

Globalisation And Poverty: Evidence From Nigeria

*¹OSINUSI Kunle Bankole,

²LAWAL Nurudeen Abiodun,

³AGBATOOGUN Kehinde Kabir, ⁴TAIWO Abayomi Samuel &

⁵Nwankwo Vivian Onyemuchechukwu

^{1,2,3,4,5}Department of Economics, Tai Solarin University of Education, Ijagun, Ogun State, Nigeria.

*Corresponding Author: osinusikb@tasued.edu.ng

ABSTRACT

Globalization is the process of the integration of economic, political, social and cultural values across international boundaries while poverty as a type of social exclusion that comes when an individual or family fails to meet an established threshold. Therefore, this study investigated how globalization has affected income inequality in Nigeria. The study employed the use of ARDL bounds testing approach to cointegration and the Error Correction Model (ECM). The ARDL Bound test found out that there is a significant long-term correlation between the variables and that each variable is integrated in a different order. The study also discovered that whenever there is an increase in globalization indicators like foreign direct investment, trade balance, and the GDP control variable, the country's poverty rate decreases both in the short and long terms. Following the empirical findings of this study, the following recommendations were made; foster collaboration between government, private sector, civil society, and international organizations to create a comprehensive strategy for poverty reduction, expand cash transfer programs, food security initiatives, and subsidized healthcare to alleviate short-term poverty, provide financial support and access to credit for SMEs to help them compete in a global market, ensure that the benefits of globalization are widely distributed by promoting policies that target income inequality and regional disparities, and encourage innovation and support industries with high potential for growth and job creation through research and development initiatives.

Keywords: Poverty, Globalization, Foreign direct investment, Trade openness, Balance of trade statement

INTRODUCTION

Globalization is a force that can neither be halted nor ignored. It offers growth prospects to national economies if countries satisfy its requirements in terms of flexibility and competitiveness, which include designing and implementing domestic policies to meet global requirements (IMF, 2017). Globalization is an ongoing process of increased interconnectedness and interdependence among economies, societies, and individuals on a global scale. It can have both positive and negative implications for poverty levels (Chindris-Vasoiu, 2013). Poverty in Africa, and particularly Nigeria, is referred to as isolating people in terms of lack of necessities of life for subsistence, which makes it difficult to extrapolate in comparison with other societies in the context of globalization. The question of how to eradicate poverty, if at all conceivable, has faced nations throughout history and at various levels of development.

Poverty, as a multifaceted concept, manifests in various forms, each presenting distinct challenges and implications. Two fundamental dimensions of poverty often discussed in research and policy are absolute poverty and relative poverty. Absolute Poverty can be understood as the most basic and severe form of deprivation, characterized by the lack of essential necessities required for a minimally decent standard of living. These necessities typically encompass fundamental human needs such as access to adequate food, clean water, shelter, clothing, and basic healthcare.

In contrast, Relative Poverty is a concept that hinges on the relative deprivation experienced by individuals or households compared to others within a given society or community. Rather than a focus on bare essentials, relative poverty underscores the disparities in income, wealth, and living standards among different segments of the population (Roger, 2020). Globalization's effects on poverty must consider these dimensions. On one hand, the increased flow of goods, capital, and information across borders can contribute to economic growth, potentially reducing absolute poverty by providing more opportunities for income generation and access to resources. For instance, someone may have access to basic necessities but still feel deprived when they compare their living standards to more affluent members of society. The attempt to implement policies and programs that restructured their economies to meet the needs and expanding trend of globalization by the technologically and financially developed countries did not produce the desired results (Eprhaim, 2020).

Many of the studies in Globalization and Poverty in fact suggest that globalization has been associated with rising poverty, and that the poor do not always share in the gains from trade. Animoche (2017) suggested that the poor in countries with an abundance of unskilled labour do not always gain from trade reform. Hughes (2019) posited that the poor are more likely to share in the gains from globalization when workers enjoy maximum mobility, especially from contracting economic sectors into expanding sectors. The evidence above strongly suggests that export growth and incoming foreign investment have reduced poverty globally especially Nigeria. In Nigeria, poverty rates increased by at least 50 percent after the 2008 financial crisis in the country, and the poor have yet to recover from the pummeling of such crisis (Angus, 2020).

So therefore, a close examination of poverty incidence, economic engagement and activities in Nigeria in this era informs that the process of globalization has a dislocation effect on indigenous economic activities and practices that have sustained the economic base structure of the people and gross national product (Koo, 2018). It is against this background that this study sought to examine the relationship between globalization and poverty in Nigeria.

