

GLOBALIZATION: EFFECTS ON SMALL-SCALE BUSINESS DEVELOPMENT IN NIGERIA

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Abstract

The economic activities of the world are sodden with globalization processes and the driving force of the globalization process is small-scale business. This study assesses the effects of globalization on small-scale business development in Nigeria with focus on Bakassi shoe manufacturing firms in Aba, Abia State. A sample frame of 30 was selected using systematic sampling technique. Face to face interview served as the primary source for data collection. The data were presented in tables and analyzed using simple percentages. The major findings of the study among others are: globalization has effects on small-scale business development in Nigeria. The integration of small-scale firms into globalization will guarantee greater employment opportunities and at the same time reduce general poverty level. The globalization performance of developing countries and countries in transition can be measured by the level and the speed of their integration into the global economy, ability to provide quality products and services for the global market, new migratory movements, flow of capital, finance, trade, high technology, foreign direct investment and market integration offerings. It is recommended that small-scale businesses in Nigeria should devise mechanisms and adopt policies and strategies that are capable of making them to be globally integrated.

Keywords: Globalization, Small scale business, Development, Integration, Hyperglobalist, transformationalists, Internationalization.

INTRODUCTION

The international order revolving around the two super powers- the United States and Soviet Union has given way to a power regime in which there is a dominant power (the United States and other regional centers of power) such as the European Union, China, Japan and South-African. The projection of power has undergone a fundamental change. For example, military

power is no longer measured by the size of a nation's army but by its superiority and sophistication of modern weapons and arsenal. Also, general economic power has become an important and indeed, a defining variable in the evaluation of a nation's position in power ranking.

This may have fueled the recent tendencies towards regionalism with the attendant emergence of regional hegemonies. All this is happening at the time that economic globalization continues to encourage trans-border transactions among countries of the world. At this time, most governments are no longer able to control the flow of money, technology, ideas, goods and people across their borders. Multinational corporations have now capitalized on this by acquiring some of the economic functions and powers of the state. Levitt (1983:93) says “we live in a global system whose transformation in modern time has affected almost every aspect of what we do, how we live and our hopes and dreams”. As Alapiki (2005:208) observes, the emerging global order is a continuous process, no one can claim full understanding of all its aspects, yet no one can exist outside its influence and impact.

The foregoing analysis presupposes that current trends in globalization may have serious identifiable implications for small-scale business development in Nigeria. Olewé (1995:4) says that development connotes a widely participatory process of direct social change in a society intended to bring about both social and material advancement (including greater equality, freedom and other valued qualities) for the majority of the people through gaining greater control over their environment.

In essence, development is the qualitative improvement in the living standard of the members of the society through achieving one of the alluring objectives of small-scale business which is the production of standardized, affordable and available quality goods and services for the consuming publics. It is conceivable that there exist a linear relationship between small-scale business and development of a nation. Knowing that the economy of each country is shaped to a greater or lesser extent by its relationship to the world market, this investigation will focus on how the activities of globalization will create a sense of belonging to small scale business firms in Nigeria and help to serve their customers and larger society better and then contribute to national development.

Statement of Problem

The Nigeria business landscape is characterized by many indigenous small-scale businesses which focus on local operations. The Bakassi shoe manufacturers in Aba, Abia-State of Nigeria are a case in point. Contemporary economic analysis shows that most developing nations apparently depend to a great extent on globalized activities and processes. This is to say that no country has developed successfully by turning its back to international market integration and long-term capital flows.

Hitt, Ireland and Hoskisson (2001) had made us understand that globalization is the spread of economic innovation around the world and the political and cultural adjustments that accompany this diffusion. But we cannot say for sure whether this is applicable to Nigeria because there is no empirical evidence.

However, literature review shows that significant number of Nigerian scholars and writers have shown interest in the examination of the conceptual issues of globalization generally and as it affect Nigerians. Yet no attempt appears to have been made in particularly relating globalization to small-scale business development in Nigeria.

The lack of interest in studying the relationship between globalization and small-scale business development in Nigeria may have resulted in such problems as:

- (1) Lack of operational government policies that encourage small-scale business firms to be globally focused, and as well be exposed to sound ideas of globalization.
- (2) Inability to produce and provide needed quality goods and services to global market.
- (3) The negative effects in using import substitution-oriented policies to discourage small-scale business competitive advantage.
- (4) The inability of small-scale firms to provide employment opportunities for Nigerians and other races as they are expected to.

