# The Role of Globalization in the Collapse of Nigerian Industries: A Study of Textile Industry in Kano 1986-2007

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> GSM: 07065869727 DOI: 10.56201/ajha.v9.no1.2025.pg1.13

#### Abstract

This paper" The Role of Globalization in the Collapse of Nigerian Industries: A case study of the Textile Industry in Kano State 1986-2007" examined the effects and implications of globalization on the textile industry in Kano State. The data used for this research were drawn from both primary and secondary sources. The study found that globalization has inflicted devastating consequences on textile industry in Kano. This is because as a result of globalization textile products from advanced countries, which are relatively cheaper, are imported into Kano. These products enter Nigeria at the expense of the survival of Nigerian textile industry due to liberalization and sometime smuggling. Thus, manufacturers of textile in Kano lost market and the industries have gone distressed or closed shop. This study, recommends that government should regulate massive importation and smuggling of textiles from other countries so that textile manufacturers can have market for their products. Government as a matter of policy should instruct all Federal Unity Colleges, military and paramilitary formations to patronize only made in Nigeria textile products for their uniforms. Furthermore, Nigeria needs to have a second thought on globalization and her membership of the WTO agreement if she does not intend to do away with the manufacturing sector of the economy.

Keywords: Nigeria, Globalization, Textile, Industry.

#### Introduction

The term globalization nowadays is known to all and has become an expression of common usage. Different people use this term with different colours representing 'a brave new world with no barrier'. It is a process of interaction and integration among the people, companies, and governments of different nations, a process driven by international trade and investment aided by information technology. This process has effects on the environment, culture, political system, on economic development, and on human physical wellbeing in societies around the world.<sup>2</sup> Different historical forms of globalization can be identified including the epoch of world discovery in the early modern period, the era of European empires and the present era shaped by the neo-liberal global economic project.

Governments have negotiated dramatic reductions in barriers to commerce and have established international agreements to promote trade in goods, services and investment. Taking advantages of new opportunities in foreign markets, corporations have built foreign factories and established production and marketing arrangement with foreign partners. The defining feature of globalization, therefore, is an international industrial and financial business structure. Technology has been the other principal driver of globalization. Advances in information technology, in particular have dramatically transformed economic life. Information technologies have given all sorts of individual economic actors, consumers, investors, businesses valuable new tools for identifying and pursuing economic opportunities, including faster and more informed analyses of economic trends around the world, easy transfer of assets, and collaboration with far-flung partners.<sup>3</sup>

With the passing of time, globalization has become a deeply rooted phenomenon. The result is a product that has been manufactured in the outmost part of the globe could easily find its way in to the market at the other corner of the globe. As this trend become more and more well established, intellectuals provided it with a theoretical backing for the harmonization of such trend, and that backing was World Trade Organization (WTO). 4 The World Trade Organization came into existence on 1st January, 1995, to replace the General Agreement on Tariffs and Trade (GATT). It was formed to foster and facilitate world trade with the removal of tariff and non-tariff barriers to trade and to accelerate the process of globalization. The uncritical membership of World Trade Organization (WTO) of most African countries including Nigeria in the 1990s with attendant massive lowering of tariffs through whole sale trade liberalization arrested the nascent African manufacturing and development leading to massive collapse of labour intensive industries like textile and automobile due to unfair competition.<sup>5</sup>

It is in the light of the above background that this study examined the Role of Globalization in the collapse of Nigerian Industries with a particular focus on the textile industry in Kano which at a point in time was christened the Manchester of West Africa because of the widespread production and consumption of textile. This reputation has since been shattered by the forces of globalization and its attendant consequences coupled with some local factors like inadequate

<sup>&</sup>lt;sup>1</sup> Myneni S. R, World Trade Organization (Asia Law House: New Delhi, 2010), 20.

<sup>&</sup>lt;sup>2</sup> What is Globalization? Available at http://www.globalization101.org/what-is-globalization/ (accessed on September 16<sup>th</sup>, 2024).

<sup>3</sup> What is Globalization?

<sup>&</sup>lt;sup>4</sup> Solanki G. A., "Globalization and Role of WTO in Promoting Free International Trade", Journal of Humanities and Social Sciences Vol. 3, Issue 1 (2012): 11.

