IMPACT OF GLOBALIZATION ON NIGERIAN INDUSTRIES: A STUDY OF LEATHER FOOTWEAR INDUSTRY IN KANO
1980-2004

By

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DECLARATION

I declare that the work in this thesis entitled IMPACT OF GLOBALIZATION ON NIGERIAN INDUSTRIES: A CASE STUDY OF LEATHER FOOTWEAR INDUSTRY IN KANO FROM 1980-2004, is written by me in the Department of Political Science, under the supervision of Dr. Umar Mohammed Ka'oje.

The information derived from the literature has been duly acknowledged in the text and a list of references provided. No part of this thesis was previously presented for another degree or diploma at any university.

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Name of Student	**Signature**	**Date**

CERTIFICATION

This thesis titled IMPACT OF GLOBALIZATION ON NIGERIAN INDUSTRIES: A CASE STUDY OF LEATHER FOOTWEAR INDUSTRY IN KANO STATE FROM 1980-2004, by Abdullahi Yahuza Zainawa, meets the regulations governing the award of Master of Science (M.Sc) Degree in Political Science, of Ahmadu Bello University, and is approved for its contribution to knowledge and literary presentation.

_____	_____
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Dean Post Graduate School	**Date**

DEDICATION

This thesis is dedicated to my children – Ibrahim Abdullahi and Bello Abdullahi for bearing my absence from home throughout this course of study.

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ABSTRACT

This study "Impact of Globalization on Nigerian Industries: A case study of leather footwear Industry in Kano State from 1980-2004" set out to examine the effects and implications of globalization on leather footwear 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 leather footwear industry in Kano. This is because as a result of globalization footwear products from advanced countries, which are better in terms of quality and relatively cheaper, are imported to Nigeria. These products enter Nigeria at the expense of the survival of Nigerian leather footwear industry due to liberalization and sometime smuggling. Thus, manufacturers of leather footwear in Nigeria lost market and the industries have gone distressed or closed. Globalization increased the dependence on imported products. As a result Nigeria's industrial production fell thereby making it perpetually dependent and underdeveloped. Also, phenomenon of globalization compounded the menace of unemployment in Nigeria. This is because virtually all workers of leather footwear industry in Kano were laid off due to the inability of the locally produced footwear to compete with foreign manufactured or smuggled ones. Hence, living standard fell with increasing poverty. In a nutshell, this study found that globalization resulted in closures of industries, under capacity production, unemployment, stagnation, and backwardness in advancement of Local industries and dependence on imported leather footwear products from industrialized countries.

This study, recommends that government should regulate massive importation and smuggling of footwear from other countries so that leather footwear manufacturers can have market for their products. Government should also patronize leather footwear products made in Nigeria by placing orders for boots and shoes used by Army, Police and other uniformed security agents. In addition, government should fund research and establish institutions that will aid manufacturers in designing, styling and marketing to conform with latest standards. Furthermore, the quality of leather used in the production of footwear in Nigeria should be enhance so as to improve the quality of the products and to revive the collapsing leather footwear industry in Kano. There is also the need for governments to provide soft loan for purchase of modern plant and machinery as well as working capital.

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CHAPTER ONE

1.1 INTRODUCTION

From time immemorial, mankind began the quest to protect and cover their feet as they moved about through thorny bushes, forest and mountains (Richards:1989:2). They started by using raw hides from animals they killed during their hunting expeditions. What they did was a very simple cutting pieces with few thongs to tie on their legs, while the rest sewed as protective covering for the body against harsh weather conditions. Tree leaves and barks also served the purpose for footwear so as to protect feet (Ibid:36).

More than half the leather produced in the world is used for footwear (Ibid:46). No other material can match its superior qualities for shoe making and boots. Although shoes made from synthetic materials are cheaper, they are

not as comfortable or as long lasting as those made from leather.

One of the most important properties of leather is its ability to absorb moisture(Ibid:76). Our feet like the rest of our body is continually giving off moisture through the pores of the skin and leather is the only footwear material that allows this perspiration to escape (Ibid:96).

Leather shoes also help to keep our feet warm in winter and cool summer. When it is cold the perspiration from our feet is absorbed into the leather and keeps our skin dry. On warm dry days some of the perspiration vapour travels through the leather and evaporates on the outside, cooling it (Ibid :103).

Like most other products the price of leather has risen steadily over the years, varying according to the number of

hides and skins available. When the demand for meat is high and plentiful, supplies are high and the prices drop, but it rises if the demand is low or if not enough animals are available for slaughter. Other factors affecting the price of leather include the type, grade and quality of the raw hides and skins. The price that the leather manufacturers pay the tanneries depends on the type of leather, the nature of the tannage and what special finishes were applied to the materials (Rasnaraya: 1991:108).