These problems need to be addressed in order to develop models that will assist in the integration of small-scale firms in Nigeria into the global economic world.

Objective of the Study

Having raised the issues involved in the statement of the problem, the major purpose of the study therefore, is to establish the effects of globalization on small-scale business development in Nigeria. Specifically, the objectives of the study are:

1. To expound the conceptual framework of globalization, small-scale business and development within the context of Nigeria's economic growth and development.
2. To ascertain the factors responsible for the inability of small-scale business firms in Nigeria to be globally integrated.
3. To determine whether small-scale business firm's integration into globalization will ensure greater employment opportunities to millions of unemployed Nigerians and other races of the world.
4. To identify workable strategies that can quicken the integration of small-scale firms in Nigeria into the globalized economic world.

Research Questions

In view of the statement of problem, the following research questions are raised to guide the investigation:

1. What are the effects of globalization activities on small-scale business development in Nigeria?
2. What factors are responsible for the inability of small-scale business in Nigeria to be globally integrated like those of the industrialized and newly industrialized countries (NIC) of the world like Japan, Taiwan, and South-Korea, Hong-Kong, India, China and the likes?
3. Will the integration of small-scale firms in Nigeria into globalization guarantee greater employment opportunities to Nigerians and others, and reduce poverty level generally? If so,
4. What strategies should be adopted to facilitate the quick integration of small-scale firms in Nigeria into the globalized economic world?

Rationale of the Study

Research evidence shows that there is dearth of studies in the area of globalization as it affects small scale business in Nigeria. This study therefore will benefit businesses, the government and the larger society. Business owners will learn how to position their operations in order to be globally focused and integrated. When businesses are globally integrated, they serve global market and make more profit. If profit accrues to business, they are able to carry out their social responsibilities to stakeholders, such as payment of dividends to owners, prompt payment of tax. Tax improves government revenue which contributes to an increase in national income. When business operates profitably, they create employment opportunities which increase the purchasing power of the society.

CONCEPTUAL FRAMEWORK

The concepts of globalization, small-scale business and development have been greatly written about by scholars of diverse interests. This section examines the various viewpoints so far expressed on the key concepts of the study.

The Concept of Globalization

There are ample definitions of globalization but there is no one-generally-agreed definition because each definition reflects certain values and preferences, which are usually not universal. The economist sees the phenomenon as a process of increasing international division of labour and the accompanying integration of national economies through trade, goods and services, cross border corporate investments and financial flows (Kahler, 1993:2).

In that sense, globalization represents a phenomenon whereby historically distinct and separate national markets are becoming one huge global marketplace, with resulting internationalization of production. That is, firms securing goods and services from different locations around the globe take advantage of national differences in cost and quality of factors of production such as labour, land, capital, energy and technology and selling to the world as one market. A global economy is one in which goods, services, people, skills and ideas moves freely across geographic borders.

Globalization is the spread of economic innovation around the world and the political and cultural adjustments that accompany this diffusion (Hitt et al 2001). Tendon (1998:5) and some other scholars have viewed globalization as the interconnectedness of contemporary civilization, which includes political, social and cultural systems.

The main characteristics of the globalization trend include the internationalizing of production, the new international division of labour, new migratory movements usually from South Pole to North Pole, the new competitive environment that accelerates these processes, and the internationalizing of the state (making states the facilitators of the globalizing world). Perhaps, a few specific working definitions might suffice to buttress the varied meanings attached to globalization. Scholte (1997) posits that:

Globalization refers to processes whereby social relations acquire relatively distance-less and border-less qualities, so that human lives are increasingly played out in the world as a single place. Social relations-that is, the countless and complex ways that people interact with and affect each other are more and more being conducted and organized on the basis of a planetary unit. By the same token country locations and in particular the boundaries between territorial states are in some important senses becoming less central to our lives, although they do remain significant. Globalization is thus an ongoing trend whereby the world has-in many respects and at a generally accelerating rate becoming one relatively borderless social sphere.