<sup>&</sup>lt;sup>5</sup> Solanki, "Globalization and Role of WTO in Promoting Free", Journal of Humanities and Social Sciences, 11.

critical infrastructure e.g. electricity, multiple taxation, policy inconsistencies, unfavourable import policies, massive corruption on the part of the management of companies and interfamily feud upon the demise of pioneer industrialists.

# HISTORY OF THE ESTABLISHMENT, GROWTH AND DECLINE OF THE TEXTILE INDUSTRY IN KANO

# Kano Textile Industry in the Pre-Colonial Period Era

The cotton crop has been a staple of Hausa land for several centuries. Cotton was produced in abundance in areas of Kano, Katsina, Zazzau and Zamfara. Leo Africanus, a European traveller, during his visit to the Sudan reported having seen numerous cotton farms and confirmed that cotton was produced in large quantities in rural Kano. Heinrich Barth, another European traveller, in 1815, also confirmed that Kano was a major producer of cotton. Although cotton was grown all over the Kano region, southern Kano produced more cotton than any other area because of heavier and more fertile soil.

Cotton was essentially produced as an industrial crop. Some of the farmers that grew it used it as raw material in their textile industries. Cotton was traded in many areas of Western Sudan. It was taken, for example from Fika and Kudan in Zazzau Emirate, to Kano and from Hadejia and Katagum also to Kano. It was also traded in local markets. Cotton was carried by porters on donkeys in containers made of palm fronds called *Tandaki* or *Kindi*. This wide spread cotton production and trade in Kano and neighbouring area made it easily available to Industrialists in all localities. In the containers made of palm fronds called *Tandaki* or *Kindi*. This wide spread cotton production and trade in Kano and neighbouring area made it easily available to Industrialists in all localities.

Cotton, which was traded locally and over long distances, was purchased by both rural and urban women who used it as raw material for spinning various types of thread. In Kano and all other areas of Hausa land spinning was done by women. In the 19<sup>th</sup> century, women both young and old did engage in this industry. This industry was commonly practiced in almost all households. So common was spinning that the instrument of production of the industry were a necessary part of the bridal wealth in Kano. Spinning was a means of generating additional income for women. It has been established that a three pence worth of cotton could be spun into nine pence worth of cloth. This high margin of profit was due to the fact that all the instruments of production, i.e. *Taskira*, *Alli*, *Mazari*, *Tayani*, were very cheap and easily available in the environment. These instruments were owned by the spinners themselves and in some cases they manufactured them. 12

In the 19<sup>th</sup> century, spinners in Kano Emirate produced three types of thread. These were *Abawa*, a very thick but weak type of thread; *Arafiya*, a very thin and strong thread and *Tsamiya*, silk thread. Silk thread, however was not made from cotton but from the cocoon of

<sup>&</sup>lt;sup>6</sup>Mansur, I. M., "Political, Economic and social Developments in the 19<sup>th</sup> Century Kano: The Jihad in Kano and its Impact 1804-1984 AD" in Perspectives on the Study of Contemporary Kano, ed. Sule B., Murtala M., Mansur I., and Yusuf B., (Ahmadu Bello University Press Ltd., 2013).

<sup>&</sup>lt;sup>7</sup> Hogendorn, J. S., as quoted by Mansur, 80.

<sup>&</sup>lt;sup>8</sup> Mansur "Jihad in Kano", 80.

<sup>&</sup>lt;sup>9</sup> Mansur "Jihad in Kano", 81.

<sup>10</sup> Mansur "Jihad in Kano", 81.

<sup>&</sup>lt;sup>11</sup> Mansur "Jihad in Kano", 81.

<sup>12</sup> Mansur "Jihad in Kano", 81.