There are many other properties which make leather the most suitable material for footwear. This include its ability to be moulded by the shoemaker without wrinkling; its softness and strength; its ability to be dyed and its attractive natural appearance (Ibid:196). The leather footwear industry depends on the availability of hides and skins of livestocks production.

Leather is utilized in Nigeria in three principal sectors:

- In the mechanized factories for the manufacture of footwear, which is the concern of this research work.
- In the cottage industry for the manufacture and repair of footwear.
- In the rural craft sector for the manufacture of a number of leather goods such as ladies handbags, travel bags, wallets, horse riding equipments and large variety of traditional and tourist bags handicraft items.

Kano State has the largest concentration of mechanized leather footwear industries after Lagos in Nigeria which were in full operation before of globalization became in full force (Kpiriti:1988:129) and this is the main focus of this research work. The main reason for concentration of these leather footwear industries in Kano State is the abundance

of hides and skins due to higher production of goats, sheep and cattle by people of Kano.

1.2 STATEMENT OF THE RESEARCH PROBLEM

The performance of leather footwear industry in Kano State keeps declining over the years and this study intends to examine whether there is correlation between globalization and the poor performance of the leather footwear industry in Nigeria with Kano as the case study. The index of manufacturing production reveals that the sub-sector did poorly in the 1980s, 1990s and beginning of 2000. Thus, the research questions are; is there any relationship between decline in the productivity of leather footwear Industry in Kano with Globalisation? To what extent does Globalization affects the Industry?

1.3 OBJECTIVES OF THE STUDY

The objectives of this research are:

(a) To assess the extent to which the phenomenon of globalization affects leather footwear industry in kano.

(b) To examine whether if other factors like cost of production contribute to decline of the Industry.

(c) To offer recommendations for improving the productivity of the leather footwear industry in Kano.

1.4 RESEARCH ASSUMPTION (HYPOTHESIS)

This research is carried out in the postulation that:

- Globalization is responsible for collapse of most leather footwear industries in Nigeria in general and Kano State in particular.
- High cost of production with little or no profit is responsible for collapse of most leather footwear Industries in Nigeria and Kano in particular.

1.5 JUSTIFICATION FOR THE STUDY

There is no adequate systematic researches on impact of globalization on leather footwear industry in Kano State hence the need to add to the existing ones.

1.6 RESEARCH METHODOLOGY

Primary data for this research are generated through structured interview with members of Kano footwear and leather multi-purpose co-operative society, association of leather footwear industrialists of Nigeria Kano State chapter, Nigeria Tanners Council, marketers of leather footwear goods, leaders and members of National Association of hides and skins dealers, officials of Kano State Ministry of Commerce and industry plus numerous leather footwear consumers. These interviews are aimed at knowing the reasons for the collapse of leather footwear industry in Kano State. Six executive members of each various associations of leather footwear establishments

were interviewed; ten officials of Kano State Ministry of Commerce, twenty Marketers and thirty consumers were interviewed.

To complement the data generated from Primary sources, secondary source of data were also consulted. The secondary source of data were mainly books, magazines, journals, articles, government publications and internet websites, obtained from libraries government organizations and internet web sites. All the data collected are interpreted qualitatively.

1.7 SCOPE AND LIMITATION

This study would specifically concern itself with the impact of globalization on leather footwear industry in Kano from 1980-2004. And the limitation of this study is that it may overlook other factors or intervening variables that have also indirectly contributed to the collapse of leather

footwear industry in Kano State. Some problems like meeting with leaders associations concerned with leather footwear production in Kano to conduct interview was difficult as well as marketers of the product were not ready enough to give information required.

1.8 CONCEPTUAL CLARIFICATION

There are three concepts involved in this research. They include, globalization, leather and industry. The operationalization of these concepts are in the context of this work. The concepts are operationalized as follows:

- **Globalization:** The phenomenon of globalization has no universally acceptable definition. Nevertheless, in the context of this research it refers to free flow of goods and services across national and regional boundaries by way of trade and investment (Kpiriti:1988:129-132). The term globalization is also viewed as liberalization of trade

and investments among various countries of the world (Nzekwu:1999:17).

The concept of globalization contains both prescriptive and descriptive definitions. The prescriptive refers to the liberalization of national and global markets in the belief that free flows of trade finance and information will produce the best result for both economic growth and human welfare while the descriptive aspect is about the expansion of international flows of trade, finance and information into all integrated global market.