Developing nations benefit from globalization through comparative advantages, the introduction of cutting-edge technologies, capital inflows, the dismantling of monopolies, and the subsequent development of market competition (Dollar and Kraay, 2001). Notwithstanding these benefits, economic globalization has resulted in an increase rather than a decrease in the gap between developed and developing countries (Shangquan, 2000). The richest 10% of people in the world now receive 52% of global income. The 50% of people on Earth who are the poorest only make 8% (World Bank, 2022). The average income for someone in the top 10% is \$122,100, while the average income for someone in the bottom half is only \$3,920. Economic inequality is one area where the effects of globalization have been the subject of intense debate.

Income inequality within countries is important because it accounts for most of the inequality in income worldwide. Income inequality is important because poverty is primarily a distribution problem rather than a globalization problem. The extent of inequality worldwide has been confirmed by the majority of studies (Milanovic, 2005; Sala-i-Martin, 2002; Bhalla, 2002). On the other hand, there is disagreement over the recent course that globalization has

taken inequality in. Ifeakachukwu (2020) and Baekand Shi (2016) contended against the claims made by Maku, Ogede, Adelowokan, and Oshinowo (2021) and Odo, AgboandAgbaji (2020) that "globalization worsens Nigerian income inequality." Due to disagreements in the literature regarding how globalization affects income disparity, this study is interested in analyzing its effects on income inequality in Nigeria. Our study aims to investigate how globalization has affected income inequality in Nigeria. Based on the foregoing, the study tends to answer the following question; Is there a long-run and short-run relationship between globalisation and poverty in Nigeria?

LITERATURE REVIEW

Globalization is the process of the integration of economic, political, social and cultural values across international boundaries. Middleman (2018) asserts that globalization as a historical transformation in the economy and modes of existence in politics, loss in the degree of control exercised such that the focus of power gradually shifts in varying proportions above and below the territorial state and in culture, evaluation of collective achievement or perceptions of them. In the same vein, globalisation refers to the process of intensifying economic, political, social and cultural relations across international boundaries. It is principally aimed at the transcendental homogenization of political and socio-economic theory across the globe. It is equally aimed at making global being present worldwide at the world stage or global arena. It deals with the increasing breakdown of trade barriers and the increasing integration of World market (Fafowora, 2018).

The rapid flow of goods, services and capital, especially the latter, has made national controls on these aggregates less effective without consideration for countervailing measures that other nations could impose in the absence of coordinated responses. The increase in arms proliferation, cyber-attacks, ethnic violence, global crime, and during trafficking are occurred by globalization (Davies, 2018). Bugan (2017) simplifies the security implication of globalism when he opined that, globalization as an economic activity now dominates international relations, replacing war as the driving force behind both the state and world politics. In either view, the key point about globalization is that much of this activity and its consequences transcend the territorial framing of the state.

Poverty is a complex and multidimensional problem which results from a combination of economic, political and environmental factors, and it comprises several different aspects. Santarelli and Figini (2017) view poverty as a type of social exclusion that comes when an individual or family fails to meet an established threshold. The two ways poverty can be measured are as absolute poverty or relative poverty. Absolute poverty has specific fiscal outlines. Relative poverty, on the other hand, is established in relation to the economic climate in which one resides.

Absolute poverty refers to when a person or household does not have the minimum amount of income needed to meet the minimum living requirements needed over an extended period of time. In other words, they cannot meet their *basic needs*. When an individual goes below this threshold their survival is threatened. The UN defines this number as \$1.90 per day. This number is a representation of regions with extreme poverty such as Sub-Saharan Africa. However, this number is subject to change from region to region. For example, an individual living in the Arctic, the absolute poverty line of \$1.90 per day may be much higher.

Globalization and poverty are two of the main issues in today's economic and political agenda. The argument on globalization has evoked more heat than light and this is justifiably so because it forms part of the economic experience of the various countries depending on their geographical location, class interests and their reactions to the process of globalization. Nigeria, Asia and Latin America have been victims rather than beneficiaries of the globalization process especially as poverty and inequality increased in the last twenty globalization years. In Nigeria, the problem of poverty has, for a fairly long time, been a cause of concern to the government (Nwaobi, 2018). As a result, the government's efforts at the results showed that the phenomenon of globalization has led to industrial closures production capacity underutilization, unemployment, stagnation, industrial backwardness, and over dependence on imported leather footwear products from industrialization economies.

