APPRAISAL OF DEVELOPMENT CHALLENGES IN AN ERA OF RECESSION: A SOCIO-CULTURAL PERSPECTIVE

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Abstract
In this study Appraisal of Development Challenges in an era of Recession: A Socio-Cultural Perspective, the writer reviewed a number of literatures for the assessment and understanding of the key concepts in the topic. Development as a concept was diagnosed and seen to be a multi-headed concept which actually though multi-headed must toll a one directional approach in its activities, and that is towards the progressive move of whatever is affected by it. The work noted that every form of development in whatever ramifications must be tied to the economy of a society as its base. Nigeria currently is a society in which the social and cultural structuring are pure basic challenges to her development. And when tied to the issue of recession, the idea of development currently in Nigeria begins to be an illusion. On the socio-cultural issue is that Nigeria is in a very trying period of her life. With our culture of over respect for wealth, people are currently looting the poor naira in view of the problem of threats from many quarters of Nigeria. This has given Nigeria naira on the face in the international community. No nation can exist and develop without a proper tie to the international community and currently, investors from other nations find it uninviting to come into Nigeria to invest. With a receding economy, every facet of Nigeria is not healthy for any kind of proper development. Every social institution is in a sick state in Nigeria.

Introduction
Development is a word that has a unilineal direction in action and that direction is towards progress in one way or the other. In whatever form, development should be good and towards producing good. Development is not in any way meant to be bad. It is not meant to produce any form of backwardness. Development ought only to have a forward and progressive movement. Of note is that though development has a unilinear movement, it is a multi-dimensional process which happens or should happen in all areas of life. In whatever area that development takes place, it must be towards progressive movement in its actions. Development is not just change. No. Development is progressive change howsoever the level of progress. Change can be in the progressive direction or in the retrogressive direction. Change can be building or destroying. Change takes bilateral movement and should not be confused with development whose only direction is progress. We have to note that development is ‘homocentric,’ that is, it is propelled by man (‘homo’) not natural resources and that ‘the quality of persons that theorize on, and or administer development in a society determines which of the directions that society will take,’ (Ejiofor, 2011: 2.)

Recession on its own is not a word that can be associated with progress in any form. Recession is synonymous with slump, downturn, collapse, decline and other backward related words. We can talk about recess as in break from classes in school. At this period the business of teaching and learning ceases for some time. We can talk about recess in business. This is when there is a break from business. This is a time when no work or business is done. Recess also stands for a remote or secluded place. We can continue, but on the whole, recess whether it is a process or thing stands for lack of progress. This is why we talk about receding health, receding water, receding economy and so forth. On the whole, the manifestation of recession in at any given period of a society’s life may not augur well for such a society. This is the era in which Nigeria is currently in. Recession occurs after the mismanagement of an economy has done to such an economy what hard drug does to the user’s body.

What therefore does hard drug do to a user’s body? Hard drugs have the effect of pumping up the cells of the user’s body making the person to feel very strong which actually is a feeling of ‘falseconsciousness.’ Mixtures of air and materials fill the cells making the cells and the entire body feel very turgid and strong. This person therefore carries on exercises and works that would have been
ordinarily beyond such a person’s normal capacity. However, the materials in the cells will soon be used up with the cells themselves over used. The result is that the person in question starts feeling very weak and tired. This is a situation that will take him a long time to recover from if ever he does, because such an experience can lead to depression and there may be no recovery.

When an economy is mismanaged for a long time as Nigeria’s has been both from within and outside, the result is that such an economy is drawn into carrying beyond its capacity. People will feel that things have become so good that they even go beyond their limits in drawing from the economy beyond its limit. This situation of feeling too good and jolly now stresses the economy into inflation. Here, there is virtually too much of everything available. This creates a situation of carelessness and lack of accountability and scrutiny. There is too much money around. This gives people the opportunity to loot as much as they can. There is too much importation which leaves the people with food available, which in turn leaves the people careless and lazy. This type of situation also leaves such an economy open to infiltration from outsiders who come in from every direction to help loot it. When the looting, carelessness and laziness become too much, nothing in return is added to the economy. People will continue to take away from the economy without replenishing the looted economy. When this goes on for sometime, it leads to malnourishment which weakens and crumbles the economy leaving the people and everything in the abyss of hopelessness and want of everything. The economy becomes so weak that the tide of everything in the economy begins to recede. There may be money around but what the money will buy is not available. This makes the money virtually useless in people’s hands and with this type of malnourished currency, no investment can take place. Of course, without investment, a society cannot claim to be developing. When a society is in the state described above, even those who helped in looting it will run away with their loot while those outside will not see it feasible to come in and invest or do other businesses. In an era of recession, there is total economic insecurity in a society and this is a bad omen to development.

