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GLOBALIZATION AND DE-INDUSTRIALISATION IN POST-IMPERIALISM: A RE-EXAMINATION OF THE NIGERIAN EXPERIENCE

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Abstract

Based on the popular neo-Marxist notion that globalization is imperialism disguised, this paper attempts to interrogate the profile of the indicators of de-industrialization in the context of the Nigerian manufacturing and finance sectors. The paper is a replication study of an earlier Nigerian research project that linked de-industrialisation in Nigeria with the globalization project. On the basis of a large body of empirical evidence from the sub-sectors, the hypothesis that links de-industrialization with globalization is controverted. It is however argued that while those indicators that lined de-industrialization with globalization have disappeared in the surface, the symptoms and crisis of industrial underdevelopment continue to flourish. The paper further concludes that globalization is a road cap and not necessarily an express route nor the journey of a robot to a development destination. On this score,, the paper recommends the strategy of integrated globalization that combines horizontal and vertical integration; driven by informed discriminatory and sector specific globalization programmes.

Keywords: *Globalization; Industry mortality; Banking sector fatality; Nigerian Experience*

BACKGROUND TO THE STUDY

Globalization as the internalisation of capital and labour is a process that first reared its head between 1820 and 1914; though weakened by the two World Wars and then the Great Depression.[1] The intellectual and philosophical currents unleashed by the complications that followed World War II engendered the template for the construction of the Bretton Woods System and the emergence of a new international financial order which restored world trade volume to its pre-1913 level. The new trade profile saw world trade volume growing at an annual average rate of 8.l8 per cent between 1947 and the first oil shock of 1973 while the period 1973-1990 grew at an annual average of 4.4 per cent. The growth profile since 1990

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has however hit 7 per cent and above.[2] The implication of this trend is that economic globalisation; the ongoing process of greater economic interdependence among countries, is resonate in the rise in the volume of cross-border trade in goods and services, the rising volume of international financial flows, and increasing profile of human capital exchange across-border.

Located within the African continent that accounted for about 4 per cent of world trade in 1960, Nigeria prides as a regional economic and political power. Its share of export of goods and services rose from 0.2260 per cent in the 1960s to 0.5490 per cent during the second half of the 1970s. This profile however slumped to 0.1779 per cent between 1985 and 1990. The figure rose to 0.2014 per cent during the 1990's.[3] Dwarf as this Nigeria's participation in world trade is, the rise of a mono-culture oil economy and the weakening performance of agricultural produce in the world market further reduced Nigeria's rating in world trade. Nigeria's share of trade in cocoa beans fell from 26.4 per cent to 13.4 per cent; groundnuts (shelled) from 61 per cent to 33 per cent; palm oil from 20.4 per cent (from a height of 60.2 per cent in 1961) to 1.5 per cent; and palm kernels from 92.7 per cent to 17.2 per cent during the period 1965 to 1999.[4] This weak export performance took place in the context of the new oil boom, whose usual boom-burst circle undermined Nigeria's performance in world trade. Thus, oil export accounted for 58.4 per cent in 1996 and 1998 respectively. In 1998, oil accounted for 21 per cent of imports. In 1996, non-oil imports were made up of: consumer goods (38.7 per cent), raw materials (42.0 per cent), capital goods (19.2 per cent). About 61.20 per cent of scarce foreign exchange was spent on foreign inputs for domestic production in 1996 as against the 1970's figure of 70.8 per cents.[5] This pattern marked Nigeria's level of extraversion and vulnerabilities to the global economy.

Against the backdrop of oil illusion, which undermined traditional agrarian accumulation, Nigeria suffered 'Dutch disease affliction'. In her quest for legitimacy, the military government went for subsidization of the middle class through over valued naira exchange rate. With the collapse of the global commodity market, starting in the mid seventies and coming to a head in the mid 1980's, the fragility of the economy and the nakedness of the emperor became apparent. The national illusion of grandeur became manifest while the delusion of a regional African hegemony was contested by Nigerian citizens. Factory closure became common place, job rationalization became a popular practice by the organised private sector, and as unemployment loomed, armed robbery became a way of earning a living while the state became convulsed by high debt burden. Nigerian remedy was in the optimism of national resource endowment and thus by 1986, the government of Gbadamosi Babaginda showed no reluctance in constructing a window into the global economy through the World Bank/IMF Structural Adjustment pills; packaged to restructure the ailing economy through realignment of the naira, privatization, commercialization and acceptance of de-regulation in line with the philosophy of open-economy and the hidden hands of supply and demand.

How has the Nigerian economy responded to this avowed stimulus development programme? Are there roadblocks to achieving development through this programme? What have been the operational deficits engendered by the governance process? These issues are discussed and presented in eight sections in this paper. Following background discussion in section I, sections II and III focus on the research problem and conceptual framework respectively. Section IV is devoted to a discussion of the prelude to globalization while section V examines globalization and industrial performance. Governance and industrial performance is captured in section VI, while the paradox of industrial performance and concluding remarks are presented in sections VII and VIII respectively.

THE RESEARCH PROBLEM AND METHODOLOGY

This research paper seeks to understand how the presumed contradictions or otherwise arrogated to the globalization paradigm has affected the health of the Nigerian industrial system of production and services. The discourse is in the context of the global meltdown exported to Nigerian economy from the United State following the massive failure of sub-rime mortgage lending which vapourized the global financial system in 2007 and 2008. Following the massive bank failure and eventual state intervention with stimulus bail-out funds; the textile industry collapse characterised by job losses and industry haemorrhage; the food and beverage sub-sector as well as chemical and allied industry capacity and profitability depletion, including the high incidence of corporate migration, marked the symptoms of an economy in stress in the age of globalization.

Three fundamental issues are interrogated in this discourse. What is the state of the performance profile of the industries under study? Is the state of health of the industries a response to the logic of poor local governance system? These issues are interrogated in the context of four sub-sectors. In the manufacturing industry: the textile manufacturing sub-sector; food/beverage sub-sector as well as chemical and allied industry sub-sector are interrogated. In the financial sector, the banking sub-sector is interrogated.

In the global meltdown, which started in the global states of the North Atlantic, the contradictions of deregulation, triggered by the invisible hands of the state has propped up a revision of the philosophy of the rolled-back state. This raises some fundamental questions which both sides of the debate must address. The paper adopts an empirical methodology in interrogating issues that are at the centre of the discourse. In this sense, a large body of data derived from annual reports of quoted companies and information sourced from unquoted companies are generated and analysed within a comparative framework to capture similarities and dissimilarities in the performance profile of sampled forms from two industries: the manufacturing industry and the finance industry. Seventeen firms in the manufacturing sub-sector are purposively sampled for study based on firm specific history and age in the sub-sector; level of capitalization; level of organisation; and availability of operational records that cover the period of globalization up to 2007.

