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DEPENDENCY THEORY AND A STRATEGY FOR NATIONAL DEVELOPMENT IN NIGERIA

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ABSTRACT

This paper attempts to highlight the concept of dependency theory, and has put up a way forward in the concept of self-reliance. Dependency theory is a notion that the rich nations of the world totally dominates other less fortunate nations. In this write up, the explanation and meaning of self-reliance and how it can relate to national development especially in the socio-economic, political and administrative aspects were highlighted. In addition, some constraints to a self-reliant development in Nigeria were indicated. Unless a clear ideology of self-reliant development for the country is formulated and disseminated and the constraints removed, our pursuit of a “greater self-reliance” will remain illusory.

INTRODUCTION

Dependency theory is a situation where by rich nations of the world totally dominate the established international economic order. These countries benefit more than others in an economic relationship. It is a situation whereby third world countries or less developed countries (LDCs) (as it is known sometimes) depend on the western world for economic, political, socio-cultural, technological etc. success, so that every economic decisions are made and manipulated by the power countries – the adage that says he who pays the piper, dictates the tone. Nigeria, like several “under-developed” countries, has always had the illusion that it is developing. For example, one of the main objectives of the Fourth National Development Plan 1981-1985 “is self reliance” which has been defined in the plan to mean increased dependence on our own resources in seeking to achieve the various objectives of society as well as efforts to achieve optimum utilization of our human and material resources (Fourth National Development Plan 1981-1985). But the implementation of this development plan does not appear to be reflecting the objective of a self-reliant development. The illusion that Nigeria is developing has persisted over time because we tend to associate development with mere artifacts produced by the industrialized west and east. This wrong conception of development has made Nigerian leaders educators to fashion out a wrong development strategy which favours the industrialized west to the detriment of Nigerian. This strategy has created a dependency situation in which Nigerian exports the west. It has also led to a close linkage between foreign capital and multinational corporations with the Nigerian labour. As a result of this cooperation, a number of import substituted industries which derive their primary inputs from outside Nigeria have been established. It is often hoped by Nigerian leaders that this linkage between foreign capital and labour will lead to (i) technological transfer (ii) industrialization (iii) development of indigenous executive capacity (iv) catching up with the industrialized countries. None of these laudable objectives has been achieved or is being accomplished. Rather than “catching up” with the industrialized world, a situation of “under-development” is being institutionalized in Nigeria. The stark reality of the present day Nigeria is that the gulf between the rich and the poor, the urban and the rural areas is being widened. There is increased unemployment, urban flight and violent crimes which will over awe our ancestors. This situation is made worse by a decadent agricultural system and increased dependence on imported food. Nigerians shun anything made in Nigeria and crave for imported goods.

What has happened is that the external actors – governments, multinational corporations, with the cooperation of very powerful Nigerian elites – have turned Nigerian economy into a large market for the disposal of their artifacts, some of which are symbolically assembled here in order to give the impression that Nigeria is developing. Instead of developing, we are being pushed backwards. We have not learnt to harness our energy, determine our priorities, identify our problems as well as internal and external constraints to development, device our strategy and find our own kind of solutions. We are yet to mobilize our diverse human and

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material resources in order to transform our physical environment for the betterment of our people. Consequently, self-reliance is therefore a developmental strategy to reverse our downward trends. It is a strategy that is inward looking rather than outward directed. This paper is going to briefly look at a conceptualization of dependency theory, then it goes ahead to look at the various ways in which third world countries depend on the industrialized west. It then puts forward a strategy suitable for the development of Nigeria.