the Anaphe Caterpillar locally called *Tsamiya*. <sup>13</sup> These 'ya 'yan *Tsamiya* were collected, boiled and spun into silk thread. All these types of thread were used by the weaving industry for stitching and embroidery. So high was the local demand for raw silk by indigenous industries that local production was unable to meet this demand. Excess demand was met through importation of silk from North Africa. By the middle of the 19<sup>th</sup> century, Kano was importing about 700 million cowries worth of silk annually. This was equivalent to about \$28,000.14 Weaving was a very important wide spread craft in pre-colonial Kano. Even during the colonial period there were more weavers in each district than any other craft group. Weaving in precolonial Kano was done by both males and females. The entire weaving apparatus was made of wood and sticks. That for women was vertical and stationary and could be erected and operated in a room. That of males was elongated and operated in the open. 15 Weavers were found in almost all settlements in the Emirate, but they were concentrated in urban centres like Minjibir, Dawakin Tofa, Ungoggo, Kura, Danbatta, Rano, Gwarzo, Birnin Kudu, Dawakin Kudu areas. The weavers produced a variety of textile goods of different makes, colours and designs. Weavers produced items like blankets, gwado; male and female garments, and apparels. Among the textile goods produced by the weaving industry were Gwandai, Zalwami, Saki, Tsamiya, Barage, Jimada, Ridi. 16

Kano had also numerous male and female tailors that used the products of the weaving industry to sew dresses and make embroidery of various designs. Among the dresses they produced were gowns, trousers, caps etc. of various designs Heinrich Barth, a European traveller visited the Kano market in 1857, he wrote that:

'Cloth of every hue and texture under the sun, it would seem absorb one would quarter... You will see enough... to appreciate the diversity of quality of design. The products of native looms from towns hundreds of miles distance enjoy special renown for some attractive peculiarity are purchasable here... the products are almost infinite in diversity... black, white, and blue gowns, brocade, striped brocade striped shirting, white shirting, clothes for turbans...'<sup>17</sup>

In Kano cloth was produced in large quantities by the textile industries for export. The cloth produced by the Kano weavers was of very high quality. Due to the wide spread nature of textile production in Kano region and the increasing demands for its products, the volume of textile trade goods increased to the level that they were found in many areas. <sup>18</sup> The textiles were so precious enough to be used as units of currency in exchange along various trade routes. Textiles produced in Kano were available all over Bornu. Westwards, they were traded as far as Timbuktu and the Atlantic Coast and Southwards as far as the forest region. The French colonial officers did confirm, during the early period of colonial domination, that the cloth

<sup>13</sup> Mansur "Jihad in Kano", 81.

<sup>&</sup>lt;sup>14</sup> Johnson, M., "Periphery and Centre: The  $19^{th}$  Century Trade of Kano", Paper Presented at the International Conference on the History of Kano, Bayero University, Kano  $6^{th} - 10^{th}$  December, 1981.

<sup>15</sup> Mansur "Jihad in Kano", 82.

<sup>16</sup> Mansur "Jihad in Kano", 82.

<sup>&</sup>lt;sup>17</sup> Heinrich, B., as quoted by Mansur.

<sup>18</sup> Mansur "Jihad in Kano", 83.

produced in Kano was widely used by the peoples of Central and Eastern Sahara including the Sudanese zone.<sup>19</sup> They used the beautiful veils and trousers produced in Kano. Johnson a European traveller stated that:

'Kano clothed more than half of the population of Central Sudan and that any European traveller who took the trouble to ask for it would find no difficulty in purchasing Kano made cloth at Alexandria, Tripoli, Tunis or Lagos'<sup>20</sup>

#### Heinrich Barth also wrote that:

The great advantage of Kano is that commerce and manufacture go hand in hand, and that almost every family has its share in them. There is really something grand about this industry, which spread to the North as far as Murzuk, Ghat, and Tripoli; to the West, not only to Timbuktu but in some degree even as far as the Shores of the Atlantic, the very inhabitant of Arguin, dress in the cloth woven and dyed in Kano; to the East, all over Bornu, although there it comes into contact with the native industry of the country, and to the South it maintains a rivalry with the native industry of the Igbirra and Igbo, while toward the south-east it invades the whole of Adamawa, and is only limited by the nakedness of pagan sans-culottes, who do not wear clothing.<sup>21</sup>

It is important to note that the pan regional dimension of Kano's textile trade in the 18<sup>th</sup> and 19<sup>th</sup> centuries was a confirmation of the mass production in the textile industry and that of the excellence of its products.<sup>22</sup> However, colonial commercial and political impositions destroyed much of regional and long-distance trade, including its base in the Kano crafts industry.