While the above definition views globalization from a "social relation" perspective, other scholars emphasize on a more specific "Political Economy Approach" asserting thus:

Globalization reflects the greater openness of national and international economies to greater flows of trade, finance, capital, high technology, Foreign Direct Investment (FDI), and Market Integration Offerings (MIO). The engineering mechanism of globalization remains the revolution in science and technology, particularly as it affects transportation and electro-communication systems. The net result is the creation of a global village, a single market system, a global factory and a global office. One result of globalization is grotesque and dangerous polarization between peoples and countries benefiting from the system and those that are merely recipients and reactionaries of the effects (Akpuru-Aja and Emeribe, 2000:361).

From the classical economic perspective, Oyijide, 1998) argues that:

Globalization refers to the increased integration across countries, of markets for goods, services and capital. It implies in turn accelerated expansion of economic activities globally and sharp increases in the movement of tangible and intangible goods across national and regional boundaries. With that movement, individual countries are becoming more closely integrated into the global economy. Their trade linkages and investment flows grow more complex, and cross-border financial movements are more volatile. More importantly, globalization has been created, and continues to be maintained by liberalization of economic policies in several key areas.

Behind the rhetoric of globalization, rhetoric found in public as well as academic debate, lays three broad accounts of the nature and meaning of globalization today: the "hyperglobalist", the "skeptical", and the "transformation" views. Hyperglobalists argue that we live in an increasingly global world in which states are being subjected to massive economic and political processes of change. These erode and fragment nation-states and diminish the power of politicians. In these circumstances, states are increasingly the "decision-takers" and not the "decision-makers" (Ohmae, 1995).

The Skeptics strongly resist this view and believe that contemporary global circumstances are not unprecedented. In their account, while there has been an intensification of international and social activity in recent times, this has reinforced and enhanced state powers in many domains (Hirst and Thompson, 1999).

The transformationalists argue that globalization is creating new economic, political and social circumstances, which, however unevenly, are serving to transform state powers and the context in which states operate. They do not predict the outcome-indeed, they believe it is uncertain-but argue that politics is no longer, and can no longer simply be, based on nation-states (Held et al, 1999). The three different positions and mindsets raise a fundamental question as whether or not the paradigm is not a global shift with massive political, cultural and economic implications to participating countries.

It is clear, so far, that globalization is more than the flow of money, commodities and trade relations. From whichever angle one looks at globalization, it entails the bridging of distances, cultural, political, geographical and economic differences. Consequently, it has continued to attract increased scholarly and analytical attention across the globe.

Concept of Small-Scale Business

Any discussion of indigenous business in Nigeria is essentially a discussion of small/medium scale industry. This is because most indigenous businesses in Nigeria fall into this category. It is, therefore, necessary to define the scope of small-scale business for the purpose of this study since definition, varies among different institutions and from one country to another. Above all, when we define something, we separate that thing from something of its like.

Some people define small-scale business, by using the number of employees; others use annual turnover or capital invested; yet others combine the three and/or other criteria. Different government departments in Nigeria have provided different definitions of small firms. The Central Bank of Nigeria (CBN) in its 1987 Monetary Circular regarded small-scale enterprises as those with annual turnover, not exceeding N500,000 (CBN, 1987). In the Federal Ministry of commerce and Industry's Guideline to the Nigerian Bank for Commerce and Industry (NBCI 1981:182), "small-scale businesses were defined as those costing not more than N500, 000 excluding the cost of land but including working capital.

On the other hand, the NBCI in reaching an agreement with the world bank concerning technical and financial assistance for small/medium scale enterprises (SMEs) described them as those with capital cost per project not exceeding N 1 million (including working capital but excluding the cost of land). The NBCI has thus decided that its own official definition for the 1985-1990 periods should correspond with this later definition (Taiwo, 1992:7).

Apparently, the historical development of small enterprises in Nigeria, "the changing structure of the Nigerian economy within the past one decade and the socio-cultural regulations and practices that impinge on business processes, call for the need for a working definition that sets realistic limits in the scale categorization of business organization employing more than 10 persons but fewer than 200 persons (excluding casual laborers) and whose annual turnover is not more than N 1 million. Furthermore, these small enterprises are assumed to be capable of adopting formalized procedures in their operations and posses the capacity to absorb institutional facilities when they are made available" (Ukoha, 1989).