**Dependency theory**

Recent members of the neo-Marxist school in an analytical support, established that imperialism is a block to their world development, draining the resources or economic surplus from these societies which stagnate as they become more underdeveloped. This notion that the surplus is being transferred from the poor countries to the rich capitalist states is one which lies at the heart of the theory of underdevelopment; namely dependency theory. Dependency theory originated in the 1960s through the work of a number of academics and development economists who were particularly concerned over the continuing economic failure of Latin American countries. They dismissed the notions of modernization theory that a lack of development could be attributed to a deficiency in appropriate modernizing values and that exposure to advanced industrial countries could only be of positive benefit to the third world. Instead they argue that the massive and persistent poverty in countries like Argentina, Peru, Chile and Brazil was caused by exposure to the economic and political influences of the advanced countries (Arkadie 2012). The view that the impact of advanced society is progressive, whether in the form of the diffusionism thesis of modernization theory or in the form of the imperialism thesis of classical Marxism, was completely rejected. The growth of the advanced industrial centres in the world today meant the simultaneous underdevelopment of these countries whose economic surplus the west exploited. Poor societies should not therefore be regarded as in some way “immature” or “underdeveloped” in their economic development; given time, their growth will occur. So long as they are subject to the dominance of the economic imperialism of the west their poverty will persist (Webster, 1993).

One of the major representatives of this position is Andre Gunder Frank who is most closely associated with the view that the persistent poverty of the third world is a reflection of its “dependency”. Frank argues that the periods of merchant capitalism and colonialism forced a specialization of production on third world countries, that was primarily export oriented, of limited range and geared to the raw material needs of the imperial powers. The third world elites were incorporated in this system and could do little to establish a more diverse, independent form of economic activity. They became the mere intermediaries between the rich purchasers and the poor (peasant) producers. Frank dubs them comprador (literally “interpreter”) elites whose wealth and life styles were more and more tied to and so heavily dependent on the activities of the economic elite in the centre, or in what Frank calls the “metropolitan” country. While the third world elite enjoy a high standard of living from this relationship, the masses experience chronic deprivation as their surplus production is taken from them in the local rural region and transferred to the rich farmers and merchants in their own country and then abroad. Frank argues that there is a “chain of dependency” running down from the highly advanced centres of the world, a hierarchy of “metropolises” with their subordinate “satellites” through which the economic surplus is passed upwards within a nation and then internationally (Moses and Dylan, 2012).

While countries of the advanced centre can develop through self growth, others, since they are dependent, can only possibly expand if the dominant metropole expands. But such an expansion is always under the control of the metropole since any expanded surplus will be automatically passed upwards out of the satellite (Cardoso, 1979).

For Frank and other dependency theorists, the only way of stopping the exploitation of this surplus is by breaking the chain of dependency by which it is transferred. The only people who can do this, it is argued, is the third world working class and the only weapon strong enough is socialist revolution which removes the comprador elite, the weak link in the chain (Webster, 1993).

**Self-reliance as a way forward**

The essence of self-reliance as a way forward is not to provide a perfect answer to our dependency state, but to provide an understanding and explanation of self-reliance as it relates to the social, economic, political and administrative aspect of our national development. It is hoped that this will serve as a stepping stone to greater height of our national development.

**General Conceptual Considerations**

Self-reliance is a conception of development in which peoples of a given society are mobilized in order to transform their physical, technological, political, administrative, economic and social environments, for their general well-being and those of other humanity. It is a development strategy which relies mainly on a people’s ability to bring about self-generating and self-sustaining socio-economic and political system which is problem searching, problem learning and problem solving (Kim and Ismail, 2013).

To Parmar (1975), as a conceptual tool, self-reliance has both ideological and instrumental dimensions. As an ideology, it entails development of a perspective and “we” consciousness in a people that their destiny and survival lie in their determined and sustained efforts rather than on the efforts and directions of other people who have transformed their environment for their own well-being. When self-reliance is internalized as an ideology it leads to the recovery of a people’s self-respect, self-confidence, self-worth and self actualization. To Nwosu and Nwankwo (1988), as an instrument for accelerating the pace of all aspects of national development, self-reliance is used to shake off inertia in a people, achieve mobilization and direct their productive forces in improving their living conditions.
In our quest for a self-reliant development, a number of conflicting understandings of the meaning of self-reliance have continued to emerge. The source of this problem has much to do with the differences in our perception of the realities of our social and economic conditions. These differences in our world view are deeply rooted in our various experiences, ideological orientations and inclinations. The conflicting understanding of self-reliance centers mainly on its goals as well as what the correct path to a self-reliant development should be.