# **Kano Textile Industry in Colonialism and Post-Colonial Eras**

The wheel of growth of the once flourishing and boisterous city was slowed down when colonialism reared its head as a result of its retrogressive predisposition. It all began with the conquest of the Emirate in February 1903. This paved the way for the establishment of colonial economy in which all obstacles hindering British capitalist control were removed. By the beginning of colonial rule the area of Kano was viewed as having the potential for cotton production to feed British textile mills. The arrival of the British ensured the steady redirection of the trans-Saharan trade to the coastal transatlantic trade. The historian Elizabeth Isichei stated in 1983 that the years of colonial rule were marked by deindustrialization<sup>24</sup>. Kano was

<sup>&</sup>lt;sup>19</sup> Mansur "Jihad in Kano", 83.

<sup>&</sup>lt;sup>20</sup> Johnson, *Periphery and Centre*.

<sup>&</sup>lt;sup>21</sup> Heinrich, B., as quoted by Mansur.

<sup>&</sup>lt;sup>22</sup> Mansur "Jihad in Kano", 84.

<sup>&</sup>lt;sup>23</sup> Murtala M., "Perspectives on Kano: A Conceptual Framework" in *Perspectives on the Study of Contemporary Kano, ed.* Sule B., et al. (Ahmadu Bello University Press Ltd., 2013), 35.

<sup>&</sup>lt;sup>24</sup> Isichei, E., A History of Nigeria. London: Longman, (1983).

transformed into a city for the exchange of huge consignments of British textile items. In a bid to divert the export trade to the coastal areas en route to Europe rather than to other African markets, the colonial government started to construct roads from Kano to Zungeru and a railway line to Lagos in the south. The completion of the new road in 1906 led to a decrease in the extent of trade across the Sahara. By 1912 when the railway reached Kano, the measure of protection enjoyed by the local textile industry was overturned as a result of the increase in the volume of imports. Increasingly the local merchant class became agents for European enterprises. Many local merchants altered their old commercial systems that had been developed during the period of long-distance trading to the demands of buying produce on behalf of European companies and to distribution of merchandise manufactured in Europe.

The Kano textile industry entered the post-colonial period with the establishment of the first modern textile mills in 1952. The mill was an initiative of the Northern Nigeria Department of Commerce and Industry and part of the textile development programme introduced in 1946. After colonial rule, self-rule came with a boost in the manufacturing sector in the 1960s, 1970s, and into the mid 1980s<sup>25</sup>. The introduction of the Nigerian Enterprises Promotion Decree in 1972 facilitated an increase in the number of indigenous entrepreneurs in the manufacturing sector and contribution to growth generally in the industrial sector of the economy. By 1980, the industry had entered its most prosperous era in post-colonial Nigeria. Yet, since Nigerian leaders embraced free-market policies in the 1980s, the country's manufacturing base has declined. The consequential problems affecting the Kano textile industry in the 1990s were a direct result of the implementation of the policies of the 'Washington Consensus'. These neoliberal measures include deregulation, reduction of trade controls and government support to industry. These policies hampered the development of manufacturing industry, and most specifically the textile sub-sector. As a result of the introduction of Structural Adjustment Programme, the cost of production increased in the textile sector, manufacturing capacity utilization fell, unemployment increased, the standard of living declined, and purchasing power dropped. This made it very difficult or unprofitable for manufacturers to invest in manufacturing activities.

The period since the 1990s has seen dramatic deindustrialization. These experiences laid the ground for Chinese occupation of the textile sector. The vision of making Kano the 'Manchester of West Africa' and the continental industrial power was destroyed, as China dumped low-priced textile items smuggled from 2000<sup>26</sup>. It is a new twist on an age-old story experienced during the colonial period. Kano is today considered a smuggler's heaven. Smuggling poses a serious threat to the textile industry, with the gradual and steady decline in the textile industrial capacity in the city. A visit to the industrial estates at Challawa, Sharada, Bompai, Independence Road and Club Road revealed that they are now in a state that is a ghost

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<sup>&</sup>lt;sup>25</sup> Lubeck, P. M., "Labour in Kano since the Petroleum Boom." Review of African Political Economy 5 (13), (1978).

<sup>&</sup>lt;sup>26</sup> Muhammad, M., Mukhtar, M. I. and Lola G. K., "The Impact of Chinese Textile Imperialism on Nigeria's Textile Industry and Trade: 1960–2015." Review of African Political Economy 44 (154): (2017).

of their past. The estates are left today with a few dying, struggling and badly battered industries. In 2003 the factories produced goods at 30–40% of their production capacity<sup>27</sup>.

