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THEME: THE STATE, SECURITY AND DEVELOPMENT IN COVID-19 ERA AND BEYOND.

SUB THEME: GLOBALIZATION AND DEVELOPMENT

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ABSTRACT

The meaning of development and globalization is multifaceted and the study of the interwoven nature of these concepts has attracted the attention of various scholars. The term 'development' is as old as the human society and it's equally subjected to changes and reforms in the process of transformation from one state to another. Development refers to a process of societal growth, developing both quantitatively and qualitatively and attaining high levels of reformation which brings about desired changes and required transformation. The term 'globalization' is used to describe a process of becoming a more interconnected world. Simply put, globalization is a process of the world's nations integrating into a form of becoming a **'Global Village'**. Globalization and Development breeds global inequality amongst nations due to the fact that, some nations are referred to as underdeveloped, why some are developing and some others are regarded as most developed nations of the world as a result of the uneven nature of their per capita income and differences in the GDPs and GNPs of their economies. The multinational economic aspects of globalization have led certain cities to become so called **'world cities or global cities'.** In the process, cities particularly metropolises, are the arenas of global interactions. This has redefined the conditions and processes of regional and local development. Also, have regenerated new infrastructural conditions of the global economy while seeking to identify their advantages, assets and power to compete with other cities at international level. The impacts of these developmental processes are great on both growth and the planning process. Therefore, the aim of this study is to evaluate the levels of development amongst nations of the world and assess the effects of globalization on the processes of development of world's nations, as well as applying theoretical perspectives in understanding the explanations of globalization and development.

KEYWORDS: Globalization, World System, Development, Growth, Society, Processes, Theories, Inequality, Nations.

I. BACKGROUND TO THE STUDY

Globally, the stratification of societies refers to the unequal distribution of wealth, power and prestige on a global basis, resulting in people having vastly different lifestyles and life chances both within and among the nations of the world. For instance, just as the United States is divided into classes, the world is divided into unequal segments characterized by extreme difference in wealth and poverty. For example; the income gap between the richest and poorest nations. 20 percent of the world's population continues to widen in unequal gap. However, when we compare social and economic inequality within other nations, we find gaps that are more pronounced than they are in the United States. In assessing the development levels of nations in the world, we previously defined high-income countries as nations characterized by highly industrialized economies, technologically advanced, industrial, administrative and service occupations; and relatively high levels of national and per capita (per person) income. In contrast, middle-income countries are nations with industrializing economies, particularly in urban areas, and moderate levels of national and personal income. Low-income countries are primarily agrarian nations with little industrialization and low levels of national and personal income.

Within some nations, the poorest one-fifth of the population has an income that is only a slight fraction of the overall average per capital income for that country. For example, in Brazil, Bolivia and Honduras, less than 3 percent of total national income accrues to the poorest one-fifth of the population (World Bank, 2003b). Just as the differences between the richest and poorest people in the world have increased, the gap in global income differences between rich and poor countries has continued to widen over the past 50 years.In 1960, the wealthiest 20 percent of the world population had more than thirty times the income of the poorest 20 percent. By 2010, the wealthiest 20 percent of the world population had almost 80 times the income of the poorest 20 percent (United Nations Development Programme, 2003). Income disparities within countries were even more pronounced. Many people have sought to address the issue of world poverty and to determine ways in which resources can be used to meet the urgent challenge of poverty.

However, not much development or progress has been made on this front (Lummis. 1992) despite a great deal of talk and billions of dollars in "foreign aid" flowing from high-income to low-income nations. The idea of 'development" has become the primary means used in attempts to reduce social and economic inequalities and alleviate the worst effects of poverty in the less industrialized nations of the world.Often, the nations that have not been able to reduce or eliminate poverty are chastised for not making the necessary social and economic reforms to make desired change possible (Myrdal, 1970). Or, as another social analyst has suggested:

> "The problem of global inequality in terms of development lies not in poverty, but in excess. 'the problem of the world's poor', defined more accurately, turns out to be 'the problem of the world's rich'.

This means that the solution to the problem is not a massive change in the culture of poverty so as to place it on the path of development, but a massive change in the culture of superfluity in order to place it on the path of counter development. It does not call for a new value system forcing the world's majority to feel shame at their traditionally moderate consumption habits, and the double vulgarity of standing on other people's shoulders to achieve those consumption habits (Lummis, 1992: 50). As the foregoing statement suggests, the increasing interdependence of all the world's nations was largely overlooked or ignored until increasing emphasis was placed on the global market place and the global economy. In addition, there are a number of problems inherent in studying globalization, one of which is what terminology should be used to describe various nations. Most definitions of globalization and development amongst societies are based on comparisons of levels of income or economic development, whereby countries are identified in terms of the "three worlds" or upon their levels of economic development.