It may be wrong to see the objective of self-reliance in terms of imitating or catching up with “developed” countries as some of our present policy makers have tended to do (Ikoku, 1980). The idea of trying to catch up with “developed” countries has several implications that may be detrimental to the achievement of a self-reliant national development. First, it implies the measurement of our development in terms of criteria that may not be applicable to our environment. The meaning of development has been correctly explained as being “intelligently related to the process of eliminating the obstacles in the way of people to transform the physical, biological and socio-economic environments for the benefit of all of them” (Nnoh, 1981). With this notion of development, we can talk about levels of development in time and space mainly in terms of improvements in the capacity of the individual and society to manipulate and control the forces of nature for their well-being. Since development is a progressive process, it follows that the distinction between developing societies is not tenable since no society has fully realized its potential creativity in its struggle to control and manipulate the forces of nature. As economist has rightly observed, “self-reliance requires that developing countries relinquish such a dubious concept as the “catching up” motivation of development and evolve their own measuring rod of progress, using their own economies as frame of reference. As long as a country’s effort is an improvement on its previous best, as long as quantitative increases in output correct maldistribution, and as long as policies of development generate peoples participation, it is immaterial whether there is a widening or a narrowing of international gaps. For developing countries to allow the economic and social conditions of the industrial nations to determine and measure their performance is a kind of self-imposed neo-colonialism (Parmar, 1975).

Second, the idea of “catching up” with “developed” countries encourages in societies that are guided by such a developmental approach a situation of persistent underdevelopment. This is because in the process of their trying to “catch up” with the “developed” countries, they became mere imitators of foreign models or consumers of foreign artifacts of development instead of being the initiators of change that result from their efforts to master their own physical and socio-economic environments.

Third, as long as the goal of catching up remains illusory rather than a reality, the “imitator” countries will continue to be faced with the problem of loss of confidence in their ability to transform their own environments. The resulting feeling of inferiority among members of any society that depends upon outsiders for the solution of its problems constitutes a serious psychological obstacle to a self-reliant development. In order to eliminate this obstacle, some writers have advocated disengagement of developing countries from the advanced capitalist societies (Nnoli, 1981 and Nweke, 1983). On the other hand, others have regarded it as a mistake to perceive the developing countries’ pursuit of self-reliant development as necessarily leading to their withdrawal from world economic system (Parmar, 1975). This is because if we look at developing societies from a systems perspective, it may be pertinent to argue that their survival within an international community that is based on system of inter-dependent relationships would ultimately depend on their ability to effectively interact with their external environments, and to cope with its changing conditions. As C-A. Nweke points out, self-reliance “does not imply a total rejection of the theoretical and practical experiences of other people, since human knowledge and ideas have some element of universalism. It merely rejects an uncritical acceptance and or assimilation of foreign ideas and technologies”. This, he goes on to say, “implies most importantly the acceptance of Nigerian/African historical past and indigenous technologies as the bases upon which to launch Nigeria on the path for self-reliant development (Nweke, 1983).

Even though the advocates of a self-reliant development are agreed on its major components such as the ejection of imitative approaches to development, ensuring that social justice accompanies growth; placing emphasis on the use of local resources, initiate and popular participation in public policy making, encouraging social and institutional change, there has been no consensus among them as to what the correct path to a self-reliant development should be.

As far as the strategies for Nigerian development are concerned, the following five major options have been identified and discussed:

1. Dependent capitalist development;
2. The mixed economy or mature neo-colonial capitalist development;
3. Socialist development;
4. State capitalist development; and
5. National bourgeois capitalist development (Metuge, 1982).