One of the biggest problems of Nigeria right from her creation by the colonial powers has been the problem of development, that is, progressive movement towards creating things and expanding her resources. Nigeria does not lack in natural and human resources, but lacks on the side of putting these to progressive use. We have not had occasion to hear or experience much of the word recession in the past in Nigeria. Of course, we have heard and experienced inflation which is one of the factors that bring about recession, but no time has inflation in Nigeria reached the stage that we begin to experience recession in the form it is today. If then we have had problem developing when recession was not there, what then would the social development of Nigeria look like in an era of recession? In this paper therefore, we looked at what the concepts that constitute the title of this paper mean and tried to find out if these concepts can in any form constitute a symbiotic duo towards Nigerian good or not. We tried to find out how one is a problem to the other in the issue of progressive movement of the Nigerian nation. An evaluation of the possibility of effective development taking place in Nigeria in this period of recession was attempted.

Development

Development is a word that has become difficult to lend itself to any single definition. The reason for this is because of the many ways in which it is used in everyday discourse. The conception of development therefore depends on who is concerned. For instance, Gomery (1972) described it as a seamless web without clear lines of distinction among its social, political, economic, religious and scientific strands. Seers (1972) also would see development as a process which reinforces all aspects of the society and involves alteration in human activities and attributes so that what is called economic, social and political relations become more productive and for more people.

Many times, people use the word development in a confused way. Some think it is all about and the same thing as economic development. However, we have to note that though development and economic development are related; the word development independently describes improvement in human conditions. The word development means the use of man’s creative energy to understand the environment. It is the use of local resources to transform the environment. It means the removal of obstacles so as to move on ahead. This will improve standard of living.

The word development is seen from many perspectives as noted before. Though a multi-dimensional process, development is associated with progress in one way or the other. It has meanings in land use, science and technology, biology, and social science. For instance, development is seen as a process that changes every aspect of the life of the place in which it occurs. In this paper we are concerned about social development and that is Nigerian development per se.
Rodney, (1982:9) noted that development is a many-sided process. He broke development into individual and group. Individuals are the prime movers of society. They aid or hinder development. Availability of resources including education, man power, and technological increase is all important in development, but all these depend on the personality of individuals concerned. If the few scientists we have manufacture computer but we do not know how to use them, they are of no use. There is an interaction between people and development. At the individual level, development means ‘increased skill and capacity greater freedom, creativity, self-discipline, responsibility and material well-being.’ However, the achievement of any of the above is directly tied to the state of the society concerned as a whole. On the other hand, he noted that group or social development means a society’s ability to jointly increase their capacity for dealing with the environment through understanding the laws of nature, devising technology and organizing work. We have to note that the term development is often seen more in economic sense. The idea is that the state and type of economy of a society determine other social features. Karl Marx, the German social philosopher had noted that every other structure of any society depends on the economic structure of that society. This means that the state of the economy determines the state of the society. A healthy economy means a healthy society. It is only a healthy society that can develop. A society in a state of recession of course is in a state of bad health and cannot develop.