The "Three World's" Approach: After World War II, the term "First World" "Second World" and 'Third World" were introduced by social analysts to distinguish among nations on the basis of their levels of economic development and the standard of living of their citizens. First world Nations were said to consist of the rich, industrialized nations that primarily had capitalist economic systems and democratic political system. The most frequent note that first world nations were said to be countries with at least a moderate level of economic development and a moderate standard of living. These nations included China, North Korea, Vietnam, Cuba and portions of the former Soviet Union. According to social analysts, although the quality of life in Second World Nations was not comparable to that of the first world, it was far greater than that of people living in the third World-the poorest countries, with little or not industrialization and lowest standards of living, shortest life expectancies and highest rates of mortality.

The Levels of Development Approach: Among the most controversial terminology used for describing world poverty and global stratification has been the language of 'development'. Terminology based on levels of development includes concepts such as developed nations, developing nations, less-developed nations and underdevelopment. Let's consider first the contemporary origins of the ideas of 'underdevelopment' and underdeveloped nations'. Following World War II, the concept of underdevelopment and underdeveloped nations emerged out of the Marshall Plan's (named after the U.S Secretary of state George C. Marshall), which provided massive sums of money in direct aid and loans to rebuild the European economic base destroyed during World War II. Given the Marshall plan's success in rebuilding much of Europe, U.S. political leaders decided that the southern Hemisphere nations that had recently been released from European colonialism could also benefit from a massive financial infusion and rapid economic development. Leaders of developed nations argued that urgent problems such as poverty, decrease, famine could be reduced through the transfer of finance, technology and experience from the developed nations to less-developed countries. From this view point, economic development is the primary way to solve the poverty problem. Economic growth has brought the development of nations to their own high standard of living.

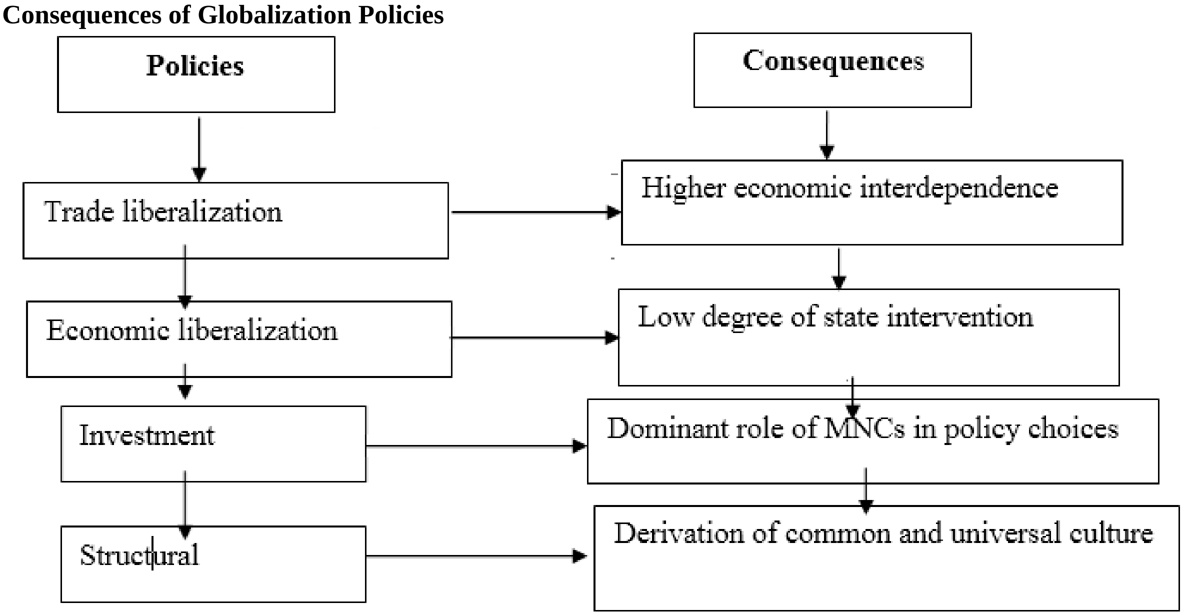
Ideas regarding underdevelopment were popularized by President Harry S. Truman in his 1949 inaugural address. According to Truman, the nations in the southern Hemisphere were 'underdeveloped areas' because of their low Gross National Product (GNP), which today is referred to as Gross National income (GNI)-a term that refers to all the goods and services produced in a country over a given year, plus the net income earned outside the country by individuals or corporations. If nations could increase their GNI, then social and economic inequality amongst the citizens within the country will be reduced. Accordingly, Truman believed that it was necessary to assist the people of economically underdeveloped areas to raise their standard of living, by which he meant material well-being that can be measured by the quality of goods and services that may be purchased by the per-capita national income. Thus, an increase in the standard of living meant that a nation is moving towards economic development which typically included the improved exploitation of national resources by industrial development. On the other hand, through the process of globalization, capital now moves with startling speed around the world. Each day, over 1 trillion dollars is traded globally in foreign exchange market that never closes. The technological advances in computers and telecommunications are paving the way for new information-based economy. Even small and medium-sized companies recognize that the competition for market share is global and that participating in the global economy is no longer a choice but a necessity.