# THE IMPACT OF GLOBALIZATION ON THE TEXTILE INDUSTRY IN KANO

Globalization has inflicted severe devastating consequences on the textile industry in Kano. The textile industry in Kano was confronted with competition of same products from advanced countries like China, Pakistan, Bangladesh and Indonesia due to trade liberalization. These products are of better quality and cheaper in price. They enter Nigeria at the expense of the survival of the Nigerian industries. Nigerians prefer foreign textile products because of their high quality and relatively low price. The reduced or fall in revenue hampered the continuous production at a steady quantity. The textile products emanating from the other countries were produced with higher and superior technology. Furthermore, textile firms in other countries operated within a business-friendly environment which combines with the technological sophistication to greatly reduce the cost of production. On the contrary, the Kano textile factories operated in a harsh business environment with obsolete technology. The gradual decline in quantity produced robbed the factories of profit that would have been reinvested to ensure continuous production. Hence, manufacturers of textile in Kano lost market for their products. Consequently, all textile establishments have either gone distressed or have closed operations. Thus, globalization has led to industrial closures and under capacity production.

Another devastating effect of globalization is that it causes unemployment. The unemployment situation became worsened as most workers of textile establishments were laid off. Hence, living standard therefore fell with incidence of poverty rising. Similarly, the phenomenon of globalization has further worsened dependence on imports. Due to free and unrestricted flow of foreign textile products into Nigeria, the problem of dependence on imported products is further worsened and the implication of this is that Nigeria cannot industrialize as existing industries are edged out of production since their products are regarded inferior and unworthy of consumption and market overly saturated with products from abroad. The consequence of this is deindustrializing Nigeria, which made the country perpetually dependent and underdeveloped.

Globalization encouraged free movement of people in a way that was difficult for states to control. Smugglers then exploited the opportunity provided by liberalization and deregulation to access foreign market and smuggle textile products into the local market. The smuggled goods which got to the local market via informal channel were sold at a far cheaper price, and thereby further reduced the competitiveness of the Kano textile factories in the market place. The Nigerian government has not been able to check the activities of these smugglers through the customs and immigration services. The business environment in Nigeria is very harsh and being that the cost of textile manufacture in Nigeria is high and so repellent to foreign capital, technology transfer that would have accompanied foreign capital inflow is also impeded. This combined to set back technical progress in the Kano textile factories and so further reduced

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<sup>&</sup>lt;sup>27</sup> Kano State Ministry of Commerce, Mines and Industry, *Manufacturing Industry at the Brink of Collapse*. Paper presented at Royal Tropicana Hotel, Kano, (2015).

their competiveness in the global market. Instead of growth, the textile factories experienced retardation.

An official of the National Union of Textile, Garment and Tailoring Workers of Nigeria (NUTGTWN) in Kano blamed the decline of the textile industry on the hasty accession of Nigeria to the WTO in 1995. According to him, in accordance with WTO rules, Nigeria had to remove any protection of the local textile industry, among others. He argued that it would have been better for the country to secure special arrangements with the WTO, such that the local textile industry would be protected until it was surer on its feet. 28 Before the expiration of MFA, the United States introduced the African Growth and Opportunity Act (AGOA), an initiative that opened up the American market to African countries. Before the expiration of the MFA, textile products were one of the fastest growing exports to the US under AGOA. However, Chinese exports increased rapidly and proved to be stronger competition than African companies could handle. This signalled the beginning of the dearth of the textile industry in African nations, particularly Nigeria. African countries suffered from the increase in exports from the Chinese textile industry on two fronts. Cheap exports from China were undermining local textile industries. At the same time, the growth of Chinese exports to the United States was making it almost impossible for African countries to compete with China for the US market. Beyond that, the entry of Nigeria into the WTO in 1995 compounded the woes in the textile industry as it opened the market to cheaper textile imports, predominantly from China, as well as second-hand clothing from the US and Europe.<sup>29</sup>

To lend credence to the above assertion the chairman of Kantin Kwari Market Association, said that the market has been taken over by the Chinese. Ninety percent of the textile materials on sale in the Kantin Kwari market are made in China. "They have taken over the market. It was gradual but now they are everywhere and they determine prices in the market." He traced the genesis of the trend, "It started about two decades ago. If we produced a design here in our factory, they would take the sample to their country and produce the same thing at a cheaper rate". He said when traders at the market realized what was happening; they started travelling to China with their samples for production. "But if you take your sample to China for mass production, before your consignment would be brought to the country, the market would be flooded with the same design. Many of our members lost hundreds of millions of naira to this". The Chinese are accused of producing the materials in their country and bringing them to Kano to sell at the expense of local traders.