The study also attempted to analyze returns from 25 banks in the finance sub-sector. The paper in analysing and discussing the returns posted by the firms, seeks to highlight the contradictions inherent in the policy of deregulation.

CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW

As states today contend with a new geography of power, in terms of territoriality/ jurisdiction,[6] and philosophy of power, in terms of authority and rights; triggered by the phenomena growth in the technology of instant communication and artificial intelligence, a global village has crystallized. This process, set by space and digital inter-connectedness, has unleashed the globalization process whose logic defines the character and philosophy of contemporary global space. Thus, the concept of 'global village' which has acquired household popularity is often invoked to capture the growing interdependence, the increasing interaction among states, and the integration of economic activities of human societies around the globe.[7] In concrete terms, globalization is the intensification of cross-border trade, cross-border mergers, as well as increased financial and foreign direct investment flows among nations; promoted by rapid advances in and liberalization of communication technology.[8]

In specific terms, globalization is the closer integration of the countries and peoples of the world, activated through the break down of artificial barriers to the flow of goods, services, capital, knowledge and people across national borders. It is the process of creating a global market place for investment as well as trade and information through the integration of economic decision making on consumption, investment and cross-border savings. Furthermore, it is the systematic interdependence of economies and societies, and their integration into a global system of production, distribution and consumption. However, globalization is more than an economic phenomenon. The technological and political channels that drive the process of economic globalization do have massive non-economic roots and non-economic consequences. An epic sociologist says: "I would have no hesitation… in saying that globalization, as we are experiencing it, is in many respects not only new, but also revolutionary… Globalization is political, technological, and cultural, as well as economic".[9] It is to be noted therefore that a monistic analysis of the phenomenon cannot capture the gamut of issues that drive current globalization process.

In the context of the foregoing, it is to be noted that globalization is not just an episode in the course of human development. It is an epoch that marks the processual integration of the products and discoveries of science and technology into a global village, driven by an emerging world culture of production, distribution, and consumption. In this sense, globalization engineering is creating the institutional and structural mechanisms and linkages that activate the process. Such is the challenge of repositioning the state in the context of a loss of regulatory capacities resulting from policies associated with globalization: the regulation of a broad range of markets, privatization of public firms and deregulation of national borders.[10] However, denationalization is multivalent: it endogenizes global agendas of different types of actors, not only corporate firms and financial markets, but also human rights objectives, into the national institutional order.[11] Such locational and institutional embeddedness of the global economy in the national space is activated through a process of transnational class filiations and loyalty on a cross-borders scale. In this context, the relationship between nation-states, economic institutions, and social structures are implicated as structural supports mechanisms to drive cross-border transactions. In the globalization era, organic class formation is no longer tied to territory and to the political jurisdiction of nation-states. Thus, the nation-states have rolled-back as the organizing principle and framework of capitalism and the institutional "container" of class development and social life.[12] It is in this framework of such structural and institutional convergences that: denationalization, de-authorization and hollowing-out of states have become implicated in the process of globalization.

However, while globalization is breaking down national barriers to trans-border trade for global efficiency in resource utilization and optimization, the crises of meltdown unleashed by poor governance across the global space developed and underdeveloped, has foisted distress on the philosophy and the principles of globalization. An anti-rolled-back ferment has necessitated the rolling forward of the state in an act of state defensive radicalism which has witnessed bail-out bids in America, Britain, France, Germany and Nigeria; that may seek return to invisible hands after re-positioning.

In spite of its growing unpopularity in the Third World, globalization paradigm remains popular in development discourse. For many Nigerian politicians and policy elites, globalization is the path to the reduction of national poverty, unemployment and underemployment. For others at the national and global level, globalization is seen as the root of growing national and global poverty as well as de-industrialization in the periphery. Such contrasting views have been well captured elsewhere. "A world integrated through the market should be highly beneficial to the vast majority of the world's inhabitants,… while promoters of globalization proclaim that this model is the rising tide that will lift all boats, citizens movements find that it is instead lifting only yachts.[13]

On a similar note, Gwynne and Kay in their study of the contradictions inherent in globalization, opined that with the uncritical integration of developing countries into the global economy, the neo-liberal model has made them more dependent and hence more vulnerable to global economic shifts-with adverse implications for employment rates, real minimum wage, welfare of the poor and the urban informal sector.[14] In a case study of globalization and industrial performance in Nigeria, it has been reported that globalization project that aims at the structural and economic transformation of modern capitalist relations in Africa, is associated with a process of de-industrialization, underdevelopment, and corporate fatality in the manufacturing sector.[15] Other similar reports have argued that globalization is a neo-imperial pill designed to keep Africa and the Third World in a state of perpetual underdeveloped[16].

THE PRELUDE TO GLOBALIZATION

The wider crises of capitalist economy underdevelopment in Nigeria, which was sharpened by the global crisis of the late 1970s pushed the Nigerian military government under General Obasanjo into the international space and particularly the multilateral agencies in search of financial bail-out: in the form of loans and grants. The depression and subsequent collapse of the international oil market did not help a state that was committed since 1973 to the subsidization of the middle class and subsequent over valuation of the naira. Groaning in the pains of collapse, within the context of a dependent mono-culture economy, the Obasanjo belt tightening project was integrated into the Shagari austerity measures of 1982 that imposed severe restrictions on imports, utilization of foreign exchange, price control measures rationing of essential commodities, etc. These measures triggered rapid decline in industrial capacity utilization, scarcity of goods and services, retrenchment of workers, as well as recession and inflation in the face of falling aggregate demand. Its specific manifestation was reflected in overall decline in industrial production turnover from N2530 million in 1982 to N2189 million in 1985. In spite of 38 per cent increase in the number of companies in the industry during the period, utilization of installed industrial capacity was as low as 10.2 per cent by June 1985.[17]

The rise in the number of membership of the association of foods, beverages and tobacco enterprises from 56 in 1982 to 77 in 1985 was a deceptive profile since it was accompanied by a decline in the work force from 53,160 and 56,470 in 1982 and 1983 respectively to 42,154 in 1985.[18] This decline was caused by such coping strategies like rationalization, retrenchment of workers, novel shift work, cuts in wages, compulsory hire and compulsory overtime without extra pay. This crisis grew as the malignant outcrop of dependent development: marked by shortages of raw materials, shortages of machineries and spare parts in the face of unwilling manufacturers to adapt and reverse engineer to fit into the local environment of production. By 1985, the crisis had matured while the national stabilization measures in the form of austerity package defied government's efforts aimed at ameliorating the contradictions. Wage freeze had not only increased poverty, the citizens had become convulsed by the perception of a failed state characterized by systemic failure, institutional immobilism, venality in public life, rising unemployment, rising crime, capital flight, prostitution, etc.