The foregoing discussions presuppose that small businesses are easier to describe than to define. However, small-scale business is conceptualized in this study in line with Ukoha's view. This perspective helps to create a distinction between cottage firms, sole trading, artisans, vendors and real small-scale business firms.

Development

Several definitions of the term "development" have been made or implied by development scholars (Myrdal, 1968; Seers, 1977; Adepetu, 1987). From a semantic point of view, the new Webster Dictionary of the English Language (1981:214) defines development as "a gradual advancement through progressive changes". This definition reiterates Myrdal's (1968) definition of development as "the movement of the whole social system upwards". A whole social system by implication involves economic, socio-cultural and infrastructural dimensions.

Hence, development means improvements in the availability of jobs, income, social amenities and infrastructural facilities, which up-grade the quality of life among the people, and the physical attractiveness of the environment. This involves a gradual but complete re-

organization and mobilization of the entire social system. Ijere (1992) correctly summarizes the objectives of developments as-

Being focused on meeting the human needs of the entire society through a strategy that would provide a rapid increase in the production of certain types of goods and services and the redistribution of land and other productive assets as well as a change in the political power structure. It also involves cultural growth through education and community life, creativity and dignity through job satisfaction and greater sense of participation, freedom of mobility, association and expression.

This summary considers development as a human issue, as distributive justice and as having spatial dimension. As a human issue, it emphasizes the importance of mental disposition for realizing that a change is taking place for the better and that the individual should positively participate in effecting the change, while at the same time feel satisfied with the possibilities at his disposal. From the above discourse, it seems apparent that development connotes the following without necessarily being limited to them:

- Rational process of organization;
- Systematic formulation and implementation of programmes;
- Control over the environment;
- Economic expansion;
- Exploitation of human and non-human resources;
- Quantitative and qualitative transformation and advancement;
- Empirical analysis and advancement;
- Mobilization of the citizenry;
- Conscious training and development of a selected target audience;
- Development and sustenance of appropriate technology in the economic circles.

Small-Scale Business and Global Integration

For developing countries and countries in transition, their globalization performance can be measured by the level and the speed of their integration into the global economy. There are two factors that seem to be of crucial importance here. The first one is economic growth. The quota of developing countries that have integrated most quickly between the 1984-1993 periods grew nearly 3 percentage points than the slowest integrating quota. The second factor is the quality of the policies (World Bank, 1996:6).

Three types of policies have been identified as those that affect the speed of integration relatively quickly; those affecting macro-economic policies, trade and foreign direct investment;

regimes and economic infrastructure (Policy reforms designed to increase an economic growth and stability).

Mrak (2000:36) supporting World Bank views says that for small-scale business global integration, governments need to change their role by establishing rules and characteristics that include openness, transparency and credibility in government action as well as the absence of bureaucratic interference, discretionary regulations and corruption. Introduction of these rules and characteristics would create an environment that is conducive for the efficient functioning of market forces that are important for the development of the private sector. In addition, these would also reduce the perception of risk and thereby help to attract investment.

Providing a sound investment climate for entrepreneurs not only yields important benefits in terms of economic performance but also strengthens their capacity to create new jobs and consequently, to help alleviate the social cost of structural reforms in the future. Small-scale industrialists should redefine their objectives and as well adopt effective resources utilization as necessary conditions for broadening the margin of maneuver for growth and for achieving sustainable development.

Mrak (2000:4) argues that new, and flexible production system, and the competitiveness it introduces have led many firms to concentrate on their core competencies. The out-sourcing of non-core activities has led to the opening of new business opportunities for small-scale industries. With the flexibility of small-scale businesses to react promptly to market signals, they take advantage of their company-specific competitive advantage within the high growing intra-industry trading.

Review of Related Literature

Review of literature shows that there is a paucity of literature on small-scale enterprises and globalization in Nigeria. This could be due to the fact that reviewed literatures may not have focused on the Nigeria environment. To make this review meaningful, the focus is centered on past works carried out by researchers which have bearing with this study.

Global integration although a highly complex process, demands for its success, an improvement in the quality of local infrastructure, the skill-base of the nation's workforce and enhancement of their competitiveness by creating networks of driven and entrepreneurial SMEs to link and support the foreign investments.