II. STATEMENT OF THE PROBLEM

The challenges of the increasing integration of the world's economy, otherwise known as globalization, presents governments of nations with some principal issues such as; First, how should we further shape a new international economic architecture? Second, what are the new challenges and rules which globalization requires us to address? Third, how can we attempt to assure that all countries and all segments of society benefit from globalization?

There are however economic consequences of globalization for the third world nations of which Nigeria is inclusive. Invalidity of Keynesian prescription based on wage-price rigidity for economic adjustment relied mostly on public intervention. This prepared the ground for the rejection of the fixed exchange rate regime in the early 1970s. The rejection of the state assisted capitalism initially in the 1970s and rigorously in the 1980s, gradually paved the way for rapid process of globalization. The initial stage of globalization was economic liberalization. It refers specially to trade and market liberalization whereas globalization is related to open economy weakening the border wall. Globalization is unrestricted or initiates easy movement of the factors of production, goods services, information and technology, same treatment of foreign goods, services, technology together with structural changes in production and employment opportunities according to the line and preference of Multinational Companies (MNCs). As a result, globalization makes the role of state diminish, increases across border economic interdependence, integrates financial market, facilities the movement of information technology dominates national policy choice and derives a common culture. Thus, the consequences of globalization policies in the developing nations are as follows (Sharma 1998).

Consequences of Globalization Policies



Globalization process ultimately changes the economic structure of the countries in general and that of the low income nations in particular are overwhelming put under the umbrella of the MNCs in technologically advanced countries. In this way, the competition prevails only at the level of multinational companies elsewhere, which are equipped with capital intensive production techniques and similar patterns of employment structures. As a result;

the formal sector of the economy experienced displacement effect, price effect, capital intensity effect and social effect. In the similar way, the informal sector the economy, experiences delinking effect, capital flight effect and small cottage industries effect. From an economic perspective, the introduction of the core-workers' right is necessary for economic growth and for increasing the efficiency of the concerned national economy. The core-worker' rights comprise the ban on force labour, discrimination and child labour and the guarantee of freedom to form associations and the right to collective bargaining between management and labour. The loss of economic sovereignty and the processes of negative globalization must be overcomed by means of positive globalization. This, however, requires the creation of new instruments of regulation. The crucial questions, therefore, is; How can global order economically be structured? The answer is not the creation of an ideal, harmonious world republic but rather the 'realistic' intensification of transnational cooperation (Meyer and Breyer 1973-1977).

Globalization issues, in the sense, have brought people and countries closer and increased their mutual interdependence with higher flow of trade, technologies information and investments fuelling economic progress and creating vast opportunities for human progress. But such progress as enlarged opportunities and interdependence has been quite unbalanced, unequal and unmanaged because of lack of shared values, shared benefits and shared concerns towards those who are marginalized and left behind. In brief, globalization seems to be more fruitful to advanced countries and it is ineffective to solve the fundamental problems of the developing nations such as massive poverty, increasing unemployment and underdevelopment, lack of social and economic overheads, widespread and multi-dimensional human deprivations, hunger, social tension, increasing inequality, dislocations of millions of people and so on. If taken back to 1980s and 90s and the first decades of the twenty-first century, all these problems have been found to be associated with manmade crises and environmental degradations, which have been the major issues of today's third world countries since 1980s. Therefore, it is safe to say that, globalization has got merits and demerits on the world's economies.