The crisis was linked to the structural dislocation of the Nigerian economy. The World Bank/IMF Structural Adjustment Programme: a set of fiscal and monetary policies was adopted to address the adjustment of the exchange rate as well as the issue of privatization, commercialization and deregulation of the economy. In the process, an open economy based on the hands-off market driven, non-interventionist development model; cloned on Adams Smith's invisible hands, pushed Nigeria into the new globalization age.

GLOBALIZATION AND INDUSTRIAL PERFORMANCE

In this section of the paper, the performance of post globalization banking sub-sector as well as food/beverages and chemical/allied manufacturing sub-sectors are discussed. Using asset growth, after tax profit, earnings per share and dividends per share, the paper attempts to track the profile of the sector against the backdrop of reported deindustrialization associated with the implementation of globalization programme in Nigeria. The choice of manufacturing sub-sector gives the project sector specific replication thrust while the foray into banking sub-sector of the finance industry enables the paper to capture the engine room of the globalization programme as the new philosophy of development.

The Banking Sub-Sector

Banking in Nigeria pre-dates formal state colonization in 1914; following the amalgamation by Lord Lugard. Between 1892 and 1959, 33 banks were registered in Nigeria. Using the CAMEL parameters, 28 of the banks failed during the period, with 17 of them crashing in 1954 alone.[19] The banks that survived were basically weak, under capitalized and poorly managed and therefore lacked the capacity for offshore financing. In the attempt to create mega-banks that can respond to the challenges of globalization, Soludo (the CBN Governor) in his 2004 banking sector reform announced a new minimum equity base of N25 billion for Nigerian banks. The policy aimed at strengthening the sector in the face of the challenges of managing the growing oil revenue within the reform ferment. The reform programme led to the shrinking of the sub-sector players from 89 banks in 2004 to 25 banks in 2005. This was achieved mainly by mergers, acquisition and recapitalization through the Nigerian Stock Exchange and foreign investment interests.

The consolidation project has been a mixed blessing. Asset growth has been a story of bubble-boom and burst. Asset size rose as 20 of the top banks accounted for about 90 per cent of the 25 banks that survived the consolidation fever. One year after consolidation, Oceanic Bank alone boasted of a paid up share capital of N270 billion,[20] which was N70 billion in excess of the paid-up share capital of 20 top banks in 2004 before the consolidation. The per centage relative asset growth in Naira and Dollar values of the consolidated banks between 2004 and 2007 are captured in columns 8 and 9 of table I respectively. Intercontinental Bank posted the highest value of 100 per cent during the period, while Union Bank posted lowest value of 40.66 per cent in Naira term. The conversion of the asset value to dollar value at the local rate shows considerable asset growth in dollar term. See table I, column 9. See Appendix I.

A similar pattern of bubble is posted in the profitability of consolidated banks. First City Monument Bank posted 95.72 per cent followed by Intercontinental Bank which posted 93.47 per cent on second position as most profitable bank. However, Sterling Bank posted losses of up to 148.94 per cent. Comparative naira and dollar value performances of consolidated banks are also recorded in columns 8 and 9 on table II. Conversion of current profit to dollar value at the local exchange rate also shows considerable profit growth in dollar terms. See table II, column 9. See Appendix II.

The Manufacturing Sub-Sector

The rise of the manufacturing sub-sector dates back to the run-up to independence and immediate post independence era. The entire period of colonial rule was predominantly marked by over reliance on overseas manufacturers of consumables. Industry dependence on overseas supplies of finished consumables, raw materials and intermediates created the crisis of run-away job and the attendant capital flight. In the attempt to ameliorate the crisis engendered, as well as legitimize post-colonial rule, the elites went for import substituting industrialization strategy of growth. Fashionable as this strategy stood, it was pursued in the context of metropolis-centre-periphery constellation which tied Nigerian manufacturing companies vertically to metropolitan patronages in the Western capitals. The crisis of extraversion engendered, betrayed the Nigerian illusion of industrialization and hence the indigenization programme of the 70s which was eventually abandoned in the 1980s for the globalization programme via the SAP.

Asset growth in the manufacturing sub-sector represented by the food/beverage and chemical/allied companies similarly showed that post-globalization enterprises have recorded consistent improvement on asset base. With the possible exception of Northern Nigerian Flour Mills Plc, Premier Paints Plc and African Paints Nigeria Plc, the sub-sector would seem to have recorded considerable improvement in post-globalization asset base. The growth is as high as 72.34 per cent Flour Mills Nig. Plc, and as low as -1223.59 per cent African Paints Plc. Columns 8 and 9 shows comparative performance returns for the studied companies in Naira and Dollar terms. The conversion of the asset value to dollar value at the ruling local rate shows considerable asset growth in dollar terms during the period. See table III column 9. See Appendix III.

Similarly, profitability also seems to be good though generally higher in the banking sub-sector. Negative profitability is as high as 42347.35 per cent in Chemical and Allied; 638.07 per cent in Cadbury Nigeria Plc and as low as 1.72 per cent in DN Meyer Plc. African Paints Nigerian Plc recorded a loss of -4.14 per cent while five companies out of 17 on the whole recorded losses. The performance ratings are captured in columns 8 and 9 of table IV. Conversion of profit value to dollar value at the ruling local rate shows considerable profit growth in dollar terms. See table IV column 9, (Appendix IV). However, while on a general note, asset growth and profitability were high in the sub-sectors during the period under study, returns on equity and returns on asset remained modest in those companies that posted positive returns. Such returns neither enhanced investor confidence nor promoted their well-being. A number of firms may have maximized their interest elsewhere through transfer pricing.

GOVERNANCE AND INDUSTRIAL PERFORMANCE

Governance in this context refers to the management, implementation and execution of the policies and programmes of the state. Governance process charts the bearing and gives a meaning to policies and programmes within the framework of implementation and results. In democratic pluralism, governance takes four designations – state/political; civil governance, corporate governance and cultural governance. State/political governance is concerned with goals attainment and development of regulatory capacities of the society, while civil governance is concerned with input stimulation for balanced societal development. On the other hand, corporate governance implies the observance and response of corporate citizens (firms and investment houses) to the policies of state in corporate management, while cultural governance (religious organisations, educational organisations, traditional rulership structures and institutions) construct the value template for the development of constructive norms that predicate good governance system. These four governance categories form the decision matrix of state although state/political category enjoys monopoly of proximate decisions. This section assumes that globalization is not a programme in vacuum but rather a complex network of interacting forces that can play out to determine the outcome of globalization. In other words, how have the social forces of society interacted to give a developmental meaning to the programme by way of industrial productivity, acceptance and faith in regulatory guidelines, infrastructural development, etc? In this section, the paper addresses issue like manufacturing production structure, manufacturing production investment, state of infrastructure as well socio-economic and environmental considerations. Specific globalization and governance interface and dynamics like capacity utilization, local content profile of manufacturing industry, exchange rate fluctuation, manufacturing sectoral factor in Gross Domestic Product, energy supply etc. are interrogated in the context of globalization-governance nexus.