Landen (2021) analyzed the connection between poverty rate, globalization and trade in the U.S.A between the years 1992 and 2019 by using the panel data technique. He found out that globalization increases or provokes the poverty rate. Hunt (2020) analyzed if there is a causality connection between globalization and poverty rate in India by using the Granger causality test. He found out that there is a mutual causality connection between globalization and poverty rate. Emenike(2020) analyzed globalization's effects on Nigeria's poverty rate between the years 1962 and 2009 by using the Annual Average Poverty rate Rate (AANSR) technique. The result

shows that globalization effects petrol, manufacturing industry and service sectors in negative ways, but it effects the agriculture, transportation and communication sectors in positive ways.

Punja (2022) analyzed the connection between the trade gap and poverty rate in Bangladesh between the years 1871 and 2005 by using Auto- Regressive Distributed Lag (ARDL) and Granger causality test. The result showed that globalization has positive effects on developing countries' (like Bangladesh's) trade and poverty rate. Mwake(2021) investigated the influence of globalization on labour utilization in Nigeria's construction industry between August and November, 2020. For this purpose, a random sample of 45 respondents was interviewed. The results of the interview as reported by this study shows that the process of globalization has greatly changed the manner of labour utilization in terms of nature of employment, poor earnings, global control of the economy, and de-unionization of workers. The study concludes that outcomes from globalization have been unfavourable to labour in the construction industry, particularly workers in the semiskilled category.

Ekpan (2021) found that poverty rate has a significant impact on development in Nigeria. Rapid development and social well-being constitute the development imperative of developing countries of the world and indeed, remain the normative goal of the international community. This involves the attainment of sufficient levels of development to allow for a progressive improvement in the material standard of living of the populace.

Neo-Malthusianism Theory

The Neo-Malthusian Theory is an extension of Thomas Malthus' population theory, which was originally proposed in the late 18th century. Thomas Malthus argued that population tends to grow exponentially while resources increase at a slower rate, leading to eventual overpopulation and resource scarcity. The Neo-Malthusian Theory applies these concepts to modern issues of population growth, resource depletion, and environmental degradation. It gained prominence in the late 19th and early 20th centuries as concerns about overpopulation and its consequences became more widespread. Key features of the Neo-Malthusian Theory include: Population Pressure, similar to Malthus' original theory, Neo-Malthusians emphasize that population growth can lead to pressure on resources, including food, water, energy, and land.

As population increases, the demand for these resources can outpace their availability, leading to scarcity and competition. The Neo-Malthusian Theory has a global perspective, emphasizing the impact of overpopulation and resource scarcity on a global scale. It often addresses issues such as food security, access to clean water, and sustainable development. Mathematically, the below illustrate the underpinning thought of the theory.

$$W_t = f(N_t), b_t = g(W_t) \dots \dots \dots 1$$

Where W_t is the wage rate (at time t), N is the size of the population with inequality/poverty index, b is the crude birth rate, the $f(.)$ is the developmental rate of the country. The relevance of the theory is that rising population combined with scarce natural resources as a result of globalisation threatens national per income of the citizen as a result of cut- throat competition and survival of the fittest race among interest groups in society. These diverse social groups employed available legal and illegal means to gain control over scarce natural resources. This theory succinctly explains the reason for various policies aiming at recusing poverty in Nigeria.

Empirical Review

Muhammed (2020) examined the impact of globalization on Nigerian industries, focusing attention on the footwear industry in Kano State for the period covering 1980 to 2018. Descriptive methods were mainly used in analyzing the data. Finding from this study shows that globalization has a serious negative impact on footwear industry in Kano State. In specific terms

Gorge (2021) analyzed globalization's effects on the poverty and inequality of 27 European Union (EU-27) countries, data of which is collected between the years 2001 and 2018, by using the Spatial Chow-Lin Procedure, which is formed by writers. The result found out that globalization, thanks to the trade gap and direct foreign investment, and affect many region's poverty rate in a positive way.

METHODOLOGY

The research design adopted in this research is the ex-post facto research design. The justification for the adoption of this research design hinges on the un-manipulability of data and the intention of the researcher to examine the impact of globalisation on poverty in Nigeria.

The study used time series data in the period 1980 to 2022. The used time series was chosen because it includes a thorough historical account of Nigeria's experience with globalization and the genesis of poverty in the country. Secondary data on Poverty measured by poverty headcount index and globalisation measured by Foreign Direct

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Investment (FDI), Trade openness (TOP), and Balance of trade statement (BOT), alongside a control variable which is gross domestic product (GDP). The data is from the reports/publications of Central Bank of Nigeria, National Bureau of Statistics and other scholarly reports on the subject matter.

