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GLOBALISATION AND ITS IMPACT ON THE DEVELOPMENT AND UNDERDEVELOPMENT OF AFRICA

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ABSTRACT

Globalisation, a recent phenomenon, presents many opportunities for nations to integrate into the emerging global capitalist order. It facilitates advancements in science and technology, the information revolution, and the expansion of the global market. While it remains a challenge for Africa, the potential benefits it offers are significant and promising. However, these benefits can only be realised if managed carefully. This underscores the crucial role of strategic decision-making in Africa's development in the era of globalisation. This paper reviews the literature on the topic and consults theories of Dependency and Interdependency to understand and analyse the impact of globalisation on African development.

Keywords: Africa, Globalisation, Impact, Development, Underdevelopment

1.0 INTRODUCTION

Globalisation is a relatively new phenomenon that refers to how interweaved nations are in economic, political, and cultural aspects. The dependence theory, one of several theoretical frameworks for globalisation, holds that least developed nations depend on developed nations. According to the interdependence theory, relationships between nations are based on reciprocal cooperation. This paper modified these two hypotheses to account for how globalisation has affected Africa.

This paper discusses globalisation, development, and underdevelopment in Africa. People around the globe hold various opinions about the phenomenon of globalisation. Some wonder if it contributes to global development, while others are adamant that it makes a meaningful difference in the world. This article examines globalisation and how it has affected Africa's development. The paper ends by making a few ideas that can enable Africa to minimise the negative consequences of globalisation and effectively profit from it.

1.1 The Concept of Globalization

Globalisation is a multifaceted and intricate phenomenon that encompasses numerous aspects. Its definition is not a singular, universally accepted concept that can be applied to all situations (Beck, 2018). As the world becomes more interdependent and interconnected, environmental, social, and political issues transcend national boundaries in the current global economy. Politics and international trade are forging unprecedented, profound linkages.

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The Economist initially used the term globalisation in 1959 to describe car import limitations. According to Simpson and Weiner (1989), this first use was followed in 1962 by a foresightful piece in The Spectator that called globalisation a stunning concept. Globalisation progressively developed into a strong concept that has now entered the common language, even though no one at the time could have foreseen the local and worldwide repercussions that it would cause. Globalisation has taken on numerous interpretations, from the warm, fuzzy implications of the global community to the domination of transnational corporations to neocolonialism. It is fiercely debated and conveniently ambiguous (Sumner, 2008).

2.0 THEORETICAL REVIEW

Dependency and interdependency theories are the foundations of this paper. Theotonio dos Santos' dependence theory, mentioned by Cockcroft et al. (1972), describes dependency as a situation in which a certain group of countries' economies are affected by the growth and expansion of an additional economy to which the former is subject.

When some countries (the dominant) have the ability to expand and drive their development, while other countries (the dependent) can only develop as a reflection of this development, the relationship of interdependency between two or more economies and between these and global trade takes on the form of dependence. In the case of Africa, this intricate process, which started centuries ago with the emergence of global commerce, is still present today and is getting worse.

The other one is the interdependency theory, introduced in Power and Interdependence: World Politics in Transition by Keohane and Nye Jr., published in 1973. This theory challenged the idea of dependency and gave it analytical value. According to the authors, interdependence is a dependence on one another resulting from the various forms of international trade enumerated by transnational flows of capital, products, services, labour, people, and information. The fact that there are reciprocal effects between nations or between players in several nations has been used to demonstrate interdependence.