These strategies are variants of three major paths to Nigerian development, namely:

1. Capitalist path
2. Socialist path

The capitalist and socialist paths have been considered and rejected by many like Nnoli (1981), Metuge (1982), and Sklar (1982). The third possible path to self-reliant development then in Nigeria is the mixed economy system “in which the public sector plays a large and leading role, is able to determine basic prices and to mitigate the harsher effects of private initiative” (Constitutional Drafting Committee, 1979). Even though this approach to national development has been
recommended for the country as a suitable alternative by Nigerian constitution drafting committee, it has come under serious attack by Nigerian intellectuals of socialist orientation. The main basis of this attack is that the “mixed economy” is a new semantic fabrication for perpetuating monopoly capitalism in Africa; consequently, all propositions derived from this development paradigm are viewed as “a historical, empirically writeable and programmatically irrelevant as far as authentic development in Nigeria is concerned” (Eteng, 1981).

Despite this attack, Nwosu and Nwankwo (1988) sees the mixed economy system as the appropriate developmental approach upon which the philosophy of self-reliance can be anchored. First, it allows for flexibility in the selective use of what are good in socialist and capitalist systems with the purpose of adapting them to our developmental needs without destroying our socio-economic values that are rooted in our tradition and history. Second, the mixed economy approach has brighter prospects for peaceful change which the socialist model does appear to promise. This implies the avoidance of excessive losses in human and material resources that might accompany the transition to and maintenance of a socialist system. It is our view that if the state assumes a major role in the economy much of the exploitative aspects of capitalism will be greatly eliminated.

Towards Self-Reliant Political and Administrative Institutions in Nigeria

Specifically in the political and administrative aspects of national development, self-reliance entails a quest for evolving indigenous political and administrative systems which will take into account our various political and administrative heritages and which will be relevant to the needs of modern Nigeria. Self-reliance in political and administrative sectors, in fact, in other sectors as well does not imply isolationism. It also embraces intelligent and selective use of ideas, concepts, institutions, from other systems into our system.

Self-reliance in general also has been defined as “the right and ability to set one’s own goals and then realizing them as much as possible through one’s own efforts, using one’s own factors” (Ikoku, 1980). This definition may give the impression of self-reliance as meaning “self-sufficiency”. Even though “self-sufficiency” may be a desirable goal of self-reliance in certain aspects of socio-economic life the two terms can hardly be used interchangeably. This is because whereas self-sufficiency tends to emphasize a high degree of exclusiveness from the external environment, self-reliance does not. Since survival at both individual, community and national levels depends on effective interaction with the external environment, any conceptualization of self-reliance which does not take the above factor into consideration is unlikely to be relevant for policy making.

In the political and administrative aspects, self-reliance could imply the ability of the political and/or administrative systems (in a given political or administrative community) to maintain a high degree of autonomy as well as self-sustaining growth. It is pertinent to emphasize that it does not imply total isolation or withdrawal of these systems from their external environment. This is as undesirable as it is impracticable. On the other hand, self-reliance in these aspects does not imply uncritical imitation of administrative and political models that have been developed elsewhere. For administrative and political changes to be meaningful under the concept of self-reliance, they have to base on the people’s history, tradition, values, norms, needs, participation and ability.

Five Dimensions of Self-reliance

Self-reliance in the political and administrative aspects of national development can be perceived as having five main dimensions:

(i) Individual
(ii) Community
(iii) Local Government
(iv) State
(v) National (Ugoaga, 1990).

At the individual level, self-reliant development can be measured in terms of the following criteria: (i) the degree of people’s participation in the political and administrative processes at the various levels of government (ii) the extent to which the individual is accountable to the people for participation in the political and administrative systems, (iii) the extent to which the individual is able to understand and interpret the political and administrative processes.