Model Specification

The regression variables used in this research are poverty which is proxied by poverty (POV) headcount index while globalisation is proxied by Foreign Direct Investment (FDI), trade openness (TOP), and Balance of trade statement (BOT). This aligns with the works of Onoja and Agumagu (2014) and Raimi and Ogunjirin (2012).

$$POV = f(FDI, TOP, BOT)$$

This study then modified by adding control variable GDP and the reason for the modification is to include the role played by credit to private sector in alleviating poverty through the contribution of private sectors. The addition of GDP as control variable is to add the influence of the growth of the economy since the era of globalisation and how it influence poverty in the country.

$$POV_t = \beta_0 + \beta_1 FDI_t + \beta_2 GDP_t + \beta_3 TOP_t + \beta_4 BOT_t + \mu_t \text{ ----- (2)}$$

Where:

POV = Poverty (poverty index)

FDI = Foreign direct investment (Nbillion)

GDP = Gross Domestic Product

TOP = Trade openness (Nbillion)

BOT = Balance of trade statement (Nbillion)

β_0 = Constant

β_1 to β_4 are parameters or slope of the independent variables μ_t = error term

A Priori Expectation

This section presented a-priori expectation that may likely occur between the variables of the study. It also explained the economic relationship between the dependent and the independent variable. However, the expected signs of the coefficient of the explanatory variables are;

Table 1: Theoretical Expectations

Variables	Definition	A priori Sign
POV	Poverty	Dependent variable
FDI	Foreign direct investment	-
GDP	Gross domestic product	-
TOP	Trade openness	-
BOT	Balance of trade statement	-/+

Technique of Estimation Co-integration tests

ARDL bounds testing approach to cointegration

Augmented Dickey-Fuller bounds testing approach to cointegration was used to test for the stationarity of the data (Dickey & Fuller, 1981). This also guides our choice of estimation technique. The Augmented Dickey-Fuller (ADF) equation for testing unit root is given as:

$$\Delta Y_t = \beta_1 + \beta_2 t + \rho Y_{t-1} + \sum \delta \Delta Y_{t-1} + \epsilon_t \text{ 2}$$

The Error Correction Model (ECM) can be derived from ARDL model through a simple linear transformation, which integrates short-run adjustments with long-run equilibrium without losing long-run information. The Error correction model (ECM) shows the speed of adjustment from short-run equilibrium to a long-run equilibrium in a time series analysis. The main reason for the construction of the error correction model is to indicate speed of adjustment from the departure from long-run equilibrium. It is expected that the ECM coefficient must be negative and significant for the errors to be corrected. The greater the co-efficient of the parameter, the higher the speed of departure from the long-run equilibrium. The ECM model is written as:

$$\Delta Y = \alpha_0 + b_1 \Delta X_t - \pi u_{t-1} + Y_t \dots \dots \dots 4$$

Where *Y* is Poverty (poverty index)

Where *X_t* is the level of independent variables under consideration, *t* is the time trend, and μt is the error term assumed to be normally distributed with zero mean and constant variance.

RESULTS AND DISCUSSION

Cointegration Test Results

It is important to determine if they are cointegrated. Given that the linear combination of stationary and non-stationary series is non-stationary, they can either be cointegrated or produce spurious estimates. Therefore, the appropriate cointegration test is the ARDL Bounds test, given the mixed integration orders. Essentially, the ARDL Bounds test reports values for the F-statistic and two critical bounds called the upper (i.e., I(1)) and the lower (i.e., I(0)) bounds. If the F-statistic value is higher the upper bound at any significant level, cointegration is said to exist. If, on the other hand, the F- statistic value is below the lower bound at any significance level, then there is no cointegration. The test is inconclusive if the F-statistic value falls in between the upper and lower bounds.

Table 2. ARDL Bounds Cointegration Test Results

	POV	
F-stat.	7.918031***	
	Bounds	
	I(0)	I(1)
10%	3.03	4.06
5%	3.47	4.57
1%	4.4	5.72

** represents significance level at 5%.

Table 2 present the model for the study which study the relationship between globalization and poverty in Nigeria. It can be seen that the models for poverty F-statistic value of 7.918031 be greater than the upper bound values of 5.72 at the 1% level of significance. Hence, there is cointegration.