2.1 Aspects of Globalization

The globalisation process has several facets. It has a political aspect, meaning the growth of the worldwide political system; the cultural aspect also consists of social relations and the transitions of ideas and values; and the economic aspect is about integrating the international market and financial exchange dimensions. Globalisation is characterised by a modern and quick long-distance transportation system, massive trade and investment across national and regional boundaries, satellite communication, the development of virtual information in the banking and telecommunications sectors, foreign investment, and market integration. It is driven by the initiatives of individual economic actors, including businesses, banks, and individuals who are frequently motivated by profit with high competition. (Mirzaevich, Toshpulatovich,& Nodira,2019)

2.2 Globalisation and political economy

Political economy is a broad multidisciplinary framework that considers how politics and economics interact and how different local and international factors interact. Globalisation is one factor in the nexus of politics and economics. Corporate globalisation, economic globalisation, financial globalisation, mature capitalism, neo-imperialism, neocolonialism, or globalisation from above are some of the terms given to its dominant form. On the one hand, it is a process of extending and strengthening the flow of capital, labour, technology, and trade across borders. It emphasises a decrease in the national states' regulatory capacity. From another point of view, it's about the institutional impacts on society that the expansion of multinational corporations and the escalation of these flows have. This point of view highlights the increasing homogenisation of specific behaviours and processes, such as adopting global standards in manufacturing goods (Ajekiigbe, 2004).

According to a political economy perspective, corporate globalisation involves a set of structures and procedures that build the private wealth of relatively few people (Sumner, 2005: 126). Kwanashie (1998: 34) shares this viewpoint, claiming that globalisation is establishing a global market in which all nations are increasingly compelled to participate.

Globalisation presents both opportunities and challenges for the African political economy. Africa is a contradictory site for globalisation. Camdesus (1995) argues that failure to seize chances will only enhance a country's risk of marginalisation. Although only a source of slave labour for the white settler farms and mines in the New World, Africa played a significant role in the rise and development of the global economy from the sixteenth to the early nineteenth centuries. The continent underwent gradual change during the nineteenth century as a new source of industrial raw materials for European manufacturers and a market for manufactured goods (Richardson, 1989). When compared to the rest of the world, Africa is still experiencing the consequences of colonialism and an unfair global system.

2.3 Globalisation and African Development

Globalisation creates opportunities for countries to integrate into the newly emerging global capitalist order highly, allowing advancement in science and technology, the new information revolution, and the expansion of the worldwide market to buy and access products of any kind (Ihonvbere, 2004).

Globalisation is fundamental in accelerating technological change; it reduces and removes trade barriers and accelerates the free movement of financial and productive capital (Akpuru-Aja, 2001). For this reason, international economic connections have improved in trade and production.

International Scholarship opportunities, Universities, and other higher education institutions in every country acquire the ability to change followership and societies through information, skills, and attitudes. These work together to strengthen the phenomenon of globalisation and drive governments to change how they act and interact with their citizens and internal and external partners.

Information and communication technology has made interaction between nations and peoples easier, turning a vast and diverse planet into a global village. Information about other nations' systems of government and the freedoms and rights their citizens enjoy is now more readily available, and this is one of the biggest positive impacts of globalisation on Africa. However,

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it has also put African leaders under intense external scrutiny and pressure to be more open, transparent, and accountable.

2.4 Globalisation for Africa's Underdevelopment

Before discussing globalisation's impact on Africa's underdevelopment, let us first see what underdevelopment means. According to Walter Rodney (2018), in How Europe Underdeveloped Africa, comparing one society to another, one country to another, and continent to continent constitutes underdevelopment in Africa. Therefore, the word under development is a relative one that refers to an economic, social, or even political status that is behind that of developed nations. For example, when compared to America or Europe, Africa is underdeveloped.

In Africa, the location is a naturally tropical desert; it is disease-prone, and the environment is less favourable. Most extremely undeveloped countries are found in Africa for different reasons. Political institutions are inadequate. Due to these facts, globalisation in Africa appears to have disastrous effects on Africa's underdevelopment (Kondo, 2011). Macroeconomic indicators show negative trends in domestic savings, physical infrastructure, productive technology, public and private discipline, external debt burden, and security conditions for attracting Foreign Direct Investment (FDI). Similar to how the European superpowers competed for world territories during the imperial era to gain economic and political advantages, today's globalisation refers to the fierce battle among capitalist countries for global markets.