According to one of the shop owners who deal in blouses and veils in Kantin Kwari market when he started trading in fabrics few years back, his shop was always stuffed with Indian and Pakistani made goods.<sup>32</sup> He explained his reason of dumping the Indian and Pakistani products

<sup>&</sup>lt;sup>28</sup> Interview, Comrade Ali Baba, 50 years, Former Staff of Gaskiya Textile Mills, Bompai, Kano State. July 13<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>29</sup> Muhammad S., "How Textile Industry Collapsed in Northern Nigeria", Nigerian Tribune Newspaper, October 4, 2017.

<sup>&</sup>lt;sup>30</sup> Interview, Alhaji Jibril Mohammed, 53 years, Chairman Kantin Kwari Market Association, Kantin Kwari Market, Kano State. July 14<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>31</sup> Interview, Alhaji Jibril Mohammed, 53 years, Chairman Kantin Kwari Market Association, Kantin Kwari Market, Kano State. July 14<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>32</sup> Interview, Muhammad Adamu, 40 years, Trader, Kantin Kwari Market, Kano State. August 5<sup>th</sup>, 2024.

to be associated with poor market prospects. "Initially, I was doing well selling the Indian and Pakistani goods, but not until the Chinese have discovered the acceptance of the products, went back to their country and produced similar but inferior wares," he said. 33 Where, for instance, the lowest grade of Indian made hijab for ladies sales for 5000 naira, the highest grade of similar a brand, which is imitated by the Chinese, will cost 2,500 naira. People want cheap goods, so they rush the Chinese products and abandon other makes.

The domination of textile business by the China dragons does not stop at Kantin Kwari market. In Sabon Gari Market, another major trading hub in Kano, A dealer in English wares like jeans, shirts, neckties, T-shirts etc disclosed that Chinese products have substituted famous designers.<sup>34</sup> The trader revealed that in states like Lagos, from where he buy the goods, presence of Chinese goods is overwhelming. He said the products bring a lot of profits to them, as they are highly sought after because of their affordability.<sup>35</sup>

A low income earner in Kano told the researcher that he doesn't make much money and it takes some cash to look good so he tends to buy Made in China fabric. "A piece of high-quality brocade (cloth) costs around 10,000 naira, which is way too expensive for me," he said. "With the same amount of money, I can buy six pieces of cheap Chinese brocade which cost only 1,500 Naira a piece and still keep some change." Hundreds of textile dyers in Kano in recent times have staged street protests against what they view as a Chinese takeover of their trade that threatens to put an estimated 30,000 artisans out of business. The dyers, many of whom still use methods dating back more than 500 years, accused the Chinese of faking their products and selling inferior cloth at a fraction of the price. "

The proliferation of Chinese made textiles is a blessing for consumers, with Kano and the wider North struggling with unemployment and economic constraints. But traders in the city a centre of weaving and textile manufacturing dating back centuries say such cheaper imports have been disastrous. Factories have shut down and trade in home-spun fabrics has dwindled, prompting calls for foreign investment within Nigeria rather than cheap, mass importation, as well as better regulation.

The World Trade Organization (WTO) deal gave the Chinese unfettered access to Nigeria's textile market, although Nigerian laws prohibit foreigners from retail trading. Traders in Kano talk of locals being recruited to conduct business on behalf of the Chinese in return for a cut of the profit.