MANUFACTURING PRODUCTION STRUCTURE AND OUTPUT

Modern large scale industrial manufacturing is complex to the extent that the input factors could be located in different national spaces. The location of the raw materials could be different from the source of the technology for exploitation; could be different from the source of the skills for application of the technology; could be different from the market where consumers are located, etc. Similarly, economic considerations affecting the prices of factor inputs which make a whole lot of impact on the economies of industrial production tend to affect the structure of production process. Therefore, these considerations affect global capital migration along vertical and horizontal trajectory and will determine whether or not globalization can add value to the post globalization economies particularly for the developing countries.

With critical technology in the hands of the MNCs, central command functions are similarly located in the Northern hemisphere. This confers control functions on the North. Such corporate governance monopoly access, leaves Nigeria with little or no room for manoeuvre in the areas of raw material sourcing, recruitment of critical personnel for management of production processes as well as the sourcing of intermediate inputs and core technologies. In addition, such governance practices leave the North with sufficient room for profit maximization through transfer pricing. This is globalization without integration.

Share of GDP

In this process, Nigeria is left with falling manufacturing GDP contribution to national economy. Table V shows how the profile has fallen from 8.2 per cent in 1990 to 4.2 per cent in 2003. This has adverse implications for national development.

Table V
Manufacturing Share of GDP

S/N	*Year*	*Per centage*
1	1990	8.2
2	1991	8.3
3	1992	8.6
4	1993	7.3
5	1994	7.2
6	1995	6.7
7	1996	6.5
8	1997	6.3
9	1998	6.2
10	1999	6.3
11	2000	6.0
12	2001	6.0
13	2002	4.61
14	2003	4.2

Source: Collated from various editions of Manufacturers Association of Nigeria's Report (MAN) for the various years.

Capacity Utilization

Industrial capacity utilization which stood at 51.3 per cent in 2002 fell to 50.5 per cent in 2007. Over the six year period, average capacity utilization stood at 47.6 per cent. See table VI. This performance has been beneficial given that capacity utilization was as low as 10.2 per cent in 1985 before globalization. However, the profile makes room for idle investment. This may have been caused by vertical rather than horizontal integration in the industrial sector.

Table VI
Average Industrial Capacity Utilization (%)

Year	*Manufacturing Sector Average*
2002	51.3
2003	48.9
2004	45.02
2005	44.06
2006	45.5
2007	50.5

Source: Collated by author from MAN Report for affected period.

Manufacturing Output

However, manufacturing industrial output value rose from about 43 billion in 2003 to 322 billion in 2007. Exchange rate variation notwithstanding, the Nigerian economy reaped considerable production growth during the period. See table VII below:

Table VII
Manufacturing Production Output (N'000): 2003-2007

Year	*Manufacturing Sector Average*
2003	42,982.34bn
2004	
2005	73,024,262,063
2006	207,804,253.729
2007	322,222,827,577

Source: Collated by author from MAN Report for affected period.

Unplanned Inventory

Similarly, the value of unplanned inventory (unsold stock) fell from N575,247 billions in 2002 to N276,000 billions in 2007. This figure also shows remarkable improvement in the market situation given the fall in consumer resistance. See table VIII.

Table VIII
Unplanned Inventory: 2002-2007 (N'bn)

Year	*Unsold Stock*
2002	575,247
2003	423,457
2004	764,305
2005	345,000
2006	291,000
2007	276,000

Source: Collated by author from MAN Report for affected period.

Raw Material Sourcing

The structure below (table IX) reports slight local dominance against foreign sources of raw materials between 2002 and 2007. Government policy has consistently has been generally declaratory in this respect without a law on reverse engineering, to stimulate internal sourcing and development to guide corporate governance process. Between 2002 and 2007 on the average, 55.5 per cent of raw materials have been locally sourced while 44.5 per cent are imported.

Table IX
Raw Material Sourcing (%) 2002-2007

Year	*Local*	*Import*
2002	51.8	48.2
2003	54.1	45.9
2004	57.5	42.5
2005	67.1	32.9
2006	53.83	46.15
2007	48.5	51.6

Source: Collated by author from MAN Report for affected period.

MANUFACTURING SECTORAL INVESTMENT

Local value added in the industry is determined in part by sectoral investment that is locally incurred. Such local value addition contributes to the GDP, generates jobs and gives a general prop to the local economy. Table X column (3) shows high investment profile on plants/equipment, N311 billion for 2003, N135.4 billion for 2005, N138.7 billion for 2006 and N54.6 billion for 2007. The returns on column (2) as local content spending is low compared to returns on column (3) as foreign content spending. Such foreign content spending (3) is invested on imported machineries, intermediates and foreign skills as well as foreign consultancy services which benefit foreign economy through the multiplier processes. The purchase of vehicles for N36.4 billion in 2005; N9.5 billion in 2006; and N101.5 billion in 2007 also shows high import content manufacturing operations. These investments normally executed through the head offices of big MNCs create room for over-invoicing and transfer pricing. The returns on R & D in column (6) show areas of least sectoral investment. It also suggests that Nigerian manufacturing companies have no immediate plans for reverse engineering and domestication of technology. However, investment profile in the sector tends to be generally growing from a modest figure of N7.4 billion in 2003 to N371.8 billion in 2005; and from N327 billion in 2006 to N464 billion in 2007 as reported in column (10). This high growth rate in investment has given rise to high asset growth as shown in tables I and III. However, given high import content, globalization in the sector may not make expected contribution to the Nigerian economy until government policy can force investing companies, local and foreign to reverse engineer. Similarly, high profitability could be undermined by capital flight in the context of globalization without local integration: due to export of cost and repatriation of profit.

Table X
Structure of Manufacturing Sectoral Investment by Types (N'000) 2003-2007

Year	*Lands and Buildings*	*Plant/Manuf-acturing Equipments*	*Furniture and Equipment*	*Spare Parts*	*R & D*	*Vehicles*	*(Const) Assets Under*	*Others*	*Total*
2003	1.61	3.11	0.84	0.49	0.09	0.64		0.60	7.4
2004									
2005	171.6	135.4	6.6	5.7	2.33	36.4	-	13.8	371.8
2006	142.7	138.7	13.3	3.9	1.6	9.5	16.7	0.6	327
2007	16.6	54.6	3.9	-	-	101.5	14.4	-	190.9*
1	2	3	4	5	6	7	8	9	10

Source: Collated by author from MAN Report for affected period.

