as a result of economic crisis which was adopted as a panacea to development crisis in Nigeria yet the economy has not fair better since it implementation. The connotation and composition of reforming the state and economic reforms in Nigeria is inseparable from the nature and formation of the state. This is because the Nigerian state is an imposed one and a peripheral variant of capitalist set which has implication for national stability (Mah, 2016).

Neoliberalism can mean ideology, discourse, form of political discipline, economic doctrine or class project. Each of these understandings has built within it a sense of the scope of action of neoliberalism. For example, as an economic doctrine, neoliberalism works within the economy to push for free markets through reforms such as privatization, deregulation or the removal of subsidies. As a discourse, it aims to change the way certain people think about development by providing a different grammar concerning social change and economic management. As a class project, Neoliberalism works on the state and the economy to realign a balance of power between a capitalist class and the working classes. The general point here is that, although all critical commentary starts with a view of neoliberalism as ‘economic’ in its core (economic liberalization), its prefix ‘neo’ seems to suggest that its zone of action goes beyond the economy that was the province of orthodox economics (Harrison, 2010). However;

McLean and McMillan identified two principal meanings of the term neoliberalism. The first refers to a set of market-liberal economic policies. In the developed world neoliberalism is often coupled with Thatcherism and grew up in opposition to Keynesian. In the developing world, it emerged in opposition to the developmental strategies based on import-substitution industrialization which had dominated the period 1945 to the early 1980s. Here it is often linked to so-called ‘Washington Consensus’ (privatization and deregulation, trade and financial liberalization; shrinking the role of the state; encouraging foreign direct investment... (2009, p. 364-500).

Meanwhile, Harvey (2007 p. 22) sees neoliberal reforms as a theory of political economic practices proposing that human well-being can best be advanced by the maximization of entrepreneurial freedoms within an institutional framework characterized by private property rights, individual liberty, unencumbered markets, and free trade . The priorities of neoliberal policies are to expand market forces, facilitate open competition, enhance mass production, reduce the state’s anti-poverty programmes, attract foreign investment, and maximize consumption not necessarily for the Nigerian state but for the advanced capitalist states and

their companies (Mbah, 2016). Our understanding of neoliberalism therefore sees it as a key facet of globalization, the 'rolling out' of neoliberalism. The transition towards a neoliberal state and replacement of statist government by market regimes have been reinforced by the unprecedented globalization of capital, expansion of market ideology and influence of international agencies, World Bank/IMF (Haque, 2008, p. 12). All these have implication for economic national stability in Nigeria. In his view, Heywood (2007) holds that globalization has become controversial issue as it has a pronounced liberal ideological character in which capitalism is seen as the main issue. Andrew further posits that globalization draws attention to a profound revolutionary set of economic, cultural, technological and political shifts intensified within the 1980s. According to him the debate now is on the neo-liberal globalization. Globalization is thus seen as the dominance of philosophy of free market and liberal democracy.

Meanwhile, the contentions of the policy thrust and implementations of neoliberal reforms in Nigeria have been rife since the 1980s that these reforms were launched. One fascinating aspect of these have been the contention raised about the incompatibility of these reforms with the advancement of national development and national stability most especially because over the years of policy implementations, there have been significant shortchanging of the state in the content and operations of these reforms (see for instance Umezurike, 2010a & b; Nnoli, ed, 1993; Ake, 2001; 2003). The fact that economic development is highly crucial for the sustenance of national security has therefore created higher impetus for a scholarly review of the matter. This is so especially because of the manner in which the reforms have been complementing the other dysfunctions to the national stability in Nigeria.

This study argues that the structural imbalances in the Nigerian economy and reinforcement created by the implementation of neoliberal economic policies such as privatization, deregulation and removal of state subsidies in 1986 coupled with the integration of the economy into global economy (globalization) and dominance of foreign countries granted by the infiltration of foreign direct investment and capital in Nigeria have, in theory been intended to remove the state from all but a minimal role in the economy. The Minimalist State Theory notes that the state has neither the management capability to run the economy nor any legitimate authority to do so. Consequently, national insecurity has become more

pervasive hence, we now have various ethnic militia groups attacking unsuspecting citizens and government installations and structures as a way of expressing their grievances. While some has taken the form of religious fundamentalism some are communal and resource conflict in nature e.g. Boko Haram, Movement for the emancipation of Niger Delta (MEND), Movement for the actualization of the Sovereign State of Biafra (MASSOB), and Herder-Farmers conflict e.t.c. While the market is a necessary ingredient for development, it is not by itself a sufficient condition for prosperity and security. The state's intervention policy framework, public sector, and leadership are equally relevant. The neo-liberal economic framework emphasizes the contraction of state intervention in public policy-making and implementation. The neo-liberal economic framework thus emphasises privatization, deregulation, structural adjustment programmes (SAP), and free market as alternatives to the failure of the peripheral capitalist state like Nigeria. These have become important ingredients in the swing towards the market, which characterizes economic reforms in Nigeria in the recent past (Mbah, 2016).