Neo-liberal economic policies are returning the globe to the Darwinian jungle of the survival of the fittest, where everything exists in a constant state of harsh struggle in pursuit of self-interests, rather than creating a sense of common interest in the global village (Ogbonnaya, 2013). There is high competition in the global market. Both the developed and underdeveloped need to compute in the same field.

According to Ihonvbere (2004), African governments are not yet able to engage in and take advantage of the new opportunities in the capitalist-driven international system. Globalisation has frequently pressured African governments to adopt policies and measures that counter the opinions and beliefs of most of their people.

Africa is rich in culture; however, globalisation destroys cultural diversity because people are abandoning their traditional cultural practices, such as drama, carvings, and traditional melodies, due to the arrival of video, film, and other modern technologies. Africa is losing its cultural identity quickly due to the external cultural hegemony that comes with globalisation.

Africa became a junkyard for many items, such as literature, film, and music, that had little to do with African people. Globalisation undermines African peoples' autonomy and self-determination. Globalisation's effects on marginalisation and underdevelopment include the burden of high external debt compared to industrialised nations, a lack of government incentives for domestic production, the subversion of domestic production by high imports, exchange rate devaluations, and the depletion of foreign reserves.

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Globalisation now serves as a legitimate strategy for the dependence of African economies on Western economies due to their integration into the capitalist system. This is what the theory of dependency says. Cheap goods made in developed nations dominate local markets and demolish domestic production capacity. Africa is a high importer of finished products from developed countries.

In the age of globalisation, Africa's innovation of helpful technology is very low. Africa mostly buys processed products from developed countries and sells raw materials in the global market, not producing its own items. Meeting the demands of commercial liberalisation, market-oriented policies, fiscal restrictions, and more effective state apparatuses on the continent of war-torn Africa is too challenging and frustrating.

Another downside of globalisation for Africa is the loss of sovereignty caused by the World Bank, the International Monetary Fund, and the World Trade Organization forcing their development models, tactics, and policies on African nations, particularly in economic and financial affairs.

Furthermore, globalisation has damaged Africa's natural environment. For instance, industries, most importantly multinational corporations, are established in people's living areas without making environmental impact assessments. As a result, they pollute soil water and the environment in general.

Most of the construction work in Africa is done by citizens of developed and newly developed countries, which has a direct impact on the country's high dependency on foreign skilled labour and the high unemployment rate of skilled human power.

3.0 CONCLUSION

Now, it is a new era of globalisation. Innovations in communication, business, science, and technology are becoming the norm worldwide. The global market's competitiveness, interdependence, and complexity are increasing. Since globalisation is an emerging worldwide phenomenon, no continent or country can escape its pros and cons. Globalisation impacts both Africa's growth and underdevelopment. African nations must change to compete effectively and be equal with others to maximise the benefits of this phenomenon globally.

3.1 Possible solutions/Recommendations

- Countries in Africa should opt out of primary production and selling raw materials for the world market and divert their resources towards internally developing materials and technological bases.
- Focus on indigenous technology innovation can help Africa diversify towards promoting exports to improve economies.
- Economic Development Paradigms, Models, Strategies and Policies should take into account the situation in Africa
- African governments must invest in their citizens' welfare (human resources) by ensuring the eradication of hunger and establishing an efficient healthcare system.

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- African culture must be encouraged so that Africans can develop in their original style. Africans need to use African Products.
- Africa must begin to see the other side of foreign aid: foreign assistance creates a new class of consumers in developing countries. Most of the time, the aid collected was never put to good use; rather, it was embezzled by greedy African leaders. African leaders must minimise debt accumulation and the debt burden, Making poverty eradication more indigenous.
- African countries must allocate more resources to education, research and development.
- Rule of law and political stability are not only important for the local industries but will also encourage foreign investors to invest capital in African countries, which will, in turn, lead to significant growth in Gross Domestic Product
- Africa's natural resources should be explored towards the continent's development.
- Improvement and support for the local industries, coming together under one economic umbrella like the EU is doing today, and adopting one currency so that Africa can be competitive with the rest of the world.

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