Cowen and Shenton (1996) have argued that the modern doctrine of development was invented in the first half of the 19th century to control the social disruptions of poverty, unemployment and human misery caused by capitalism. From the above, it is clear to us that even though there are different perspectives to development, there is a general consensus that development will lead to ‘good change manifested in increased capacity of people to have control over material assets, intellectual resources and ideology; and obtain physical necessities of life (food, clothing & shelter), employment, equality, participation in government, political and economic independence, adequate education, gender equality, sustainable development and peace.’ Kambhampati (2004), argues that development requires ‘growth and structural change, some measure of distributive equity, modernization in social and cultural attitudes, a degree of political transformation and stability, an improvement in health and education so that population growth stabilizes, and an increase in urban living and employment.’ According to Utomi, (2006) development simply put is ‘discipline.’ It is about how ‘discipline drives the human spirit to triumph over odds of poverty trap, physical geography, fiscal trap, governance, cultural barriers, geopolitics, lack of innovation and demographic trap.’

Like Rodney, Sen, (2008) associated development with freedom. Development according to him is a process of expanding the real freedoms that people enjoy. This means that development requires the removal of major sources of ‘un-freedom’ in human life. The sources of un-freedom include ‘poverty as well as tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or over activity of repressive states.’ From the above, freedom can be said to be central to the process of development and that the achievement of development is dependent on the free agency of the people. As noted already, development is propelled by man. For the people to be agents of their own social development, they require advancement in five distinct areas namely political, economic, social, transparency and security. When these are achieved, then we can say that development is taking or has taken place. Similarly, the 2010 human development report also associated development with freedom by noting that human development is ‘the expansion of people’s freedom to live long, healthy and creative lives; to advance other goals they have reason to value; and to engage actively in shaping development equitably and sustainably on a shared planet.’ People are both the beneficiaries and the drivers of development, as individuals and in groups.

Understanding recession

In a 1979 New York Times article, economic statistician Julius Shiskin suggested what should be taken into consideration when defining the word recession. In the United States, the Business Cycle Dating Committee of the National Bureau of Economic Research (NBER) is generally seen as the authority for dating US recessions. The NBER defines recession, mainly economic recession as: “a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales.” Almost universally, academics, economists, policy makers, and businesses defer to the determination by the NBER for the precise dating of a recession’s onset and end. In the United Kingdom, recessions are generally defined as two consecutive quarters of negative economic growth, as measured by the seasonal adjusted quarter-on-quarter figures for real GDP. The exact same recession definition applies for all member states of the European Union. A recession has many attributes that can occur simultaneously and includes declines in
component measures of economic activity (GDP) such as consumption, investment, government spending, and net export activity. These summary measures reflect underlying drivers such as employment levels and skills, household savings rates, corporate investment decisions, interest rates, demographics, and government policies.

Economist Richard C. Koo wrote that under ideal conditions, a country's economy should have the household sector as net savers and the corporate sector as net borrowers, with the government budget nearly balanced and net exports near zero. When these relationships become imbalanced, recession can develop within the country or create pressure for recession in another country. Policy responses are often designed to drive the economy back towards this ideal state of balance. A severe (GDP down by 10%) or prolonged (three or four years) recession is referred to as an economic depression, although some argue that their causes and cures can be different. As informal shorthand, economists sometimes refer to different recession shapes, such as V-shaped, U-shaped, L-shaped and W-shaped recessions.

According to the International Monetary Fund (IMF), "Global recessions seem to occur over a cycle lasting between eight and 10 years." The IMF takes many factors into account when defining a global recession. Until April 2009, IMF several times communicated to the press, that a global annual real GDP growth of 3.0 percent or less in their view was "...equivalent to a global recession." By this measure, six periods since 1970 qualify: 1974–1975, 1980–1983, 1990–1993, 1998, 2001–2002, and 2008–2009. During what IMF in April 2002 termed the past three global recessions of the last three decades, global per capita output growth was zero or negative, and IMF argued—at that time—that because of the opposite being found for 2001, the economic state in this year by itself did not qualify as a global recession.

In April 2009, IMF changed their Global recession definition to mean:

A decline in annual per-capita real World GDP (purchasing power parity weighted), backed up by a decline or worsening for one or more of the seven other global macroeconomic indicators: Industrial production, trade, capital flows, oil consumption, unemployment rate, per-capita investment, and per-capita consumption.

By this new definition, a total of four global recessions took place since World War II: 1975, 1982, 1991 and 2009. All of them only lasted one year, although the third would have lasted three years (1991–93) if IMF as criteria had used the normal exchange rate weighted per-capita real World GDP rather than the purchase power parity weighted per-capita real World GDP.