Globalization is a movement that disregards boundaries and sees free trade as something worth pursuing whole-heartedly. As such Nigeria's economy is fast becoming a 'tokumbo' economy because her borders have been flung open to all sorts of goods (Martin: 1991:468).

- **Leather:** Leather is animal hide or skin that has been subjected to chemical and physical process known as tanning.[12] Leather can also be defined as animal hides and skins that have been treated to be preserved and suitable for use (The Encyclopedia Americana vol.17:124).

  The word hides usually is used for the skins of large animals as in cattle, camel deer etc while skins is usually used for smaller animals like goats, sheep, calves, etc.

- **Industry:** Means section of an economy concerned with manufacturing (The new Encyclopedia Britannica vol.7:225). Thus, leather footwear industry means section of the economy concerned with manufacture of leather footwear.

1.9 ORGANIZATION OF THE STUDY

This research consist of five chapters.

Chapter one contains introduction, statement of the research problem, justification for the study, research assumption (hypothesis), objectives of the study scope and limitation, research methodology, conceptual clarification, and chapterization.

Chapter two contains the review of related literature and theoretical framework.

Chapter three consists of briefs on the study area, history of leather industry in Kano, sources of leather and how leather is made.

Chapter four contains statistics of leather footwear in Kano State between 1980-2004, performance of leather footwear establishments between 1980-2004 in Kano State and

impact of globalization on leather footwear industry in Kano.

Chapter five contains summary, conclusion and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE AND THEORETICAL FRAMEWORK

2.1 REVIEW OF RELATED LITERATURE

This review of related literature is divided into two parts. Part one consists of experiences on consequence of globalization on certain industries outside Nigeria while the second part is on experiences on certain industries in Nigeria.

2.2 EXPERIENCES OF OTHER COUNTRIES

In his work titled effects of globalization on Kenya's indigenous industries from 1989-1995 (Martin:1998:13-308) argued that openness to free trade liberalization is not a new phenomenon for developing countries like Kenya. In the colonial period Kenya related to the world market mainly as exporter of raw materials while importing manufactured goods (Ibid:53). Similarly, in post colonial

Kenya, the country still remained largely dependent on imported manufactured goods from foreign countries mostly the western countries. Collins observed that from 1989-1995 indigenous industries of Kenya such as leather, coffee, beverage and cocoa declined drastically in production due to importation of more qualitative leather products and beverages from other countries, which are cheaper than the ones produced in Kenya. Hence, indigenous Kenyan industries lost patronage.

Consequently, Kenyans became discouraged to engage in local production because there was little or no market for their products. To a large extent therefore there is correlation between declining home or local production because of dependence on importation.

(Francis:1999:16-336) examined the effects of importation of goods and industrialization in Sudan. In his work, Effect of Importing Textile Materials on Indigenous Textile

Industries of Sudan, Francis observed that though Sudan is endowed with abundance of cotton; but the indigenous textile industries are persistently declining, in production and foreign textile materials from China, India, Pakistan, Mauritius, South Africa etc have filled the textile markets of the country due to globalization process.

From above, it can be seen that, there is a correlation between globalization and decline in industrial productivity of Sudanese textile industries.

(Alexandra:2000:9-103) wrote on the Ethiopian experience. In a paper titled ‘problems And prospects of Agriculture in Ethiopia’. Alexandra argues that inspite of fertile land and favourable climatic conditions which makes it possible for Ethiopian farmers to produce large quantities of coffee, yet the coffee industry is constantly reducing in output. The country is constantly reducing in output. The country

mainly exports unprocessed or semi-processed coffee and imports finished coffee products from countries like Mexico, Colombia, Argentina, Uruguay etc. Alexandra's conclusion is that Ethiopian coffee products are not as qualitative as those imported outside and hence consumers prefer foreign ones than those locally made from the country. This view totally agrees with the assumption of this work.

(Sylvester:2000:4-116) in his work on 'Financial Globalization' argued that, globalization in the financial sector has been driven by several factors.

Among the major ones are: the policy choice of increasing number of countries (taken on by many developing countries) of financial deregulation and liberalization (the opening-up by a country to international capital flows), the development of technology, especially electronic

communications facilitating massive cross border movements of funds.

Sylvester argued that financial globalization is a relatively recent phenomenon, but it has contributed to severe financial turmoil and economic losses to several developing countries that have integrated into the global financial markets. The developing countries have been drawn into the process of financial liberalization, partly due to advise given by financial institutions, and to the mainstream view that there were great benefits to be derived from opening up to inflows of international capital. However, the risks of opening up to the financial globalization were not emphasized by the same advisers. Sylvester contends that many developing countries that underwent the process of financial globalization did not take precautionary measures or adhere to guidelines to minimize the risks. Instead they went to opposite direction by deregulating.