- Returns for 2007 is for January to June while undisaggregated figure for July-December stood at 273.1 billion putting total figure for 2007 at N464 billion.

INFRASTRUCTURE

Infrastructure road block has been the bane of current industrialization efforts. The roads are not maintained; the waterways are limited and hardly maintained, while electricity supply is very epileptic. Industries have had to rely on gen sets thereby increasing the cost of production. In short, electricity supply limitations have given a prop to the phenomenon of run away industries to neighbouring state of Ghana with attendant job loss. Table XI below captures electricity supply situation in the country. The table shows more hours of outages than supply per day.

Table XI
Energy Supply to Different Industrial States in Sampled States: 2003-2007

Year	*No. of States*	*Average Supply by NEPA/PHCN Per Day in Hours*	*%*	*Average Outages Per Day in Hours*
2003	10	9.73	40.56	14.27
2004	12	7.52	31.3	16.48
2005	12	14.3	59.6	9.7
2006	12	14.5	60.4	9.5
2007	13	9.07	37.8	14.93

Source: Collated by author from MAN Report for affected period.

SOCIO-ECONOMIC AND ENVIRONMENTAL CONSIDERATIONS

Exchange Rate Fluctuation

Globalization was designed to realign the naira and make the Nigerian economy more competitive. This is achievable through diversification of the economy by strengthening agriculture and manufacturing industries as well as services.

However, the value of the naira has continued to slide since it was first depreciated in 1986. While table XII captures the rate as at 2000 to 2007, current rate as at March 2011 is N150 to the dollar. The depreciation continues as agrarian revolution or industrial revolution has yet to manifest, while the World Bank is pushing for further depreciation. Average exchange rate between 2001 and 2007 stood at N124.6 to the dollar.

Table XII
Average Naira Exchange Rate

Year	*Rate*
2000	
2001	111.4
2002	115.5
2003	126.9
2004	133.7
2005	132.85
2006	128.29
2007	123.39
2008	

Source: Collated by author from MAN Report for affected period.

Manufacturing Employment

Manufacturing employment has experienced consistent decline since the mid 80s. The trend has continued till date. Table XIII shows the decline from a figure of 1,420,541 employed in 2002 to 1,027,799 by 2007. The figure suggests that globalization has generated runaway jobs in favour of overseas labour force. As the local market becomes slow and industries become resistant, social problems of unemployment, armed robbery, prostitution, hooliganism, hijacking for ransom, value disorientation and anomic state of moral deregulation make Nigerian environment toxic for long-term and medium-term investments.

Table XIII
Manufacturing Employment, 2002-2007

Year	*Average Number Employed: January - December*
2002	1,420,541
2003	1,358,122
2004	1,172,410
2005	1,051,469
2006	1,000,716
2007	1,027,799

Source: Collated by author from MAN Report for affected period.

THE PARADOX OF INDUSTRIAL PERFORMANCE

The central hypothesis of this paper that globalization programme in Africa triggers de-industrialization, as measured by profitability and asset underdevelopment in the manufacturing sector, is controverted by empirical evidence from this study. Asset profile and profit performance as well as dividend growth and earnings per share have similarly recorded impressive growth between 2004 and 2007. Measured with these variables, an earlier study has concluded using exchange rate factor that the profitability of post-globalization industry is disguised. Therefore, the failure of the Nigerian manufacturing sector up to 2003 is explained by the weak naira rating relative to the dollar. The discomfort of this paper is not that industrial performance from 1986-2003 is misunderstood and misrepresented, but that if the absence of such growth indicators explain the phenomenon of de-industrialisation, the continued reproduction of such crises in an industrial sector that has recorded observed developments between 2004-2007 cannot be rationalized and understood. This evidence suggests that a causal relationship between globalization and deindustrialization in Nigeria cannot be established. The fallacy of the earlier conclusion in borne out of the fact that from 10.2 per cent industrial capacity utilization pre-globalisation in 1986, the manufacturing sector surged to 47.6 per cent between 2004 and 2007.

However, the new performance profile since 2004 has not improved the status of the manufacturing sector. The same paradox is manifest in the banking sub-sector where asset bubble and profit bubble disguised the actual profile of the sub-sector. It is in this context that we are to capture the bubble-boom-burse that induced Hurricane Sanusi of 2009. Thus, in the face of disguised growth prompted by globalization without integration, post-globalization industry has grown without development: to unleash more industry haemorrhage, unemployment and a deeply rooted criminogenic society and culture. It is in this paradox that we are to situate current industry crisis.

Many of such conclusions are reached before the research is commenced. Inaccurate and unprocessed information have made such neo-Marxist interpretations of the impact of globalization handicapped by the methodological crisis of too many theories pursuing few facts. In a number of cases, conclusions are cloned or constructed to justify existing ideological trap; leading to either the methodological fallacy of operationism in reverse or the growth of robust intellectual fixation.

Banking Sector Fatality

The Nigerian banking sub-sector could not insulate itself from the global crisis of economic meltdown that started in the United State in 2007. The honeymoon that saw the capitalization of an average bank rising by 400 per cent from N7.71 billion in 2004 to N38.83 billion in 2006 was a transient achievement. The leverage ratio measured in terms of equity to total asset declined from 18.25 per cent in 2004 to

14.52 per cent in 2006 for an average bank. While banks were able to more than double their gross earnings after consolidation, industry return on equity declined from 38.28 per cent in 2004 to 11.12 per cent in 2006. Similarly, return on asset declined from 8.37 per cent in 2004 to 2.09 per cent in 2006. Asset utilization ratio declined from an average of 34 kobo to N1.00 in 2004 to 11 kobo in 2006. The leverage structure, asset size, deposit base and capital adequacy engendered by the 2004 capitalization did not promote the needed profit efficiency that can improve the sub-sector's health.[21] See table XIV.