Types and Consequences of recession in society

The type and shape of recessions are distinctive. In the US, V-shaped, or short-and-sharp contractions followed by rapid and sustained recovery, occurred in 1954 and 1990–91; U-shaped (prolonged slump) in 1974–75, and W-shaped, or double-dip recessions in 1949 and 1980–82. Japan’s 1993–94 recessions was U-shaped and its 8-out-of-9 quarters of contraction in 1997–99 can be described as L-shaped. Korea, Hong Kong and South-east Asia experienced U-shaped recessions in 1997–98, although Thailand’s eight consecutive quarters of decline should be termed L-shaped. Recessions have psychological and confidence aspects. For example, if companies expect economic activity to slow, they may reduce employment levels and save money rather than invest. Such expectations can create a self-reinforcing downward cycle, bringing about or worsening a recession. Consumer confidence is one measure used to evaluate economic sentiment.

Unemployment is particularly high during a recession. Many economists working within the neo-classical paradigm argue that there is a natural rate of unemployment which, when subtracted from the actual rate of unemployment, can be used to calculate the negative GDP gap during a recession. The full impact of a recession on employment may not be felt for several quarters. Research in Britain shows that low-skilled, low-educated workers and the young are most vulnerable to unemployment in a downturn. After recessions in Britain in the 1980s and 1990s, it took five years for unemployment to fall back to its original levels. Many companies often expect employment discrimination claims to rise during a recession. Productivity tends to fall in the early stages of a recession, and then rises again as weaker firms close. The variation in profitability between firms rises sharply.

Challenges of development in Nigeria

The National Economic Empowerment and Development Strategy (NEEDS) identified the challenges to development in Nigeria to include among other things low per capita growth; inefficient, highly volatile and unsustainable public sector spending; domestic debt; low productivity; poverty; dysfunctional educational system and weak institutions. Similarly, the draft of NEEDS 2 identified the
challenges of development to include growth without employment; high level of poverty; poor infrastructure; poor energy situation; abuse of human rights; gender inequality; weak institutions; capacity constraints; weak monitoring framework; weak data management culture; slow development of the private sector; poor public sector performance; ethnic and religious conflicts; desertification; import dependency etc.

The United Kingdom Department for International Development (DfID) identified the fundamental constraint to Nigeria’s development to include institutionalized mismanagement of public revenue particularly from oil; institutionalized corruption and weak formal accountability; and a combination of “Dutch Disease” and institutionalized rent-seeking behaviour that has undermined activity in non-oil areas of the economy (particularly agriculture and manufacturing), reducing non-oil sector economic growth, fuelling unemployment and exacerbating poverty and conflict. But according to the Economic Commission for Africa, the biggest threat to Nigeria is its structural vulnerability-problems of governance, volatile oil prices, and ethnic tensions.

The challenges include among other things poor leadership; bad followership; poor strategy for development; lack of capable and effective state and bureaucracy; lack of focus on sectors that will improve the condition of living of citizens such as education, health, agriculture and the building of infrastructure; corruption; undeveloped, irresponsible and parasitic private sector; weak civil society; emasculated labour and student movement and poor execution of policies and programmes.

The Marxist theory argue that underdevelopment comes from exploitation by external and internal collaborators with negative impact from colonialism, imperialism, World Bank, International Monetary Fund and the general dependence of Africa on the developed world coupled with the stagnation and incorporation of Africa into the world capitalist system. It is necessary to analyse the Nigerian situation and apply these theories to the Nigerian situation. This means that Nigerians must change course for the country to develop. We are of the view that what needs to be done to bring about development is known. It is clear to us that every society has the capacity to develop and people are the real wealth of a nation. From past experiences, development scholars have concluded that while there are no silver bullets, some development approaches bring better outcomes. For instance, it has been proven that progress in health and education can drive success in human development. In addition, it has been shown that country factors such as policies, institutions and geography are important. Meanwhile, there is a lack of significant correlation between economic growth and improvement in health and education e.g. Kerala in India, Costa Rica, Cuba and Sri Lanka attained higher human development than the countries at their income level. Similarly, experience has shown that markets are very bad at ensuring the provision of public goods such as security, stability, health and education and a capable, focused developmental state can help achieve development and the growth of markets. Nigerians must strive for the right kind of knowledge that can develop the country.