At the community level, self-reliance implies the ability of people to identify their needs and resources. It would also involve the use of local initiative and resources to decide on projects and programmes that can best satisfy the needs of communities involved. Outside help could be sought where necessary, especially in terms of equipment, personnel and finance with a view to utilizing the available services being offered by the other levels of government, and with those of local, state and federal government.

Under this situation, communities will be able to maintain a self-sustaining socio-economic growth. But an opposite pattern of growth will arise in situations where communities neither initiate changes nor utilize their resources in implementing socio-economic changes. For such communities the tendency is to wrongly perceive their development or lack of development in terms of what particular politicians state governments, and national governments have done or not accomplished in their (communities) areas. Where communities lose their developmental initiative, they may be more prone to political manipulations by individuals, political parties and governments. The political manipulation of communities is possible because of their (communities) lack of confidence in their ability to help themselves. The manipulations can assume different forms ranging from election frauds to the political manipulation of traditional chieftaincy institutions. Self-reliance at the local government level can be explained in terms of the ability of the local authority to maintain its autonomy and viability as the third tier of government in the country. In order to do this, the local
government unit should be able to generate as much internal revenue as will enable it to reduce its dependence on external sources. Excessive dependence on the state and federal governments for its finances may reduce the ability of a local authority to tap its potential resources, establish its own priorities, and implement its own developmental programmes and projects. In addition, it can lead to increase political control of local governments by the higher levels of government with its resulting loss of autonomy by the local authorities. In order to increase its revenue from internal sources a local government unit could embark on both social and economic programmes.

For the states, too, the major factor influencing the degree of self-reliance is their ability to generate their own revenue from internal sources. The present trend in which our states rely rather too heavily on the federal government and foreign loans for the financing of their recurrent and capital expenditures runs contrary to the ideas of federalism and self-reliance. States that are financially weak are more prone to increased political manipulation and other forms of control from the centre as well as exploitation by foreign capitalist interests. Most of the external grants and loans are met without ties in terms of pre-conditions for initial or continued grants or loans. The pre-condition may take the form of restrictions on the choice of projects and programmes, personnel and management techniques, consumer items and equipment. These restrictions may not be suitable for the political and administrative development of the recipient states.

Self-reliance at the state level implies inter-dependent relationship between states on the one hand and between the states and the central government on the other hand. It also implies the ability of the states to harness the material and human resources within their boundaries to bring about a situation where development in the administrative and political institutions will be self-sustaining, self-generating and congruent with the needs, tradition and culture of our people.

At the national level, self-reliance entails the careful building and encouragement of relevant political and administrative ideologies, structures and practices which will enable the country mobilize its human and material resources for the purposes of socio-economic growth as well as the maintenance of political independence and regional integration in the relevant areas of national interest.

It does not imply a total rejection of foreign administrative and political models. Neither does it mean the uncritical copying of these models. What it implies is a careful selection or adaptation of what will suit our developmental objectives in the above aspects and which must take into account our past experiences, national aspirations and culture environment. The degree of self-reliance at the national level can be measured by the following criteria:

1. The proportion of internally generated revenue to the total revenue.
2. The degree of dependence upon external loans for capital and recurrent expenditure.
3. The extent to which the country’s ideology as well as its political and administrative structures and practices are rooted in its administrative subcultures and based on the nation’s developmental needs.
4. The extent to which the country’s administrative and political systems are not mere reflections of models that are developed elsewhere.
5. The extent to which our foreign policy is based on national interest and security needs.
6. The degree of the country’s dependence upon external sources for military hardware, personnel and technology for defence of external aggression and maintenance of internal order.
7. The extent to which the nation’s bilateral and multilateral relations with other countries, multinational and international organizations are based on interdependent rather than dependent relationships.