Mirza (2000:203) shows this very lucidly when he intoned that:

.... although the establishment of manufacturing industries in Singapore was overwhelmingly due to the efforts of foreign Multinational National Enterprises (MNEs), in other Newly Industrializing Economies (NIEs) local companies were often to the fore, albeit frequently as suppliers and subcontractors to major trend companies ... Taiwan, Small and Medium

Enterprises (SMEs) were the driving force; in Hong Kong the picture was very mixed, with foreign MNEs, large combines and SMEs all playing a role.

In this way, trade and investments became the principal mechanisms for driving entrepreneurship and growth amongst small and medium enterprises (SMEs), allowing for the transmission of innovative ideas, marketing networks, effective management practices and technology and knowledge transfer; all of these the prerequisites for firms competing in global markets.

To further sustain growth and accelerate economic integration with the rest of the world, many of the East Asian economies have converged into regional trading arrangements (the Association of South-East Asian Nations (ASEAN) is a good example). Other developing countries are following quickly and almost simultaneously in the footsteps of the ASEAN economies, but not with as much success. Among these are Mexico and some other Latin American countries such as Brazil and Argentina, which adopted development strategies that increasingly relied on inbound Foreign Direct Investment (FDI) to upgrade their indigenous resources and improve the competitiveness of their domestic industries. These developments contrast sharply with the picture in Africa.

As Boojihawon (2004:7) argues, the countries that have lagged behind are those from Africa. Unlike the East-Asian and Latin American economies, globalization has brought few economic gains to Africa. Mytelka (2000:16) explains that unlike the ASEAN countries, African countries have been unable to improve their human and technological infrastructures, macro-economic policies and institutional frameworks. These factors have affected Africa's ability to attract foreign investment as the global race intensified and becomes entrenched in the survival of the fittest philosophy.

Further studies by the likes of Dohlman & Halvorson-Quevedo (1997 :5) and Arzeni & Pellegrin (1997:3) have demonstrated that there is a general lack of awareness by African businessmen about the possible gains and consequences of ongoing globalization, a difficulty in establishing partnerships and strategic alliances between local SMEs and Multinational Enterprises (MNEs), limited marketing and managerial capabilities and limited capacity to implement latest Information Communication Technology (ICT) applications. A few exceptions, however, have been countries like Botswana, Mauritius and South African where significant economic gains have been achieved despite the underlying deficiencies. These countries are, till date, the good examples of successful economic development in sub-Saharan Africa.

In the words of Hitt et al (2001) globalization encourages international integration, which has increased substantially during the last generation. In globalized market and industries, financial capital might be obtained in one national market and used to buy raw materials in another one. This integration of national economies has encouraged international business as sellers and buyers meet to exchange goods and services. Globalization equally encourages

global competition which increases performance standards in many dimensions, including those of quality, cost, productivity, product introduction time, and smooth flowing operations. As firms and employees accept these challenges, posed by increasing standards, companies improve their capabilities and individual workers sharpen their skills. According to Hitt et al (2001), two main forces are spurring the globalization of markets and production: lower trade and investment barriers and increased innovation.

- (1) Lower trade and investment barriers: here the role of a group of nations setting up treaties and blocs which specify rules for international trade to the benefit of member nations is an important force that spurs globalization. World trade organization (WTO) is an example of such bloc.
- (2) Innovation in technology: as lower barriers to trade and investment encourage globalization, increased innovation is accelerating the process. Advancement in information technology and transport are making it easier, faster, and less costly to move data, goods, equipment and people around the world. New computer technologies are speeding up the flow of information, making coordination and control easier and cheaper e.g., electronic mail, video conferencing and etc. People and goods can now move more quickly and cheaper around the world.

Relating competitive advantage as a factor in globalization, Porter (1990:73) says that the focus of early trade theory was on a nation and its inherent, nature or endowment characteristics that may give rise to increasing competitiveness. As trade theory evolved, it shifted its focus to the industry and product level leaving the national level competitiveness question somewhat behind. Recently, many have turned their attention to the question of how countries, governments, and even private industries can alter the conditions within a country to aid the competitiveness of its firms. Porter (1990:73) states that:

A nation's competitiveness depends on the capacity of its industry to innovate and upgrade. Companies gain advantage against the world's best competitors because of pressure and challenge. They benefit from having strong domestic rivals, aggressive home-based suppliers and demanding local customers.