ARDL Results: Short-run and Long-run Analyses

The short-run and the long-run results of the ARDL model is presented and discussed in this section. As a follow up to the cointegration test, the model has poverty as the depending variable and globalization index such as foreign direct investment, trade openness, balance of trade and gross domestic product. Focusing on the short-run results first, Table 3 reports that balance of trade, foreign direct investment and the log of GDP exerts a negative impact on poverty in Nigeria. To be more specific, an increase in the balance of trade, foreign direct investment and log of GDP by 1% reduces poverty by 0.07 unit, 0.85unit and 4.35% respectively. Thus, increase in globalization index reduces poverty rate in the country in the short-run. In the same period, however, trade openness positively associate with poverty. Poverty rises by 0.13unit in response to a 1 unit increase in the value of trade openness in Nigeria.

These outcomes do not deviate from what is theoretically expected, at least in the immediate period, except for trade openness in Nigeria. For balance of trade in Nigeria, it serves as viable measures of Nigeria trade activities with other countries of the world. Balance of trade exerts a negative relationship with poverty; it shows that Nigeria trade balance is a way to reduce the poverty level in the country. This can be seen from the perspective of an increase in the level of employment generation, inflow of income into the country and lot more. When a country have a positive balance of trade its means they are more income than expenditure, that is export is greater than import, this further explains that there is much foreign earning and also there is availability of work in the country, as the economy can cater for local consumption and also export to other countries of the world.

For foreign direct investment in Nigeria, over the past years, the inflow have been massive as Nigeria is known to have a readymade market for goods and service coupled with the facts that the country is a consuming nation. The impact of foreign investor and their portfolio in the short run have reduce poverty, this is achieve through employment generation, social programmes, skills acquisition, training and many other benefit that comes with foreign investment into the host country. For example, MTN Nigeria have improve the life of many Nigerian through employment generation, scholarship, social responsibility and many ways they have given back to the society, all this activities have reduce the poverty rate in the country. Driven by mission to improve the lives of its subscribers and Nigerians, the MTN Foundation (MTNF), a foundation established in 2004 to improve the quality of life the country by the telecom giant – MTN Nigeria has spent over N9 billion on various life-improving projects in Nigeria, including medicine, education, and economic empowerment.

The telcos company, through its foundation, has over the years offered medical intervention to Nigerians through its medical support project, eye sight restoration intervention scheme, annual community health screening project, sickle cell project in addition to education, security and economic empowerment interventions across the 36 states and federal capital. Speaking at the MTN Foundation hand-over ceremony of MTNF Y'ello Doctor Mobile Medical Intervention Scheme held in Abeokuta, NonnyUgboma, executive secretary, MTN Foundation said that the company, having considered its corporate social responsibility to Nigerians, supported federal and state governments in improving overall healthcare delivery.

Ugboma disclosed that the telecom giants established Y'ello Doctor Mobile Medical Intervention Scheme to help federal and state ministries of health reach every nook and cranny of the country through mobile clinics, saying that the foundation was deploying six mobile clinics to six states that cut across the six geo-political zones of the country under the first phase. She said, "Under the first phase, a total of 6 state-of-the-art mobile clinics will be deployed to six states nationwide – Abia, Delta, Ogun and Taraba states and then to one state each in the North-Central and North-West Geo- political zones of the country. The intervention has already been officially commissioned in Taraba and Abia states just as we are now doing here in Ogun state. "Each mobile clinic is fully stocked with medical consumables and drugs and is designated to provide ready access to maternal and child health care services, as well as tips on prevention of communicable and non- communicable diseases. As at today, the Foundation has invested over N9 billion in executing various projects in 338 locations across the 36 states of Nigeria and FCT.

Lastly on this part, the productivity of the country has a negative impact on poverty that is the more the country increase her level of productivity the poverty level also declines, this is not farfetched as increase in productivity means increase in the level of labour force and increase in technology, this automatically reduces the level of poverty as many are employ and have increase income in the country. Trade openness does not follow the theoretical stand as expected. This shows that trade with other country instigate and increase the level of poverty in the country. This menace can be seen from the perspective of Nigeria importing goods and services which local industries can produce in the country. For example Nigeria is one if the country that import China, India and Thailand rice, which local industries can produces what of brazil fertilizer and sugar, all this can be produce by local investor in Nigeria.

The implication of this action is that local industries cannot create goods and services, they cannot employ more people and all this have an impact on the income level which translates to poverty in Nigeria. The long- run results are shown in Table 4.6. There is consistency in the pattern of the causal impact of globalization on poverty in Nigeria in the long-run, but this is less intensified for the long run estimates. Poverty is observed to fall by 0.076 unit following an increase in balance of trade by 1 unit. For poverty, it responds by 0.828 %unit reduction to a

1 unit rise in foreign direct investment, and increase in the level of economic activities by 1% in the country is expected to reduce poverty by 4.091%.