Table XIV
Pre-Post Consolidation Performance of the Nigerian Banks

Macro Economic Indicators	*2004(a)N'm*	*2005(b)N'm*	*2006 (c)N'm*	*% change increase (+) decrease (-) or difference (D+or-) (a-c)*
Average lending (N'm)	14,371,238	42,380.180	80,788,854	+462.15%
Average Assets (N'm)	42,171.66	132,017.34	267,482.50	+534.27%
Average deposit (N'm)	10482.36	85,007.13	188,478.55	+1690.05%
Average net worth (N'm)	7708.73	19708.88	38,831.31	+403.73%
Return on equity (%)	35.28	12.72	11.12	-24.16(D)
Return on assets (%)	8.37	3.01	2.07	-6.30
Asset utilization (%)	33.62	11.52	11.04	-6.30(D)
Total bank loan and advance (N'm)	1,294,449.5	1,859,555.5	2,338,718.80	-22.56
GDP (Current basic prices) (N'm)	0	0	18,067,630	+80.67
Real GDP (growth %)	11,411,070	14,572,240	0	+58.34%
Credit to private sector (N'm)	20.42	19.50	10	+2.80D
Bank Market capitalization	12.80	13.0	525,432.0	+68.87%
Bank Market capitalization/ NSE capitalization (%)	311,646.8	442,008.9	2,142,745.73	+223.82%
Credit/GDP	32.89	2,036,089.9		+0.18

Source: Ademola, A. (2010) "Capital adequacy and capital issue in Nigerian banks" In Nigerian Journal of Securities and Finance; a publication of Nigerian Stock Exchange Vol. 15, No. 1:59, March 2010.

The declining performance culminated in the Hurricane Sanusi of August and October 2009 in which eight players in the sub-sector that suffered haemorrahge had their management sacked for poor corporate governance practices. To ameliorate the health of the sub-sector the CBN injected N620 billion second tier loan into the weak banks to avoid banking sector failure and loss of confidence in the Nigerian financial system. Ever since the August and October 2009 pills, the sub-sector has received additional N190 billion brining total stimulus package so far to N810 billion.

Manufacturing Industry Mortality

The post-adjustment economy has witnessed industry haemorrhage, a trend that took root since the mid-1980's. It has been reported that at least 37 companies closed shop in July 2009 alone, bringing corporate fatality figure in July 2007 to 857.[22] Such high fatality was in spite of the huge loan portfolio of N3.9 trillion enjoyed by the manufacturing sector between 2003 and 2009, while communications and the oil and gas sectors received N4.97 trillion and N6.943 trillion respectively.[23] The high closure rate according to industry sources is explained by infrastructure roadblock, low bank patronage in the form of credit funding, and the lack of political will on the part of the government. The "Bank of Industries (which) was promised N50 billion as capitalization" (in 2009) "…was disbursed just N5 billion"[24] during the fiscal year. Corporate haemorrhage has witnessed the migration of a number of Nigerian firms to the neighbouring state of Ghana with the attendant runaway jobs. In this process, emigrating firms turn Nigeria into a marketing economy.[25] See table XV below.

Table XV
Location Specific Industry Fatality Profile

S/N	*Industry Location/Layout*	*No. of Closures*
1	Ikeja and Isolo Industrial Estate, Lagos	159
2	Shorandoa, Bompai and Challawa	140
3	Oyo, Ondo, Osun/Ekiti	119
4	Anambra, Enugu, Ebonyi	114
5	Ogu	106
6	Apapa	55
7	Imo, Abia	64
8	Kaduna, (North West)	28
9	Rivers, Bayelsa	24
10	Edo/Delta	20
11	Cross River/Akwa Ibom	20
12	Plateau/Bauchi/Nasarawa	8
	Total	855

Source: Compiled by Author from MAN Report (1990) and Guardian, August 10, 2009:2

Job Melt-Down

In 2007 alone, job loss in the textile industry alone stood at about 10,000. It is in this context that Aremu, the Secretary General, National Union of Textile Garments and Tailoring Workers Union of Nigeria, reported that union membership which earlier stood at 150,000 has shrunk to about 40,000. The multinational companies have downsized by over 42,000 jobs. They include Pfizer 8,000 jobs; Caterpillar 20,000 jobs, Sprint Nextel, 8,000; Phillips, 6,000 and Guinness with about 100 jobs. On a similar note, Isok, President, National Union of Chemical, Footwear, Leather, Rubber and Non-metallic Products Employees (NUCFLRAMPA) reported that 40 companies in the sector have shut their doors with over 80,000 workers loosing their jobs.[26] Dunlop Nigeria, Mercury and Michelin Nigeria that hitherto manufactured tyres have shut their plants and diversified into importation of finished products as trading concerns. Membership of the union which stood at 200,000 in the glorious days has thinned down to a low 60,000 due to factory closure.[27] See table XVI below.

Table XVI
Company Specific Job Loss Profile in the Nigerian Textile Industry as at August 10, 2009

S/N	*Corporate Haemorrahage*	*Job Loss*
1	International Textile Industry – Isolo and Ikorodu	800
2	First Spinner Ltd. –Ikorodu	500
3	Bhojr Textile Industry	700
4	Reliance Textile – Ikeja	500
5	Fahibdayekh and Company – Kano	N.A.
6	Atlantic Textile Mill – Lagos	800
7	United Textile Mill – Kaduna	500
	Total	8,300

Source: See the Guardian, Lagos, August 10:2, 2009.

CONCLUSION

The assumption that deindustrialization in Nigeria is associated with globalization is controverted by empirical evidence from this paper; using profitability, asset base development, local sourcing of raw materials, manufacturing sectoral investment as conventional indicators. While the studied firms in the manufacturing and banking sectors performed relatively well on these indicators, the crisis of underdevelopment still threaten the Nigerian industrial system of production and financial intermediation. The paradox of growth without development includes rising factory closures; rising unemployment and job losses; declining manufacturing sectoral GDP contribution in the face of rising productivity and profitability; and declining sectoral investment in R & D to reverse engineer the production processes, etc.

On the basis of the empirical evidence from this paper, the hypothesis that globalization in Nigeria has produced deindustrialization, based on the poor performance profile of the studied firms on these development indicators is rejected; on the ground of improved performance reported by this study. However, the paper reports that improvements in these indicators have not leveraged the sub-sectors under study because globalization programme implemented by the state did not factor the necessity to horizontally integrate the economy. There are certain assumptions about the Nigerian project in respect of globalization which automatically defeat the programme. The first is that globalization is an 'automatic development' fashion that would generate the context for development. The second assumption is that far from being a means to an end, globalization is an end in itself that stimulates development once adopted. Therefore, globalization is an express route to development.

It is the position of this paper that globalization is a 'road map' and like all road maps a route, but unlike an express route it does not lead to development through the journey of a robot. On this score, the road to development through globalization is affected by governance variables and forces which define the context, the meaning, mission and goals. The notion of invisible hands of the market and the phenomenon of rolled-back state is an illusion which post capitalism and post development cannot accommodate in the age of proprietary technology and patent industrialism. Similarly, the melting of the global economy has not only fuelled the myth of rolled-back state in the face of bail-out plans, it has equally suggested the necessity for improved governance in the case of globalization.