Over 6 billion people comprise of the world's total population. But the wealthy parts of the world contain not more than 20 percent of the world population. Many as a result struggle for subsistence and survival. Many exist on a level at or below that endured by peasants in ancient Egypt or Babylon. The richest countries with the highest per capita incomes are referred to by the United Nations as developed countries. These include the United States, Canada most of the countries of Western Europe, South Africa, Australia, New Zealand and Japan and few others. The poorest states are referred to as the developing countries and include a diverse set of nations. Some, such as Vietnam, Argentina and China are growing very rapidly. While others, such as Haiti, Rwanda, Nigeria, Sierra Leone are actually experiencing negative growth rates of real per capita income. Between these two is another group of nations called the 'Newly Industrialized Countries (NICs)' they include South Korea, Singapore, Taiwan, and Hong Kong. These countries grew rapidly in the four decades after 1060 and typically gained per capita income close to 50 percent of those found in the developed nations. Several other countries in South west Asia are close behind the NICs. These include Malaysia, Indonesia and Thailand.

Viewing the problem of raising per capita income in a poorer country as one of economic development recognizes that the whole structure of its economy often needs to be altered to create economic growth and development. Many countries remain underdeveloped today despite decades of effort by their government (often assisted with aides from developed countries) to get them on a path of sustained growth. Therefore, the incidence of development and globalization breeds great inequality to the nations of the world and this in itself is a great social problem; because globalization has increased inequality in developing nations, thereby widening the gap between the rich and poor nations. The benefit of globalization is not universal. Hence, globalization is making the rich richer and poor poorer, these are the negative impacts of globalization irrespective of the fact that, globalization positively has helped to improve developing countries rate of illiteracy, living standards and life expectancy.

III. THEORETICAL FRAMEWORK

This study is developed upon strong theoretical backgrounds and this helps to expand our intellectual horizon in order to understand and explain better the interplay between globalization and development and the impacts both concepts has on the worlds economies.

Theory of Liberalism (Globalization) : Liberalism sees the process of globalization as a market-led extension of modernization. At the most elementary level, it is a result of 'natural' human desires for economic welfare and political liberty. As such, transplanetary connectivity is derived from human drives to maximize material wellbeing and to exercise basic freedoms.

Theory of Marxism (Globalization) : Marxism is principally concerned with modes of production, social exploitation through unjust distribution and social emancipation through the transcendence of capitalism.
Marx himself anticipated the growth of globality that 'capital by its nature, drives beyond every spatial banner to conquer the whole earth for its market'. Accordingly, to Marxists, globalization happens because trans-world connectivity enhances opportunities of profit-making and surplus accumulation.

Modernization Theory of Development: According to some social scientists, global wealth and poverty are linked to the level of industrialization and economic development in a given society. Although the process by which a nation industrialize may vary. Industrialization almost inevitably brings with it a high standard of living in a nation.

Dependency Theory of Development: Dependency theory states that global poverty can at least partially be attributed to the fact that, the low-income countries have been exploited by the high-income countries. Dependency theorists see the greed of the rich countries as a source of increasing impoverishment for they people of the poorer nations.

IV. RESULTS AND DISCUSSION

What is the role of governments of nations in shaping the new global economy? As globalization trends occur, one role, is to get out of the way-to remove barriers to the free flow of goods, services and capital. But, just as free markets at home require an appropriate legal and institutional framework to function properly, so as more integrated world economy also demands effective international institutions and "rules of the game". These can only be established through cooperation among governments. Moreover, the domestic economic choices that governments make will have a major impact on international patterns of trade and investment, as well as on the prosperity of individual countries. As globalization presents governments with three principal challenges:
Firstly, how should we further shape a new international economic architecture?
Secondly, what are the new issues and rules which globalization requires us to address?
Lastly, how can we attempt to assure that all countries and all segments of society benefit from globalization?

Economic Architecture of Globalization: The new global architecture implies the institutions and structures of the international economic system. In the Post-World War II era, the Untied States gave strong support to the establishment of a formal international architecture based on the Bretton Woods Institutions, the GATT, the OECD, and the European Common Market. Despite occasional setbacks, this architecture served the needs of its era well, and promoted global prosperity and security. But the demands of the current era of globalization on international institutions are likely to be much greater. The lines between domestic and international financial markets have increasingly blurred, requiring closer international cooperation in monitoring financial institutions. Trade negotiations are as concerned with ensuring that domestic policies of individual countries promotes an open market competition as they are with traditional trade banners such as tariffs. Thus, the relationship between regional economic arrangements and the overall global system will have to be even more carefully coordinated.
The international financial institutions created at the Bretton Woods Conference-the World Bank and the IMF-show how the objectives of key parts of the international architecture can evolve over time. While the Bank and the Fund were originally established to finance European reconstruction and to manage the fixed exchange rate system, they have assumed a series of new roles as the global economy has evolved: recycling petro dollars in the 1970s, resolving the developing country debt crisis of the 1980s and aiding the transition to the market in formerly socialist economies during the 1990s.The international financial institutions will remain an important element of the economic architecture of nations in coming decades. They wull need to continue providing guidance and assistance to developing and transition countries seeking to reform their economies and to follow a market-led strategy of development. They will also become increasingly involved in assisting environmentally sustainable development, alleviating poverty, promoting good governance and encouraging private capital flows.