In a world of increasingly global competition, nations have become more, not less; important as the basis of competition has shifted more and more to the creation and assimilation of knowledge, the role of the Nation has grown.

Competitive advantage is created and sustained through a highly localized process. Differences in national values, culture, economic structures, institutions and histories all contribute to competitive success. There are striking differences in the patterns of competitiveness in every country; no nation can or will be competitive in every and or even most

industries. Ultimately, nations succeed in particular industries because their home endowment is most forward looking, dynamic and challenging, Porter insists.

In line with Porter's assertion, Ellinger et al (2002) and Khandekar & Sharma (2005) hold the view that developing a mass of employees who are knowledgeable and skilled in a particular technology constitutes a potential source of competitive advantage for organizations.

Mrak (2000:4) argues that new, and flexible production system, and the competitiveness it introduces have led many firms to concentrate on their core competencies. The out-sourcing of non-core activities has led to the opening of new business opportunities for small-scale industries. With the flexibility of small-scale businesses to react promptly to market signals, they take advantage of their company-specific competitive advantage within the high growing intra-industry trading.

RESEARCH METHODOLOGY

The Selection of the Firms

The data for this study were collected from six Bakassi shoe manufacturing firms in Abia, Abia State, namely: Obiz Shoes, Chikko Shoes, Emmy Shoes, Uchez Shoes, Anzzy Shoes and Nikol Shoes.

These firms were selected for two main reasons. First, all use the same type of technology in production. Second, the firms were selected because of the size of their labour force as well as their scale of operations, which is higher than those in the same line of business.

Population and sample

For the fact that each of these selected firms employed not less than twelve (12) trained shoe makers, five (5) trained and employed shoe makers were systematically chosen for better representation. This was achieved by taking every name which the serial number is even from the employees' register in each of the firms. This gave a total of thirty (30) for the six firms under investigation.

Techniques of Data Collection

A Structured self-administered questionnaire was designed in "yes and no" format. Four (4) field assistant personnel were hired and briefed to assist in data collection. Face to face interview was employed for data collection because respondents are not literate enough to fill questionnaire themselves. To enhance successful data collection, respondents were made to understand the meaning of globalization before data collection. The researchers and the field assistants simultaneously collected data from the six firms on the interview date to avoid others influencing the response. Before the date of data collection, consent was sought from owners

(mangers) of the firms and the interview date agreed on. The following questions were raised to guide the investigation:

- i) Has globalization activities brought any improvement on small-scale business development in Nigeria in terms of jobs, income and improvement of social system?
 - ii) Do you think there are factors responsible for the inability of small-scale business in Nigeria to be globally integrated like those of the industrialized and newly industrialized countries (NIC) of the world like Japan, Taiwan, and South-Korea, Hong-Kong, India, China and the like?
 - iii) Will the integration of small-scale firms in Nigeria into globalization guarantee greater employment opportunities to Nigerians and others, and reduce poverty level generally?
 - iv) Do you think something can be done to facilitate the quick integration of small-scale firms in Nigeria into the globalized economic world?

ANALYSIS & FINDINGS

The data collected were presented in tables and analyzed using simple percentages as follows:

Table 1: Presentation of Data and Analysis of Respondents' Response

Questions/measuring indicators	Response score for Yes	Response score for No	Total Response score	Total Response Percentage
(1) Has globalization activities brought any improvement on small-scale business development in Nigeria in terms of jobs, income and improvement of social system?	24 (80%)	6 (20%)	30	100
(2) What factors are responsible for the inability of small-scale business in Nigeria to be globally integrated like those of the industrialized and newly industrialized countries (NIC) of the world like Japan, Taiwan, and South-Korea, Hong-Kong, India, China and the likes?	19 (63.3%)	11 (36.6%)	30	99.9
(3) Does Integration of small-scale firms in Nigeria into globalization guarantee greater employment opportunities to Nigerians and others bring reduction in general poverty level?	27 (90%)	3 (10%)	30	100
(4) Can anything be done to facilitate the quick integration of small-scale firms in Nigeria into the globalized economic world?	22 (73.3%)	8 (26.6%)	30	99.9