The concept of recession in Nigeria

According to Igbuzor (2013), Nigeria was one of the richest 50 countries in the world in the early 1970s, but today has retrogressed to become one of the 25 poorest countries at the beginning of the twenty first century. He noted that it is ironic that Nigeria which is the sixth largest exporter of oil in the world also hosts the third largest number of poor people after China and India. In his words,

Statistics show that the incidence of poverty using the rate of US $1 per day increased from 28.1 percent in 1980 to 46.3 percent in 1985 and declined to 42.7 percent in 1992 but increased again to 65.6 percent in 1996. The incidence increased to 69.2 percent in 1997. The 2004 report by the National Planning Commission indicates that poverty has decreased to 54.4 percent. But by 2010, the poverty rate increased again to 65.1 percent. Nigeria fares very poorly in all development indices.

Today, Nigeria’s story has changed. We are no longer talking about being tops. We are saying that in spite of the oil and exports, we have also passed the stage of inflation and entered into recession. The Nigerian society today witnesses a very high rise in the prices of goods and services, high accumulation of foreign debts which take much to be serviced, very high interest rates on investment which discourage investors from investing. Apart from the above, there is a general fall in demand for goods and services, especially those originating from Nigeria, fall in wages which has affected people’s income and as such has affected investment negatively. The above mentioned factors lead to recession. The recession which is affecting every facet of Nigeria today has created very high case of
unemployment as a result of government and individuals’ inability to create jobs for the teeming population.

Nigeria is a nation of over one hundred and fifty million persons today. From her independence in the 1960s, she has bought and practiced many development plans. Some were advanced by foreigners, while some were made by our leaders. We have had such development theories as modernisation, dependency, globalisation and many others. Modernisation had advised that we follow the way of life of the developed world. For this reason, our development strategy became to use our resources to buy up things made overseas to look like them. We have been borrowing money which we cannot pay to modernise. Today we have become debt servicing nation and not a paying one. We borrow money to buy products from outside and also borrow to buy spare parts. Unfortunately, many of these things we bought were beyond our own scientific comprehension. The dependency theory advised us to follow the parts the developed nations had taken. The end is that we do not have to try to be like the developed nations but to wait for our turn to come. No leaps. This has also become an ill advice since this has taken us to nowhere. Globalisation also as a development theory had advised that we open up our borders so that there could be free flow of goods and services. The globalisation theory advised liberalisation of trade for the free flow of goods between countries. This was to encourage export and interchange of goods between nations. Well, the problem has remained that goods keep flowing from the developed nations into the ‘developing’ nations of which Nigeria is one. The question now becomes, when will Nigeria made goods flow into these developed nations. This third theory did not work also. The three theories, modernisation, dependency and globalisation were advanced when the society and economy of Nigeria were still relatively stable and strong. There were no recessions then. However, these theories and many others with their attendant plans did not work then. One then begins to wonder aloud what type of miraculous development we can expect in an era of recession.

Conclusion

Nigeria is a multi-social and multi-cultural society. Nigeria is also a nation with the largest population in Africa. She is also blessed with large natural resources which can un arguably make her one of the richest and most developed countries not just in Africa but in the world as a whole. However this has not been the case so far. Nigeria has had to grapple with the issue of development. From independence until now, Nigeria has juggled from one development theory and plan to another to no avail. The suggested theories from the supposed experts from abroad which hoodwinked our leaders did not work. The supposed local theories and plans by our leaders which are actually regurgitated old fashioned theories from foreign advisers also did not work. They could not work when the society and economy of Nigeria were still stable. Today, we have another problem, recession, added to the problems of poor leadership, lootocracy, falling standard of education, weak currency, and many others. With the high rate of armed robbery, kidnapping, sectional agitations (Boko haram, Biafra, Niger Delta militancy, political and religious crisis in an era of recession, the idea of proper social development becomes a mirage.

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