### ***Understanding Neoliberal Reforms***

Neoliberal reforms is a theory of political economic practices proposing that human well-being can best be advanced by the maximization of entrepreneurial freedoms within an institutional framework characterized by private property rights, individual liberty, unencumbered markets, and free trade (Laser faire). It is an idea advocated by the classical theorist, which advocated limited role for governments. Probably, the seeming most important function of the state is to maintain social order, that is provide national and international security, guarantee law and order through the use of police and military forces, so that capitalism can operate freely (Ezeibe, 2016).

Howlett, Alex and Ramesh, 1999, p. 27; Thorsen, 2009, p. 15; Cordalo, 1980, p. 390; Von Hayek, 1977) argues that economic neoliberalism is primarily concerned with maximizing individual's liberty the freedom of choice. This implies that the state should assume a highly minimal and purely regulatory form and should refrain from most forms of economic intervention even in the face of market mechanisms leading to reduced economic efficiency. Nevertheless, the state has an important role to fulfill in securing private property rights and contract enforcement (Linbeck, 1989, p. 3).

### **Neoliberal Globalization**

Globalization undoubtedly promotes neoliberal ideology and expanded for the market to new heights following the collapse of the development project, the ideas that it promoted were not all that special, with large scale trade across great distances being key components of economic development since the dawn of man. What separated globalization from its predecessors, for better or worse, was its relationship with neoliberalism and how much of its idea of a global world market. Even though it still centered on an unwavering belief in government free economy, neoliberalism took away literal focus on the role of the individual, as noted by its shift from public to private ownership via privatization. A transaction created in response to the 1980s debt regime, privatization had governments sell off their public assets of land to private owned entities, relieving them of territory that could have added to increasing debt. This means of obtaining land for private interest, along with the idea of a free world market created through competition and governance, presented a way for businessmen to achieve monopolies on a global scale, instead of a national one. Through neoliberalism, globalization was able to provide all who followed it with a means of expanding their business deals across the globe and received a large share out of it, all without any political interference whatsoever (Ben, n,d).

Ibietan (2010) argued that globalization is associated with the perception of an irresistible dynamism in global economic relations destined to breakdown traditional barriers to free trade and usher in an age of global capitalism and western (neo) liberal governance system. Also, UNDP (1997, p. 91) sees globalization as:

Liberalization and intensification of linkages in trade, finance markets, production, research, transportation, energy, medicine, education, politics and culture, that is accelerated by discoveries in micro-electronics information processing, communications and biotechnology; these form of cooperation and linkages have created mutual interdependence in global system. Hence, the dependence of the third world countries on advanced developed countries. This has perpetuated the poverty of developing countries (emphasis is mine)

In his view, Okolie (2008) remarked that globalization refers to “the universalization of predominant development values (in these case capitalist values); it is the harmonization of production and distribution relations, and indeed the intense secularization of cultures and systemization of political regimes under one Leviathan – like capitalist regime”. Yet Arzeni (1994, p. 75) defines globalization as “the integration and merging of national economies as a

result of transnational activities of firms”. From the World Bank perspective, globalization refers to “the deepening of economic integration among countries” (2001, P. 1) That is why some scholars insist that globalization has neoliberal and free market character (Ezeibe, 2016). From the views of scholars above, the common ground for these definitions is that globalization is inherently capitalist and therefore inflicts all the hardship that follows from its internal contradictions such as poverty and inequality (Ezeibe, 2016). Hence, insecurity becomes inevitable, because as Aristotle opined, poverty and hunger are the parent of revolution and crime. Meanwhile, the most important dimensions of the neoliberal economic reforms in Nigeria which are relevant in understanding how poverty, inequality and consequent national insecurity is engendered are privatization, deregulation, and removal of state subsidies, among others.