For question one in table 1, 24 representing 80% of the 30 respondents answered yes whereas, 6 representing 20% answered no. This result indicates that globalization activity has brought improvements on small-scale business development in Nigeria in terms of jobs, income and improvement of social system (this is to say that there are effects of globalization activities on small-scale business development in Nigeria). This finding is in consonance with that of Hitt et al (2001) which state that globalization is the spread of economic innovation around the world and the political and cultural adjustments that accompany this diffusion

In question 2, table 1, out of the 30 respondents, 19 representing 63.3% answered yes, while 11 (36.6%) answered no. From this result, we can say that there are factors responsible for the inability of small-scale business in Nigeria to be globally integrated like those of the industrialized and newly industrialized countries (NIC) of the world like Japan, Taiwan, and South-Korea, Hong-Kong, India, China and the likes.

For question 3 in table 3, 27(90%) said yes, 3 representing 10% said no. This result shows that the integration of small-scale firms in Nigeria into globalization will guarantee greater employment opportunities to Nigerians and others and at the same time reduce the general poverty level.

In question 4 according to table 1, 22 representing 73.3% answered yes while 8 (26.6%) answered no. By this result, we can say that something can be done to facilitate the quick integration of small-scale firms in Nigeria into the globalized economic world.

Other findings of this study from literature review indicate that globalization has strong adverse effect on capacity utilization in the shoe industry because these firms are operating under capacity. Globalization performance of developing countries and countries in transition can be measured by the level and the speed of their integration into the global economy, ability to provide quality products and services for the global market, new migratory movements, flow of capital, finance, trade, high technology, foreign direct investment and market integration offering (Hitt et al 2001, Scholte, 1997, Akpuru-Aja and Emeribe 2000)

The respondents gave reasons for the inability of the firms to integrate in the global business. These reasons include:

- The problem of smuggling and the porosity of our national borders, which makes imported shoes including second-hand ones popularly called "Tokunbo" or "Okirika" comparative cheaper than locally made ones.
- Lack of working capital occasioned by high interest rates and stringent borrowing conditions.
- Lack of fund to replace ageing machinery.
- Infrastructural inadequacies such as frequent power failure and fuel shortage.
- Import substitution-oriented policies and other economic strategic policies by Nigerian government.

This affects the attitude of Nigerians on locally made shoes orchestrated by their preferences to imported ones. To increase customer patronage, the Bakassi shoe manufactures brand their shoes, "made in Italy, Spain, Brazil and etc". Thus, the impact of Nigeria shoe manufactures is not felt in the Global market.

Again, Nigeria seems not have benefited meaningfully from her membership of the World Trade Organization (WTO) which promotes free trade globally because, there is polarization between people and nations benefiting from globalization and those that are recipients. This may have encouraged some member nations to dump substandard goods in Nigeria.

CONCLUSION & RECOMMENDATIONS

Globalization is a reality. It is a fact of life and cannot be washed away because we live in an increasingly hyper-competitive and interconnected global world. Organizations and enterprises that fail to embrace and respond appropriately to the wave of globalization may as well be counted as one of the successful enterprises of yester-years. Proactive and successful enterprises aware of the enormous opportunities offered by globalization are cashing in and reaping bountifully from the trend and practice of globalization.

For the fact that globalization brings the upwards movement of social system and upgrades the quality of life of people, small-scale business in Nigeria in search of development will have to look for a way out, not necessarily an escape route, by devising mechanisms and adopting strategies that are capable of making them to be globally integrated.

Inter and intra partnering arrangements and strategic alliance between and amongst local Small scale firms to provide a strong front for global integration should be encouraged. The government needs to change their role by establishing rules and characteristics that include openness, transparency and credibility in government action as well as the absence of bureaucratic interference, discretionary regulations and corruption. Formulation of economic policies that would provide the needed fulcrum for proper small-scale firms' integration into the global economic activities and creation of sound and conducive investment climate for the efficient functioning of market forces is necessary for small scale business to achieve global integration. In its scope, this study centered on small scale business, it is hoped therefore that further research be carried out using corporate organizations.

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