A country’s dependence upon external sources for its money, technology and arms often has a direct impact on its ability to become self-reliant in the political and administrative aspects. This is because the external donors may seize advantage of their willingness to satisfy the above needs to impose on the recipient, terms that are most likely to further the strategic, economic or organizational interests of the foreign donors. These terms may result in the perpetuation or introduction of certain political, economic and administrative measures that may enable the external donors to influence the internal and external social, political and economic policies of dependent countries. A glaring case is the International Monetary Fund (IMFs) harsh conditions whenever there is a possible loan to Nigeria. The conditions include, among other things, devaluation of the Nigerian naira, privatization of some government companies, reduction of government equity involvement in commercially viable companies such as banks; trade liberalization, curtailing social programmes and the IMFs assumption of a supervisory role in implementing the loan package (Ugochukwu, 1983). These conditions are conflicting with the objectives of a self-reliant development since they will, in various ways, contribute to increased dependence of the Nigerian economy upon foreign actors.

Constraints to self-reliant Development in Nigeria

The constraints to self-reliant development mentioned here are by no means exhaustive. For want of space only few will be indicated.

(1) Leadership problem: There is need for a leadership which is compatible with the objectives of a self-reliant development in terms of its ideological orientation, exemplary behaviour, intellectual vigour, having strong political will and vision for structural and social transformation, enforcing discipline and rewarding genuine spirit of sacrifice, hardwork and initiative (Uzoaga, 1990 and Achebe, 1989). The concept of leadership for self-reliant development transcends the notion of leadership in the presidential democracy. It encompasses leadership in all relevant areas of national life in public and private organizations, in the government parasatals, in all levels of government and in our various communities.

(2) Lack of strong and relevant ideology for self-reliant development: even though the Fourth National Development
Plan places emphasis on the need for “greater self-reliance” little or no effort has been made to explain how society should be organized and people mobilized in order to achieve the goals of a self-reliant development. Some intellectuals in the country have individually held conflicting views on the meaning of self-reliance. Moreover, because of their conflicting ideological orientations, no group of scholars in the country has yet emerged with any meaningful consensus on the operational definition of self-reliance (Eteng, 1981).

(3) Individual Attitudes: At the individual level, there are a number of attitudes that have persisted in our society, but which are impediments to self-reliant development. Some of these attitudes are lack of patriotism, lack of sense of duty and commitment to work, indiscipline, corruption, sadism, circumvention of rules and regulations, consumer preference for foreign-made goods, wrong attitude to the public good, and so on. Some people have argued that a change in social structure, especially in the mode of production and distribution of surplus value along with good leadership will solve these problems. But one is inclined to believe that some of these attitudinal problems stem from factors outside political or economic considerations; and that the persistence of these wrong individual attitudes in society can even frustrate a highly talented leadership and render ineffective the “best” structural arrangement for a self-reliant development. (Ikoku, 1980).

(4) Ethnic Politics: This phenomenon arises in situations where political decisions by both politicians and the electorate are based mainly on ethnic consideration. Ethnic politics tends to encourage the persistence of ideological orientations which place undue emphasis on the sharing of resources among different ethnic groups rather than focusing on how to mobilize people for the production of more goods and services for the benefit of all citizens.

(5) Reluctance on the part of private manufacturing companies to encourage research and development in the use of local raw materials: This situation encourages excessive dependence upon foreign companies for parts and raw materials, thereby hindering self-reliant development in the country.

Recommendations

1. Government should encourage the development of research and development units in private companies, government organizations, and institutions of higher learning. These research and development units should strive towards optimum utilization of local resources in the production of goods and services.

3. Governments should play a bigger role in the economy in order to reduce the level of private capital accumulation. The emphasis should be a production for essential needs, rather than on luxury and exports.

4. A national ideology of self-reliant development should be developed. This ideology must be capable of mobilizing people and the society towards the goals of self-reliant development.

5. The federal, state and local governments should discourage foreign borrowings in preference for internal capital generation.

6. A programme of mass education should be developed. This mass education should be designed to disseminate the ideology of self-reliance and increase the level of consciousness among the people, discouraging the preference of foreign-made goods and ideas, since they encourage dependency and are constraints to national development.

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