Emerging Issues of Globalization : In addition to designing a new international economic architecture, we also need to redefine the agenda of these institutions and to identify those issues which need to be addressed more effectively in the future. The potential list is too expensive to cover comprehensively today. Let me focus on three which should be of particular importance to this audience: investment, telecommunications and corruption.
Foreign direct investment has become perhaps the single most powerful force behind global economic integration. In 1922, the worldwide sales of foreign affiliates estimated 5.3 trillion dollars, over 700 billion more than total global exports of goods and services that year. Foreign Direct Investment has also spreaded new technologies and improved skills levels, especially in developing countries. In today's global market place, trade often follows investment, so host government regulations on foreign investment can have a major impact on trade flows. That is why nations need to improved international rules on investment. For example, the inclusion of trade-related

investment measures in the Uruguay Round Agreement was an important first step. The Untied States has taken the lead in pushing for a multilateral agreement on investment in the OECD, which would establish a broad, multilateral framework for international investment. There is need for a "state of the art" agreement with high standards for the liberalization of investment regimes and investment protection and with effective dispute settlement procedures.

It was earlier noted that, the current revolution in telecommunications is another key factor in the accelerating pace of globalization. Increased competition and improved technology have led to a dramatic decline in communication costs. The real cost of making a three-minute phone call from New York to London dropped by 99 percent from 1940s to 1990. But to realize the full potential of recent advances in communication we need to build a Global Information Infrastructure (GII). This new GII should be based on the five communications union: private investment, market-driven competition, flexible regulatory systems, non-discriminatory access and universal service.

Bribery and corruption undermine the most basic principles of good governance and the rule of law and pose an obstacle to economic development and fair market competition. There is need for nations to push for tougher international rules on corruption in order to curb and tackle corrupt practices to the bearest minimum level.While, must countries prohibit bribery of their own officials, only a few prohibits bribery of foreign officials. High incidences of bribery and corruption will not only improve economic efficiency and spur economic growth. It will also level and aid the playing field for business.

Spreading the Benefits of Globalization: How can nations of the world spread the gains of globalization more broadly, so that developing countries and all segments of society in wealthy industrial countries also benefit?

Poor countries with weak links to the global economy risk falling further behind in the next decade. A return to the rhetoric of redistribution that dominated the debate over a "New International Economic Order" in the 1970s isn't the answer, or solution. The old statist model of economic system is fundamentally biased against developing countries. Experience has led to a new consensus on development. Successful growth depends primarily on national policies that promote macroeconomic stability, trade and investment, human capital formation and good governance. But such policies may not be enough on their own to restore growth in some of the most economically distressed countries. The international community will therefore need to continue providing substantial flows of development assistance. More explicit emphasis should be given to promoting sustainable development, Alleviating poverty and encouraging economic reform. Multilateral development banks can play an important role in promoting good governance and the development of small and medium scale private enterprises. And we as a nation can promote trade and investment opportunities.

V. CONCLUSION

The interplay between globalization and development in the world economy cannot be underestimated as both plays a vital role in the level of growth of the world's nations. Globalization presents challenges which of course its effects are experienced by underdeveloped, developing and developed countries inclusive. For example, globalization has been blamed for high unemployment in Europe and the stagnation of real wages in the U.S. But increased competition from imports is at most a secondary explanation for the decline in real wages of less skilled American workers. Two other factors are almost certainly more important:

1) Some slowdown in the U.S productivity growth and
2) Technological changes that increases the demand for better-educated workers.

However, the deepening of international integration in coming decades would stimulate economic growth in the U.S. and encourage the creation of new, better paying jobs. During the past 15 years U.S. exports have risen at a faster annual rate than those any other G-7 country, including Japan. The United States was the world's leading exporter again in 1995 and the U.S. export support jobs that pay 12 to 18 percent more than comparable positions in non-exporting firms.

The future impact of globalization will vary from country to country and within countries. But efforts to resist the powerful technological and economic forces behind globalization by appealing to protectionism are misguided and in the long run, futile. Rather than fear the future, we must redouble our efforts at international economic cooperation. We must strengthen the architecture of global and regional institutions to promote open trade, investment and prosperity for all. This is the best way to ensure that the benefits of globalization will spread to all corners of the world and to all sectors of society.

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