### **Privatization**

Nigeria went for privatization in the historic reforms of 1986. The official reason for privatization is that public enterprises are inefficient and therefore drain public funds. Privatization of some state -owned enterprises in some sectors became necessary to improve the efficiency of these enterprises, to curb corruption, and also to reduce the financial costs to the Federal Government (Okonjo-Iwela and Osafo -Kwaako, 2007, p. 13). They argue that between 1999 and 2006, about 116 public enterprises were privatized, including various loss-making government enterprises operating in industries such as aluminum, telecommunications, petrochemical, insurance, and hotel. In this process, Power Holding Company of Nigeria was unbundled into 18 companies responsible for power generation, transmission, and distribution (Okonjo -Iwela and Osafo -Kwaako, 2007, p. 13). The contradiction evident in the privatization process is the unprecedented high cost of public welfare services resulting in the exclusion of large segments of society even though a better deal for a better welfare services is said to be the aim of reform.

One of the theories that have been put forward to explain the superiority of private ownership over public ownership and the economic efficiency gains that are likely to emerge from the transfer of ownership and control of assets from the public to private investors is the Principal -Agent theory. The theory focuses on the differences in the monitoring mechanism and incentives which public and private managers face as agents of shareholders given welfare maximization for the former and profit maximization for the latter (Bos, 1991, p.21). The

change in the ownership from the public to the private sector has at least two effects: a change in the objective and from a weighted welfare function to profit maximization; and a change in the incentive structure by linking reward to the level of performance under private ownership (Chirwa, 2001, p. 279). This shift towards profit maximization implies higher price particularly higher prices for public welfare services thus, sacrificing a locative efficiency. Privatization programme in Nigeria is based mainly on the experience of Western Europe and North America without the necessary economic and political endowments which the Western nations enjoy. In particular, Nigeria lacks reasonable competitive domestic markets for goods and services, well developed capital markets with considerable breadth, depth and absorptive capacity, strong private sector and sound regulatory structures. The absence of these essential prerequisites makes achieving most of the benefits of privatization in Nigeria more difficult in the provision of public welfare. Data provided by the United Nations Development Programmes show that as a proportion of the total population, the number of the extreme poor in Nigeria was 28 percent in 1985, 40 percent in 1992 and 45 percent in 1996/97 and to 62.2 percent in 1999. By 1999 when Obasanjo came to power, about 70.2 percent of total populations of over 120 million people of Nigeria were living on an average of less than \$1 pay day. Inflation has risen in leaps and bounds and the value of the national currency (the Naira) has fallen dramatically from about \$1= N3 in 1986, to \$1 = N140 in 2002 to \$1=N 155 in 2012 and \$1=N270 in 2015 and \$1to 363 as at present (Mbah, 2016).

### **Deregulation**

There are two forms in which the foundations of all neoliberal reforms in Nigeria in deregulations have been explained here. The first is that all these reforms have been initiated under a global regime of deregulations or a set of market-liberal economic policies which have countered Keynesianism since the early 1980s. The second is that the core neoliberal reforms in Nigeria have actually been practically mandated by external bodies that have facilitated neoliberal development across the globe. These bodies have included the IMF/IBRD, the UN, and the Paris Club of creditor countries to Nigeria (Umezzurike, n.d).

Privatization has also been accompanied by deregulation of various economic sectors to encourage private sector participation, “notably in telecommunications, power, and downstream petroleum sectors” (Okonjo-Iweala and Osafo-Kwaako, 2007, p. 15). Neo-liberalism is insistent that “economic progress is only possible through the deregulation and

liberalization of trade, labour and prices” (Iyayi, 2005, p. 173). They posit that “liberalization of the telecommunication sector has been particularly successful, resulting in an increase in the number of telephone lines in Nigeria from 500,000 landlines in 2001 to over 32 million GSM lines in 2007” (Okonjo-Iweala and Osafo -Kwaako, 2007, p. 13). The idea of deregulation is that fewer regulations will lead to a raised level of competitiveness, therefore higher productivity, more efficiency, and lower prices overall. The story of the telecom sector has remained a reference point for privatizing the enterprises in Nigeria, although the story is different in other sectors of the economy, especially in the downstream sector where prices of petroleum products have risen astronomically with its chain reaction on goods and people.