One explanation to this evidence is that a increase in employment generation can bring people out of the social cliq of poverty as poverty itself is the lack of basics amenities such as housing, shelter, food, clothing and the necessity if life. Increase in productivity can be used as a way to counter poverty through both government parastatal and private sector. A situation where government reduces tax, give subsidy for private sector and local industries, this can instigate increase in productivity by increasing their labour forces, when many of the people are employed, there is reduction in the level of employment and automatically the poverty level in the country reduces. The same can be said of the monetary authorities, where the rate of borrowing can be reduce and more friendly to business to access loan which can improve their productivity and expand their production to large scale. For trade openness, Nigeria can adopt import substitution as they can export more by investing more in infant industries, Nigeria manufacturing sector needs to be revitalise do as to be able to meet up local production for basics goods like food. For example the import of food item to Nigeria is just absorb when the country have the capacity to produce this basics goods and service.

On the error correction mechanism, Table 3, shows that its coefficient is consistent with the three necessary conditions to demonstrate long-run relationship and the speed of adjustment to long-run equilibrium for the models. It is significant, negative, and less than one in absolute value. The coefficient of the error correction term for the model is -0.22. This suggests that any disequilibrium that results from a one-time shock in the short-run will be adjusted for at a speed of 22.80%.

Table 3: ARDL Short-run Results

Variable	Coefficient	Standard error	t-statistics	Pr
D(BOT)	-0.078455***	0.160787	-0.487943	
D(FDI)	-0.851729***	1.964231	-0.433620	
D(LGDP)	-4.357599***	52.722163	-0.879281	
D(TOP)	0.136293***	0.262650	0.518915	
D(@TREND())	1.157941***	1.061662	1.090688	
CointEq(-1)	-0.228075***	0.168679	-6.094868	

***, **, and * represent significance levels at 1%, 5%, and 10%, respectively. Figures in parentheses are standard errors.

Table 4: ARDL Long-run Results

Variable	Coefficient	Standard error	t-statistics	Prob.
BOT	-0.076312***	0.157342	-0.485009	0.01
FDI	-0.828470**8	1.915584	-0.432489	0.46
LGDP	-4.091639***	50.884318	-0.886160	0.04
TOP	0.132571***	0.257507	0.514824	0.15
C	496.596669***	560.068805	0.886671	0.73
@TREND	1.126319***	1.017469	1.106981	0.17

*** represents significance level at 1%. Figures in parentheses are standard errors.

The ARDL Bound test found a long-term relationship between all the relevant variables. After it was discovered that there was a significant long-term correlation between the variables and that each variable was integrated in a different order. There is only a small variation in the magnitudes between the short- and long-term ARDL estimate results, which are otherwise symmetrical. The study discovered that whenever there is an increase in globalization indicators like foreign direct investment, trade balance, and the GDP control variable, the country's poverty rate decreases both in the short and long terms. This finding supports the theory that increased productivity and foreign investment inflows will lessen inequality, enhance public welfare, raise personal incomes, generate jobs, and lessen poverty and its attendant conditions in Nigeria

CONCLUSION AND RECOMMENDATIONS

This study concluded that the need for Nigerian government to adopt open and liberal policies as economies that are relatively closed are opened up through globalisation. This conclusion is tenable in this investigation since it explored the origin and causes of the poverty situation in Nigeria. Globalisation opens up the tunnel for goods flow, particularly in open economies that are productive and engage in exportation of finished goods. Adoption of protectionist policies in a globalized world economy only undermines growth and endangers global economic prosperity. This stipulate panacea that are observed to be necessities for Nigeria's quest for poverty alleviation, economic and national growth in this era of globalization.

Following the empirical findings of this study, the following recommendations are made for the purpose of effective policy formulations in the area of improves globalization and poverty reduction to the betterment of the country at large.

- Foster collaboration between government, private sector, civil society, and international organizations to create a comprehensive strategy for poverty reduction.
- Expand cash transfer programs, food security initiatives, and subsidized healthcare to alleviate short-term poverty.
- Provide financial support and access to credit for SMEs to help them compete in a global market.
 - Ensure that the benefits of globalization are widely distributed by promoting policies that target income inequality and regional disparities.
- Encourage innovation and support industries with high potential for growth and job creation through research and development initiatives.

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