The consequence of this deregulation on Thailand in mid 1997 and other East Asian countries were dramatically exposed to the negative effects caused by financial globalization in developing countries. The Asian crises followed a period of financial liberalization which contributed to a build-up of the countries' vulnerability to external financial forces. When large inflows of short term capital took place, it led to an asset price bubble, which burst when speculative currency attacks and large capital outflows caused sharp currency depreciations which spread via contagion to other countries (Ibid:148). The depreciation multiplied the burden of servicing foreign debt which had been built up in a relatively short period, especially by the local companies and banks. When Indonesia, the Republic of Korea and Thailand run out of foreign reserves to service debts, they approached the IMF to bail them out with massive loans(Ibid:173). In essence,

Sylvester's argument is that globalization results in financial destabilization and social problems for the developing countries.

(Peter:2001:13-114) gave a long history of manufacturing industry in Peru. The author observes that from Peru's independence in 1821 until the end of nineteenth century, the incipient manufacturing sector was adversely affected by globalization through importation of goods produced more efficiently elsewhere.

Therefore, the Peruvian economy became dependent on foreign technology used in expanding its export raw material sector rather than as an outgrowth of native business men's own capacities for establishing a domestic manufacturing sector, or of transformation of handicrafts sector. This according to Peter resulted in the emergence of economic dependency on massive outlays of foreign

goods. This dependence curtailed Peru's ability to develop an industrial sector that was capable of producing goods and services needed in the country. Rather, the country remained a net importer of manufactured goods so as to satisfy demand for consumer goods. Hence, the domestic market remains restricted suggesting little capacity for industries to thrive. Peter's work is a good study on testing the impact of globalization on craft industry.

(Stephen:2002:4-448) wrote on effects of trade liberalization on textile manufacturing industries in Zambia. Historically, the Zambian textile sector started with Blanket manufacturing in the 1920's and 1930's followed by furnishing industries and clothing after the second world war and synthetic fibers in the 1960's(Ibid:228). The industry grew under the protection and direct support for investment from the State. Textile production in Zambia past driven by domestic demand. However, in the 1990's

importation of textile materials to Zambia from countries like China, United States, Germany, United Kingdom, Italy, Japan, Hong Kong and some European Union (EU) countries have adverse consequences on the Zambian textile industry(Ibid:228).

According to Stephen, in 1997 the production of textile materials by Zambian textile industry declined drastically due to importation of similar materials from other countries which are more qualitative and cheaper in price.

Hence, Zambians preferred foreign textile materials than the ones locally made. The consequence of this is that the indigenous textile industries lost market and therefore discouraged production (Ibid:246).

Infact, in 1999, sixteen out of seventy-four textile manufacturing industries were closed down and workers

sacked (Ibid:268). While production in others decreases everyday. The author further stated that, in 2001, the number of textile manufacturing industries sealed up rose to twenty-eight and production in the rest decreased by about fifty two per cent. Indeed, trade liberalization is de-industrializing Zambia and making it dependent on foreign goods which increases stagnation and backwardness to the country (Ibid:304).

2.3 THE NIGERIAN EXPERIENCE

(Bello:1996:2-126) in his work titled Challenges of Globalization On Cooking (Groundnut) Oil Industry in Kano State, argued that, groundnut oil industry enjoyed prosperity in the past as there was abundance of raw materials i.e. ground nuts which was produced in commercial quantities in Kano State, and larger markets, and therefore prospects for growth(Ibid:16). In late 1970's, and early 80's, there were eighteen groundnut oil

companies operating in Kano. However, today the industry is a ghost of its old self (Ibid:19). This is because globalization has posed tremendous challenge to local manufacturers of cooking (groundnut oil) in Kano. The virtual elimination of the protection offered in national markets has increased competition from foreign cooking oil products (Ibid:24). Domestic customers have also become more discerning for having been exposed to more quality cooking oil products that offer value, they are not prepared to settle for less.

Hence, the diminishing effective market has posed a serious threat to the survival of cooking oil manufacturers in Kano (Ibid:31). Bello argued that the massive importation of cooking oil into Nigeria has posed a serious danger to the existence of local manufacturers. Infact, as at 1995, out of the eighteen groundnut oil companies in Kano, only four were functioning, and fourteen closed

down and workers sacked(Ibid:46). The domestic consumers preferred foreign cooking oil products due to its comparatively higher quality and lower costs. Thus, locally made cooking oil products could not competently compete with imported ones. Consequently, most of them were sealed up. In essence, Bello attributed the decline of cooking (Groundnut) oil industry in Kano to problem of import liberalization, but could not recommend any solution to the problem.