Comrade Ali Baba, Principal Assistant General Secretary National Union of Textile, Garment and Tailoring Workers of Nigeria, Kano branch said that there are only four textile companies left of the thirty that were in operation in the heyday of the industry and they are all producing below twenty per cent capacity. The companies are African Textile Manufacturers, Angel

<sup>&</sup>lt;sup>33</sup> Interview, Muhammad Adamu, 40 years, Trader, Kantin Kwari Market, Kano State. August 5<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>34</sup> Interview, John Uche, 40 years, Shop owner, Sabon Gari Market, Kano State. August 10<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>35</sup> Interview, John Uche, 40 years, Shop owner, Sabon Gari Market, Kano State. August 10<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>36</sup> Interview, Nuhu Barau, 45 years, Consumer, Kantin Kwari Market, Kano State. September 14<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>37</sup> Interview, Nuhu Barau, 45 years, Consumer, Kantin Kwari Market, Kano State. September 14<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>38</sup> Elisha P. R., "The Changing Context of Chinese-Nigerian Textile Production and Trade, 1900-2015", Journal of Cloth and Culture Vol. 13 issues 3 (2015).

Spinners and Dyers, Terytex Company Limited and Tofa Textile Limited. Others like Holborn have moved from textile manufacturing to plastics.<sup>39</sup> According to Ali Baba in the heydays of the textile industry Kano became the hub of everything textile. Textile industries were located in places like Bompai, Sharada, and Challawa, and because of the activities of these companies new communities sprang up around them and businesses flourished. People became landlords, petty traders and food vendors. These communities were Dakata, Kawaji, Zango, Dawaki, Fanshekara and Brigade. But because of the collapse of the textile industry these communities where the companies were located have become a shadow of their former selves. With the folding up of these companies came job losses. Gaskiya Textile Mill which hitherto employed 2000 workers was forced to close shop because of the inability of government to come to its rescue when it needed two hundred million to resuscitate the company. About sixteen thousand jobs have been lost over the years because of the collapse of the textile industry in Kano.<sup>40</sup>

In essence therefore, globalization has resulted to industrial closures, under capacity production, unemployment, stagnation and backwardness in industrial advancement and over dependence on imported textile products from already industrialized countries.

# **Conclusion**

The Nigerian textile industry, while holding the short end of the globalization stick, lost out in the struggle with more potent outside economic forces following the damage done by harmful economic policies of structural adjustment, the Chinese contraband had so thoroughly captured the Nigerian market that it would be near impossible for the Nigerian textile industries to compete. The textile factories in Kano, Nigeria collapsed rapidly between 1986 and 2007 largely due to a couple of factors which can be termed internal and external. The cause of the collapse of the textile industries in Kano between 1986 and 2007 include inadequate, epileptic and unstable power supply, inadequate water supply from the government, multiple taxation and obsolete technology with which the textile industries operated. Other factors include the establishment of the World Trade Organization and the quick accession to it both by Nigeria and many developing countries and the integration of textile production into the rules of the World Trade Organization by which nations were to drop any non-tariff barriers to trade such as quantitative quotas. Through the establishment of the World Trade Organization, nations liberalized and deregulated their textile subsectors, thereby, raising the level of competition for the textile industries in Kano both in the domestic and foreign markets. As the result of inability of the textile industries in Kano to stand the stiff competition generated by globalization, foreign capital were withdrawn instead of more foreign capital to be attracted to the industry. This robbed the textile industries in Kano of any foreign technology and managerial skill required for efficiency.

The textile industries in Kano operated with obsolete machines and technology which inhibited adaptability to changing market situation which the force of globalization continuously generates. The solutions to the challenges faced by the textile industries in Kano lie the

<sup>&</sup>lt;sup>39</sup> Interview, Comrade Ali Baba, 50 years, Principal Assistant General Secretary, NUTGTWN Office, Kano State. July 13<sup>th</sup>, 2024.

<sup>&</sup>lt;sup>40</sup> Interview, Comrade Ali Baba, 50 years, Principal Assistant General Secretary, NUTGTWN Office, Kano State. July 13<sup>th</sup>, 2024.

provision of supportive institutional framework for the textile industry through adequate supply of power, water, good roads, encourage cotton cultivation, formulation of good fiscal policies that can grant tax exemption to textile firms, encouragement of foreign capital inflow and the grant of land for the setting up of textile industries. These are the endogenous solutions. From without, the government can promote a multilateral trade arrangement on continental scale that can offer preferential treatment to textile products originating from within the continent.