This paper argues that the Nigerian project is undermined by deficit governance on several grounds. First, globalization was embraced without proper study and analysis to have at least captured its meaning and essence in the context of national peculiarities. This could have made the case for discriminatory and industry specific globalization programme. Second, infrastructure re-building to enhance competitiveness and cost efficiency has not been properly addressed in the preparation for global competition. Third, a country notorious for corruption must re-examine national institutions in order not to discourage foreign investments. Fourth, the crime level as a major consideration in corporate migration has to be handled to avoid capital flight. National institutions must be further strengthened and capacity building made a national priority. A national technology development policy designed to create the context for transfer, diffusion and assimilation of technology must be embraced to support globalization programme. This will include disaggregation and unbunding of technology packages for indigenization as against current aggregate technology policy. This will enhance integrated globalization that can stimulate meaningful relationship between industry and local economy in the preparation for the global space competition.

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APPENDIX I

Table 1
Post Consolidation Bubble of Banks, 2004-2007: Casset and Contingencies) N'000

Bank	*2007*		*2004*		*Absolute change in Naira*	*Absolute change in Dollar*	*Relative percentage change in Naira*	*Relative percen-tage change in Dollare*
	N	*$*	*N*	*$*	*N*	*$*		
First Bank	762,881,000.00	6,162,702.96	312,490,000.00	2,337,247.57	450,391,000.00	3,825,455.40	59.04%	62.07%
Union Bank	619,800,000.00	5,006,866.47	367,798,240.00	2,750,921.77	252,001,760.00	2,255,944.70	40.66%	45.06%
Afribank	187,722,000.00	1,516,455.29	70,578,000.00	527,883.32	117,144,000.00	988,571.97	62.40%	65.19%
Fidelity	217,144,465.00	1,754,135.75	27,552,079.00	206,073.89	189,592,386.00	1,548,061.86	87.31%	88.25%
Zenith Bank	883,940,926.00	7,140,648.89	193,321,489.00	1,445,934.85	690,619,437.00	5,694,714.04	78.13%	79.75%
IBTC Chartered	146,977,690.00	1,187,314.73	26,871,886.00	200,986.43	120,105,804.00	986,328.29	81.72%	83.07%
Intercontinental	663,548,208.00	5,360,273.11	-	-	663,548,208.00	5,360,273.11	100.00%	100.00%
Wema Bank	165,081,532.00	1,333,561.13	71,423,836.00	534,209.69	93,657,696.00	799,351.43	56.73%	59.94%
Access	388,657,194.00	3,139,649.36	31,314,507.00	234,214.71	357,342,687.00	2,905,434.65	91.94%	92.54%
Unity Bank	-	-	25,697,000.00	192,198.95	(25,697,000.00)	(192,198.95)	#DIV/0!	#DIV/0!
Fin Bank	181,308,208.00	1,464,643.41	26,403,831.00	197,485.65	154,904,377.00	1,267,157.77	85.44%	86.52%
Skye Bank	446,114,000.00	3,603,796.75	25,998,000.00	194,450.26	420,116,000.00	3,409,346.49	94.17%	94.60%
FCMB	262,805,890.00	2,122,997.74	23,736,249.00	177,533.65	239,069,641.00	1,945,464.09	90.97%	91.64%
Oceanic Bank	1,030,440,887.00	8,324,104.43	86,884,223.00	649,844.60	943,556,664.00	7,674,259.83	91.57%	92.19%
ECO Bank	311,395,895.00	2,515,517.37	37,642,066.00	281,541.26	273,753,829.00	2,233,976.11	87.91%	88.81%
Diamond	312,249,721.00	2,522,414.74	69,114,931.00	516,940.40	243,134,790.00	2,005,474.35	77.87%	79.51%
Sterling Bank	145,974,674.00	1,179,212.17	28,728,214.00	214,870.71	117,246,460.00	964,341.46	80.32%	81.78%
GTB	486,491,099.00	3,929,970.91	119,698,240.00	895,274.79	366,792,859.00	3,034,696.12	75.40%	77.22%
Bank PHB	378,949,309.00	3,061,227.15	25,026,863.00	187,186.71	353,922,446.00	2,874,040.44	93.40%	93.89%
UBA	1,102,348,000.00	8,904,984.25	208,806,000.00	1,561,750.19	893,542,000.00	7,343,234.06	81.06%	82.46%

Source: Computed by the author from the audited accounts of consolidated banks

APPENDIX II

Table II
Profit After Tax (N'000) 2004 – 2007

Bank	*2007*		*2004*		*Absolute change in Naira*	*Absolute change in Dollar*	*Relative percentage change in Naira*	*Relative percentage change in Dollar*
	N	*$*	*N*	*$*	*N*	*$*		
First Bank	18,355,000.00	148,275.30	11,096,000.00	82,991.77	7,259,000.00	65,283.53	39.55%	44.03%
Union Bank	12,739,000.00	102,908.15	7,750,000.00	57,965.59	4,989,000.00	44,942.56	39.16%	43.67%
Afribank	3,471,000.00	28,039.42	968,000.00	7,240.09	2,503,000.00	20,799.33	72.11%	74.18%
Fidelity	4,160,007.00	33,605.36	913,604.00	6,833.24	3,246,403.00	26,772.12	78.04%	79.67%
Zenith Bank	17,509,145.00	141,442.32	5,190,768.00	38,823.99	12,318,377.00	102,618.33	70.35%	72.55%
IBTC Chartered	5,362,702.00	43,320.96	2,502,000.00	18,713.54	2,860,702.00	24,607.43	53.34%	56.80%
Intercontinental	14,814,000.00	119,670.41	967,148.00	7,233.72	13,846,852.00	112,436.69	93.47%	93.96%
Wema Bank	2,553,098.00	20,624.43	967,148.00	7,233.72	1,585,950.00	13,390.71	62.12%	64.93%
Access	6,083,439.00	49,143.22	637,473.00	4,767.94	5,445,966.00	44,375.28	89.52%	90.30%
Unity Bank		-	488.00	3.65	(488.00)	(3.65)	#DIV/0!	#DIV/0!
Fin Bank	2,649,120.00	21,400.11	311,744.00	2,331.67	2,337,376.00	19,068.45	88.23%	89.10%
Skye Bank	5,517,000.00	44,567.41	610,000.00	4,562.45	4,907,000.00	40,004.96	88.94%	89.76%
FCMB	5,805,856.00	46,900.85	248,458.00	1,858.32	5,557,398.00	45,042.52	95.72%	96.04%
Oceanic Bank	17,134,085.00	138,412.51	3,287,258.00	24,586.82	13,846,827.00	113,825.69	80.81%	82.24%
ECO Bank	7,449,777.00	60,180.77	894,439.00	6,689.90	6,555,338.00	53,490.87	87.99%	88.88%
Diamond	6,930,754.00	55,988.00	833,498.00	6,234.09	6,097,256.00	49,753.90	87.97%	88.87%
Sterling Bank	620,658.00	5,013.80	1,545,077.00	11,556.30	(924,419.00)	(6,542.50)	-148.94%	-130.49%
GTB	13,013,146.00	105,122.76	4,056,557.00	30,340.74	8,956,589.00	74,782.02	68.83%	71.14%
Bank PHB	7,639,063.00	61,709.86	616,606.00	4,611.86	7,022,457.00	57,097.99	91.93%	92.53%
UBA	19,831,000.00	160,198.72	4,185,000.00	31,301.42	15,646,000.00	128,897.30	78.90%	80.46%

Sources: Computed by the Author from the audited accounts of manufacturing companies for the period covered.