However, in reality, Nigerian economy is worse off because its markets access is reduced. Since the state has disengaged from or drastically reduced investment in social welfare services, reforming the administrative machinery has become an important institutional option in satisfying collective demands where deregulation has failed in public welfare services and welfare options (Mbah, 2014). Most often, private sector is profit-driven and, therefore, cannot actually provide social welfare services adequately without considering its profit margin. Thus, the for-profit motive and high fees in the face of high rate of poverty limit access to public welfare services. Government incapacitation under the present economic reforms as well as weak and underdeveloped private sector and its profit - minded nature have created a condition in which the provision of public welfare under the neoliberal reforms and have created a condition of national instability, youth unrest and insecurity.

### ***Understanding National Security***

National security has become desirable and cherished goal globally. With the positioning of the state as the guarantor of safety and security for the populace, security becomes the exclusive preserve of the state. This is most critical in countries where continual threats both domestically and internationally exist against their security. It is evidently considered within the standpoint of human security, environmental security, food security and health security. Parochial understanding and great ambiguity surround “National Security.” This makes its pursuit in African countries synonymous to increased insecurity (Nnoli, 2006). The centrality and acute relevance of security to the existence of the African State and the harmonious co-existence between citizens at the horizontal level and state - citizens’ relationship at the vertical scale makes African countries to spend much of their yearly national budget on



security. The money budgeted for defense, however, end -up being used in the importation of arms thereby increasing the militarization of the continent. The consequence of this is the increasing state of African insecurity (Nnoli, 2006).

The concept of insecurity would be best understood by first, presenting the concept of security. In the view of Akin (2008) security refers to the situation that exists as a result of the establishment of measures for the protection of persons, information and property against hostile persons, influences and actions. It is the existence of conditions within which people in a society can go about their normal daily activities without any threats to their lives or property. It embraces all measures designed to protect and safeguard the citizenry and the resources of individuals, groups, businesses and the nation against sabotage or violent occurrence (Ogunleye et al, 2011). According to Igbuzor (2011) it demands safety from chronic threats and protection from harmful disruption. Security however, can be described as stability and continuity of livelihood (stable and steady income), predictability of daily life (knowing what to expect), protection from crime, feeling safe), and freedom from psychological harm (safety or protection from emotional stress which results from the assurance or knowing that one is wanted, accepted, loved and protected in one's community or neighborhood and by people around. It focuses on emotional and psychological sense of belonging to a social group which can offer one protection). This description structured the concept of security into four dimensions. However, these dimension can be weaved together to give a composite definition of security as the protection against all forms of harm whether physical, economic or psychological. It is generally argued however that security is not the absence of threats or security issues, but the ability to rise to the challenges posed by these threats with expediency and expertise.

Insecurity on the other hand, is the antithesis of security. However, because of the very many ways in which insecurity affects human life and existence, the concept of insecurity has usually been ascribed different interpretations in association with the various ways which it affects individuals. Some of the common descriptors of insecurity include: want of safety; danger; hazard; uncertainty; want of confidence; doubtful; inadequately guarded or protected; lacking stability; troubled; lack of protection; and unsafe, to mention a few. All of these have been used by different people to define the concept of insecurity. These different descriptors, however, run into a common reference to a state of vulnerability to harm and loss of life,

property or livelihood. Beland (2005) defined insecurity as “the state of fear or anxiety stemming from a concrete or alleged lack of protection.” It refers to lack or inadequate freedom from danger. This definition reflects physical insecurity which is the most visible form of insecurity, and it feeds into many other forms of insecurity such as economic security and social security.

However, two views are of essence to this paper. These are one, insecurity as the state of being open or subject to danger or threat of danger, where danger is the condition of being susceptible to harm or injury, and two, insecurity as the state of being exposed to risk or anxiety, where anxiety is a vague unpleasant emotion that is experienced in anticipation of some misfortune. A major point about insecurity implied in these definitions is that those affected by insecurity are not only uncertain, precarious or unaware of what would happen but they are also not able to stop it or protect themselves when it happens.

Eme and Okeke (2008) observes that two fundamental perspectives have emerged in an attempt to define national security. One perspective focuses on strategic definition and the other on non-strategic definition by laying emphasis on socio-economic factors (as cited in Iheanacho, 2017). The strategic perspective conceptualizes national security in terms of self defense by amassing arms to deter aggression. In this context, Ate and Akinterewa (1992 p. 256) defined national security as “the defense and protection of the sovereignty of the country and of its territorial and political jurisdictions against external and indeed internal threats”. Similarly, Imobigbe (1981) refers to national security as defense and survival of the state.