#### Recommendation

As a result of the issues discussed above, Nigeria has not been able to take advantage of the process of globalization. In order for Nigeria to benefit from the process of globalization in terms of textiles, the government must create a business friendly environment for the textile industry. The government must provide the basic and necessary infrastructure such as electricity, water and transport facilities. Most of those interviewed, opined that the government can further encourage textile manufacture through tax exemptions and encourage the development and improvement of scientific knowledge in textile. Government as a matter of policy should to instruct all Federal Unity Colleges, military and paramilitary formations to patronize only made in Nigeria textile products for their uniforms. Smuggling and counterfeiting by the Chinese should also be confronted headlong. Nigeria must initiate pragmatic trade policies to protect its economy. This is what responsible countries do. The ongoing trade war between the United States and China over trade deficit against the former, for which it has slammed a \$200 million tariff on Chinese goods; and China's retaliatory measures, exemplify protectionist consciousness; Nigeria should consider its interest first. With a tottering economy, it should not be indolent on such matters. When these measures are put in place thousands of jobs could be saved.

It is high time Nigeria took a second thought about her membership of the WTO. Trade liberalization and globalization is good, but at what costs? What is the impact of trade liberalization on the nation, its firms and the workers? The main benefit of globalization and the WTO agreement is that Nigeria can go into trade in any part of the world and other nations too have free access to Nigeria. There is nothing special about this benefit. The impact of trade liberalization on domestic firms in Nigeria has been overwhelming, disastrous and killing. Nigeria and her firms were not prepared for the challenges of globalization. It was a double tragedy of unimaginable proportions as the textile firms had to face both domestic recession and world market exposure simultaneously. The textile firms felt the brunt so much that so many of them had to fold up, while those remaining in business are down-sizing and operating below their installed capacities.

Again one question that continues to bother the mind of any right thinking person is: Why should second-hand clothes be our lot and portion in Nigeria? This is nothing but a direct acknowledgement of poverty. The masses have found themselves in a situation of choicelessness in which all they can afford is nothing but second-hand clothes. Therefore the problem of poverty must be addressed squarely and at all fronts. If everybody can afford to buy new clothes, the market and demand for second-hand clothes will die naturally. It is clear that Nigeria cannot boost capacity-utilization in the textile industry unless the problem of poverty is addressed. To this end, poverty eradication should be carried out through a multi-policy and multi-strategy approach that ensures a stable and stronger Naira, efficient delivery of public

infrastructures, low transaction cost, antidumping policies, macro-economic stability, low interest rates and so on.

The textile firms in Nigeria were ill prepared for the challenges of liberalization and they have started folding up. Second, those who folded up threw their employees back into the already saturated labour market thus compounding the problem. Again, those who are not folding up are downsizing their work force in order to break even and thus those retrenched are also thrown back into the labour market. If the trend continues most of the textile mills will be choked and eventually close down. It is thus clear that the government has to be helpful otherwise the manufacturing sector will collapse. Our recommendation is that Nigeria should take a second look at her membership of the WTO and then selectively engage in those trades that will not jeopardize her national interests, most especially the imperative need to protect the textile firms. It is clear that Herod cannot be asked to be the chairman of children's welfare committee. An amateur should not be asked to fight a professional. It is ignorance that makes the rat engage the cat for a duel. The rat will lose at all fronts. So it is not good for Nigeria to open up her market for foreign trade at the expense of her own firms. It is nothing less than inflicting self - injury on oneself. No matter what strategies we adopt, the foreign firms are always at the leading edge of competition in the global and domestic markets due to their economies of scale advantages, which they have over indigenous competitors.

We recommend that for Nigeria to escape the scourge of globalization, radical industrial policies must be adopted by government that will provide conducive grounds and nurture the growth and development of indigenous and Nigeria own modern industries to a comparable level with those in/and from advanced economies. There should also be a paradigm shift from IMF and World Bank "tele-guide" industrial polices to indigenous and home-grown industrial polices.

# **ACKNOWLEDGEMENT**

The research team will like to acknowledge the financial support of the Tertiary Education Trust Fund (TETFund) through the Institutional Based Research (IBR) grant number **TETF/DR&D/UNI/MUBI/RG/2024/VOL. 1.** We also thank the Adamawa State University, Mubi and the Research and Innovation Directorate for their support.

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