APPENDIX III

Table III
Asset Growth of Manufacturing Companies for the Period (N'000) 2004-2007

Company	*2007*		*2004*		*Absolute change in Naira*	*Absolute change in Dollar*	*Relative percentage change in Naira*	*Relative percentage change in Dollar*
	N	*$*	*N*	*$*	*N*	*$*		
Cadbury Nigeria Plc	23,957,671.00	193,534.78	19,529,085.00	146,066.45	4,428,586.00	47,468.33	18.49%	24.53%
Seven-up Bottling Coy	6,280,352.00	50,733.92	3,967,235.00	29,672.66	2,313,117.00	21,061.26	36.83%	41.51%
Nigerian Bottling Coy	31,094,541.00	251,187.83	17,160,365.00	128,349.78	13,934,176.00	122,838.05	44.81%	48.90%
U.T.C. Foods	1,528,271.00	12,345.67	669,105.00	5,004.53	859,166.00	7,341.15	56.22%	59.46%
Nestle Nigerian Plc	21,252,320.00	171,680.43	13,399,870.00	100,223.41	7,852,450.00	71,457.02	36.95%	41.62%
Flour Mills Nig. Plc	19,024,793.00	153,686.02	5,261,612.00	39,353.87	13,763,181.00	114,332.16	72.34%	74.39%
Northern Nig Flour Mills Plc	608,429.00	4,915.01	703,235.00	5,259.80	(94,806.00)	(344.79)	-15.58%	-7.02%
Guinness Nig. Plc	31,638,842.00	255,584.80	23,102,931.00	172,796.79	8,535,911.00	82,788.01	26.98%	32.39%
Nigerian Brewery Plc	43,183,042.00	348,841.12	31,278,969.00	233,948.91	11,904,073.00	114,892.21	27.57%	32.94%
Berger Paints Nig. Plc	1,080,086.00	8,725.15	498,349.00	3,727.37	581,737.00	4,997.78	53.86%	57.28%
Chemical and Allied	535,296,647.00	4,324,231.74	439,916,353.00	3,290,324.26	95,380,294.00	1,033,907.48	17.82%	23.91%
DN Meyer Plc	648,939.00	5,242.26	313,148.00	2,342.17	335,791.00	2,900.09	51.74%	55.32%
Premier Paints Plc	85,254,971.00	688,706.45	86,481,840.00	646,835.00	(1,226,869.00)	41,871.44	-1.44%	6.08%
Nigeria German Chemicals Plc	1,060,283.00	8,565.17	1,060,283.00	7,930.31	-	634.86	0.00%	7.41%
African Paints Nig. Plc	8,106.00	65.48	107,290.00	802.47	(99,184.00)	(736.99)	-1223.59%	-1125.48%
IPWA Plc	381,122.00	3,078.78	164,425.00	1,229.81	216,697.00	1,848.97	56.86%	60.06%
Portland Paints and product Plc	933,217.00	7,538.71	463,792.00	3,468.90	469,425.00	4,069.81	50.30%	53.99%

Sources: Computed by the Author from the audited accounts of manufacturing companies for the period covered.

APPENDIX IV

Table IV
Profit After Tax in Food/Beverages and Chemical/Allied sub-sector (N,000) 2004-2007

Company	*2007*		*2004*		*Absolute change in Naira*	*Absolute change in Dollar*	*Relative percentage change in Naira*	*Relative percentage change in Dollar*
	N	*$*	*N*	*$*	*N*	*$*		
Cadbury Nigeria Plc	(464,231.00)	(3,750.15)	2,497,890.00	18,682.80	(2,962,121.00)	(22,432.95)	-638.07%	-598.19%
Seven-up Bottling Coy	1,219,402.00	9,850.57	1,143,993.00	8,556.42	75,409.00	1,294.15	6.18%	13.14%
Nigerian Bottling Coy	3,172,264.00	25,626.17	3,032,322.00	22,680.04	139,942.00	2,946.13	4.41%	11.50%
U.T.C. Foods	37,565.00	303.46	(74,115.00)	(554.34)	111,680.00	857.80	-297.30%	-282.67%
Nestle Nigerian Plc	5,441,899.00	43,960.73	3,835,493.00	28,687.31	1,606,406.00	15,273.42	29.52%	34.74%
Flour Mills Nig. Plc	5,095,991.00	41,166.42	1,027,108.00	7,682.18	4,068,883.00	33,484.23	79.84%	81.34%
Northern Nig Flour Mills Plc	(104,406.00)	(843.41)	138,499.00	1,035.89	(242,905.00)	(1,879.31)	-232.65%	-222.82%
Guinness Nig. Plc	10,691,060.00	86,364.49	7,913,503.00	59,188.50	2,777,557.00	27,175.98	25.98%	31.47%
Nigerian Brewery Plc	18,942,856.00	153,024.12	5,086,403.00	38,043.40	13,856,453.00	114,980.72	73.15%	75.14%
Berger Paints Nig. Plc	112,619.00	909.76	101,542.00	759.48	11,077.00	150.28	9.84%	16.52%
Chemical and Allied	212,753.00	1,718.66	(89,882,511.00)	(672,270.09)	90,095,264.00	673,988.75	-42347.35%	-39215.93%
DN Meyer Plc	63,778.00	515.21	62,680.00	468.81	1,098.00	46.40	1.72%	9.01%
Premier Paints Plc	6,114,680.00	49,395.59	(6,308,908.00)	(47,187.05)	12,423,588.00	96,582.63	203.18%	195.53%
Nigeria German Chemicals Plc	94,936.00	766.91	48,800.00	365.00	46,136.00	401.92	48.60%	52.41%
African Paints Nig. Plc	(61,189.00)	(494.30)	(63,725.00)	(476.63)	2,536.00	(17.67)	-4.14%	-3.57%
IPWA Plc	68,578.00	553.99	(34,848.00)	(260.64)	103,426.00	814.63	150.82%	147.05%
Portland Paints and product Plc	351,528.00	2,839.71	161,455.00	1,207.59	190,073.00	1,632.12	54.07%	57.47%

Sources: Computed by the Author from the audited accounts of manufacturing companies for the period covered.