The non-strategic definition which is our major focus in this study lays emphasis on socio-economic factors. In the opinion of Iheanacho (2012, p. 70) “it is not just the physical survival of the people and their state which is the issue but also the satisfaction of their needs for health, clothing, education and shelter”. In the same vein, Ate and Akinterewa (1992, p. 257) observed “the security of any nation lies not solely or even primarily in its military capability: but equally in developing relatively stable patterns of economic and political growth (as cited in Iheanacho, 2017 p. 237).

Based on the foregoing broader and holistic approach Nigeria’s national security can be defined in terms of defense of the country’s territorial integrity, elimination of threats to

security, providing food, health and environmental security, promotion of peaceful coexistence in the country, bringing about sustainable socio-economic development and democratic development, and raising the standard of living of the citizens among others. This means that the economic welfare of the citizens is imperative in the life of a nation's security agenda. corroborating this assertion, former Nigerian President, Olusegun Obasanjo (1999) admitted the importance of national security, opines that national security entails the ability of a nation to advance her interests and objectives, to contain instability, control crime, eliminate corruption and, above all, improve the welfare and quality of life of every citizen. According to Mohammed (2005) "National Security from any perspective is about safeguarding the interests of the citizenry and providing the type of atmosphere that is free of threats that could inhibit the pursuit of the good of all. It is about the processes and measures required to preserve law and order". National security is an important concern in the life of a person, group or nation. Brown (1982, p. 21) holds that the concern for the security of a nation "is undoubtedly as old as the nation -state itself. In the context of the nation-state, the central feature in the quest for national security is the concern for the survival, peace and progress of individuals, groups and the society as a whole".

### **Theoretical Framework**

In this paper, we appropriated the basic propositions emanating from minimalist state and economy. The major thrust here is that the character of the role of the state in the economy defines the level of security and the degree of resolution of political economy crisis such as poverty and inequality.

The first proposition of the framework is that the persistent pursuit of contemporary forces of neoliberal globalization including foreign loans, aid, and technology transfer has been leading the minimal role of the state in the international political economy. It is a term used to mean the often misused term of 'withdrawal' of the state from the economy (Callaphy, 1997). These happenings have been such that the state in these societies has been playing such roles that are advantageous for capital over wage labour; for the free market over the public sector; and for the dominant forces over the dominated ones. The World Bank and IMF have been playing the role in this process.

The second thrust of the theoretical framework is the internal contradictions are an inherent character of Nigerian state and other developing state. What differentiates them as failed, weak or strong is the ability of such state to manage internal weaknesses using core state mechanism – defense, government and ideology to prevent instability in the political system (Ezeibe, 2010).

Elbadawi and Sambanis (2000, p. 244) observed that the high incidence of war in Africa is not due to ethnic fragmentation rather they arise as a result of prevalence of failed institutions, poverty and dependence on one or two natural resources for economic survival. In Nigeria, the institutions of state have failed as poverty and inequality are on the increase. Nigeria depends only on oil revenue for the survival of the polity. Central Bank of Nigeria (CBN) annual report for both 2005 and 2006 revealed that about 54% Nigerians live below poverty line reason for the youth unrest, violence, crime, insurgency and militancy being experienced in Nigeria especially in the fourth republic.

### **Neoliberal Globalization and National Security**

Ampatuam (2003, p. 1) submits that “while globalization has brought unprecedented development and progress to people, it has also unleashed negative aspects such as ‘facilitating international terrorism, internal dissention and other forms of transnational crimes’”. According to him transnational terrorism is a global phenomenon which is seen as one of the most destructive and threat to national security. The September 11, 2001 attacks on the United States of America illustrate the lethality of this threat.

The era of globalization as facilitated by advancement in technology (computer and internet) marked the beginning of privileging of the market over the state spurred by various forms of criminality and violence. It has made it difficult to control and regulate the proliferation and use of small arms and light weapons (SALWs). The militias involved in small arms either support or oppose government, criminal gangs, vigilantes and ordinary citizens who are apprehensive of the increasing instability of the state to provide them with security (Nnoli, 2008). Some other scholars such as de Wijk (2002) and Larevas (2004) have argued that the nature of threat posed by international terrorism on national security does not only render traditional national security arrangements of nations – states inadequate to respond to the threat, but also in many respects have diminished state control and augmented and

empowered the terrorist groups. In a similar vein, Remo (2007) asserts that due largely to globalization, terrorist involvement in the illegal global economy, and the connections that they make have made them much more formidable challengers to the state. This challenge to the dominance of the market (private sector) has become more prevalent as the state itself has become increasingly deficient. This deficiency of the state was succinctly captured by Jayantha Dhanapala, a former United Nations under Secretary General for Disarmament Affairs who on April 2, 2001 wrote that:

In an age of total war, of instant communications and fast cheap travel, the nation state has appeared to several observers as a quaint, even dangerous anachronism. Modern technology has rendered the nation-state obsolete as a principle of political organization, for the nation-state is no longer able to perform what is the elementary function of any political organization: to protect lives of the members and their way of life. The modern technologies of transportation, communications, and welfare and the resultant feasibility of all – out atomic war, have completely destroyed this protective function of the state (Dhanapala, 2001, p. 6).

Also, globalization has intensified trans-border production, materials, monies and businesses readily evade political controls that are attempted through the state. One of the consequences is the emergence of a complex and complicated network of individuals, goods and companies involved in the spread of small arms and light weapons (SALWs) throughout Africa and Nigeria. These actors involved in the spread of small arms and light weapons are robber Barron, individuals, companies and institutions that are essentially involved in activities of plunder and pillage. They thrive under conditions of relative anarchy, with little or no government control over licensing or taxation (Nnoli, 2008).

The situation is worsened by the privileging of the market over the state (neoliberalism) and the whittling down of state powers by the forces of globalization and neoliberalism, as well as the inability of the Nigeria state to meet its obligations to the Nigerian people. Globalization has created a state of borderless society which has led to an experience of what is known today as the “global village” by which exchanges between two or more countries can be done in a twinkling of an eye rendering the state incapable of monitoring the transactions that goes on between the actors, this situation has created a void in security and other services within the country. This is occurring at a time when ethnic, religious, communal and private economic groups have become emboldened (Nnoli, 2008). All over the world globalization has raised fears that the market could rend the social fabrics of society. Anti-globalization protesters proclaim that “the world is not for sale” (World Bank, 2009). Globalization has

caught Africa in the web of an international poverty trap and this signifies that pervasive poverty and lack of economic growth within African nations has affected economic development..

The consequence of neoliberal globalization in Nigeria is not limited to currency devaluation, and economic liberalization, and the disaster it brings upon the poor, the widening gap, among others. In the economic sphere, the distribution of global wealth has never been fair, but globalization has widened the gap between the rich and the poor in sub-Saharan Africa and some other less-developed areas, income has actually decreased in the past three decades. The international community allows nearly three billion people; almost half of all humanity, to subsist on 2 dollars or less in a world of unprecedented wealth. One of the major causes of this huge social divide is financial self interest (Annan, 2002).

Moreover, globalization has also favored the growth of rich multinational companies that have practically taken over the world market for certain products; their activities is often not to promote general welfare but rather enriching further their wealthy, while poverty of the vast majority of African countries increased. Ibietan (2010) rightly noted that trade liberalization has not aided domestic production as much as it has opened economies for imports, as African economies become dumping ground for all Western industrial products. To a greater extent, globalization has aggravated African countries problems that already existed in our society. Instead of proffering solutions to underdevelopment in Africa and Nigeria, it becomes part of the problem, for instance, in area of crime and terrorism (Arua and Okechukwu, 2017).

The tools of trade and commerce can easily be converted into tools of crime. As the multinational corporations have led the drive to globalize the world's economy, multinationals organized crime syndicates have been quick to exploit it. The elimination of many customs controls and the increasing movement of people also make it much easier for drug cartels to transport illegal drugs from one country or continent to another. Also, international mafia groups have also developed a lucrative business in prostitution. Every year, they ship nearly 500,000 women and girls from the shore of Africa to Western Europe for this purpose; the majority against their will (Human development Report, cited in Annan, 2003).

Annan (2002) asserts that the world has rapidly become much more vulnerable to the eruption and, most critically, to the wide-spread and even global spread of both new and old infectious diseases. Such diseases in the like of Zika virus, HIV/AIDS and EBOLA, as well as people can travel around the globe (migration), the dramatic increase in worldwide movement of people, goods and ideas is the driving force behind the globalization of diseases (UN programme on HIV/AIDS, 2000).

This has created mass poverty; population's explosion, state collapse and other feature of Nigeria's development crisis all at the heart of globalization. In contrast to the colonial era, globalization is characterized by the decay of national boundaries and institutions in favour of transnational economic activity. Similarly, Nnoli (2006) distinguish between globalization and other manifestations of imperialism such as colonialism and neocolonialism. Under globalization, financial oligarchy and or transnational/multinational corporations emerged. As global capitalism liberalizes economies, allowing for free flow of goods and services, it weakens the sovereignty of nation- states (Walters, 1995; Howell, 1998).

Meanwhile, the liberal perspective of globalization sees it as a positive phenomenon that equates it with interdependence and interconnection in the world which ensure greater movement of people, goods, values, technologies, capital and ideas due to increased economic integration which is in turn propelled by increased trade and investment as well as revolution in communication and information technologies (Ude, 2011). Economic activities and problems within sovereign states now require international attention. Today, books, money, weapons diseases, (HIV/AIDS, SARS, Ebola Virus and LASER fever) information tourists and refugees easily cross both national and regional boundaries. However, the radical school of thought sees globalization as the new nomenclature for imperialism or monopoly capitalism (Ezeibe, 2016) Udeje (2005) remarked that globalization undermines the capability of many developing countries to grow and develop and causes economic instability. It accounts for the rising poverty and inequality and the consequent rise in the incidence of violent conflict; rising migration and refugee flows, increasing environmental stress and strains; more pressure on natural resources as a result deforestation and mining; proliferation of illegal arms; drug trafficking; money laundering and international terrorism. Free markets economies and liberal democracies have arguably failed to bring about the

desired solution to the severest global problem – poverty in the Third World economies. Indeed, the effects of globalization on the political, economic, social and cultural nerves of the weakest states are better imagined (Ezeibe, 2016).

Generally, globalization has become a “threat to the poor rather than opportunity for global action to eradicate poverty” (Obadina, 1998, p. 32). This development is compounded by the openness of national boundaries which exposes everyone, everywhere to attacks and the unblinking view and judgment of global society ( Nnoli, 2008). In his view, Ake stated that, the dynamics of globalization involves a high stake economic competition of such immense intensity that globalization has “sucked even the most marginal companies, states, groups and individuals into its vortex, bringing everyone into close proximity, “shrinking everything into one small intimate space, which has to be fought over incessantly” (Ake, 1997, p. 192). In the words of Ake there is no place to hide, no respite from scrutiny and assessment, shrinking physical space, increasing proximity by crowding people into ever smaller space with all their differences and mutual suspicions intact. Even when globalization tries to induce common values, for instance, through the global market, it does not reduce the tension. If anything, “it increases it by inducing convergence on the same values and by focusing demand on the same scarce resources” (Ake, 1997, p. 292).

## **Conclusion**

This paper has sustained the thesis that neoliberal reforms in Nigeria as in the rest of Africa have been shortchanging the state, and in consequence distorting the economic stability and national security in Nigeria’s fourth republic.. In order to make proofs, the core value of neoliberal reform has been shown to be deregulations of the political economy. In other words, the paper establishes that the various components of neoliberal reforms have deregulations as their common characteristic. The neoliberal reform packages as have been identified in the paper have included: Privatization and Commercialization; trade and financial liberalizations; both of which have involved interest and exchange rates variations.

Through the use of examples and logical deductions, the paper sustained the general propositions that had been stated. In the first place, it has been established that the orientation of neoliberal reforms in Nigeria towards deregulations of the domestic political economy of Nigeria has been leading to the growth of poverty and income inequality in the country.



It proof that the failures of the Nigerian state is shown in Eurocentric nature of policy and growing authoritarianism in the public policy process. Here, it has been noted that the historical realities which have defined the mode of Nigeria's participation in the contemporary global free market has been undermining the government of the country's public policy process. In the first place, planning for national development has been eroded by the volatility and low domestic comprehension of the global terrain. Thus, the government impetuses that have been guaranteed through the planning strategies are been lost. High job losses in the public sector (which provides higher jobs than the private sector in Nigeria); and the limited extent to which deregulations have diverted job losses to the private sector have been underscored in rising unemployment including also underemployment; the latter is predominant in the bourgeoning informal sector economy in Nigeria. By implication, there have been heavy losses of human capital to the public policy process. Coupled with this crisis is the wave of globalization creating an avenue for all kinds of terrorist activities, trans-border crime and the refugee/migration crisis which has heightened tension in the country since the inception of Nigeria's fourth republic.

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