(Anthony: 1998:2-213) in his work titled 'Imports and Declining Status of Tanning Industries in Kano'. He asserts that tanning is one of the dominant occupation of the people of Kano. This is because of the availability of livestock in the State. Equally, historical background of the original inhabitants of the State, being hunters, contributed to the development of skin processing skills (Ibid:13).

Statistics show that in Kano State alone there are over fourty tanning industries before the introduction of Structural Adjustment Programme (SAP) in the mid 1980's. This figure represents about seventy per cent of the total tanneries in Nigeria(Ibid:21). He further argued that another interesting aspect about tanning is that it is a business which has a chain of beneficiaries starting with the person who slaughter the animal to the canvasser of hide and skin through the agents, then dealers and finally, to the tannery industries. Therefore, in view of its long chain of beneficiaries, it is apt to say that the industry provides high job opportunities for the teaming populace.

However, since the late 1980's, the fortunes of this once promising business began to decline, not because of decline in the livestock or fall in the demand of the products but largely due to importation of processed hides and skins as well as inconsistent economic policy in the

country in general, and in Kano State in particular, largely because there is no clear cut policy by the State government to protect it(Ibid:36).

According to the Kano State Chairman of Manufacturers Association of Nigeria, government's inability to regulate imports and provide adequate security to investment occasioned by the inconsistent economic policies have been the bane of industrial growth in Kano and Nigeria at large. He pointed out that industries in Kano are operating at loss, a situation that forced great number of them to shut down. At the moment an estimated 50,000 workers have been thrown into the labour market following the closure of tanning industries (Ibid:53).

In essence, Anthony's work is on how importation of processed leather affects tanning industries in Kano, but in addition to uncontrolled importation, Anthony observed

that, inconsistent government policies and lack of good infrastructure like electricity, water, good roads etc have contributed to the declining of tanning industries in Kano.

(George:1999:12-433) in his own work titled ‘Effects of Trade Liberalization on Traditional Crafts Industry’ maintained that trade liberalization did not harm traditional craft industry in any way. Taking the leather industry of Kano, and Sokoto, as his case study, the author argues that the traditional industry had benefited from trade liberalization. In the first place locally made leather goods had no imported substitute to compete with. Besides the introduction of European goods through trade liberalization have improved the work process in traditional craft industry.

He also added that “the introduction of cement lined pits for Kano tanning industries was the most important

technical change since the advent of iron technology several centuries ago". The construction of railway also benefited the industry, according to the author, in that it increased the exportation of Kano leather to European markets where it enjoyed special value, because of its almost exclusive property of being able to withstand the injurious effects of the fumes of sulphuric acid contained in the atmosphere of industrialized cities(Ibid:18). So prosperous was the leather industry according to the author that Nigeria was the only country in Africa exporting leather manufactured by traditional craft producers(Ibid:29).

However, from this work, though the author tries to argue that globalization is beneficial to traditional crafts industry in Nigeria critical observations underneath his analysis one realizes that there is negative consequence of globalization on the traditional crafts industry. For instance, perhaps

unconsciously he shows how trade liberalization integrated Kano's leather industry in to the world capitalist market. The mechanism employed included the construction of railway, which had the consequence of diverting trade top the coast; the determination of prices by those importing, which had the consequence of expropriating surplus value, the shift of emphasis from local manufacture to the sale of raw hides and skins, which had the effect of denying tanners of these essential raw materials; making the craft industry to respond to socio-economic situations in Europe e.g. the World Wars, the Great Depression etc; and the direct government intervention in the production process by appointing veterinary and other officers to administer some aspects of the work such as slaughtering and flaying. All these have been discussed in details in different sections of George's work.

However, elsewhere, in the work the author has admitted consciously the negative effects of some colonial policies. For instance, he admits that trade liberalization had led to massive importation of leather goods such as boots, shoes and even slippers, which, according to him, constituted over sixty percent of the total leather goods manufactured anywhere in the world(Ibid:36). Similarly, the massive exportation of raw skins had starved the local industry, thereby discouraging production and killing the industry(Ibid:48). Throughout the work of George, he tries to show that trade liberalization did not harm the craft industry. Generally speaking his work seems self-contradictory and also apparently contradicting empirical reality of what is happening to the industry in Kano State.

(Ibrahim:2000:48-236), on his work import liberalization and development of traditional craft industries in Kano State notes that, although Kano State possessed an

unrivalled reputation for craft industry, and handicraft produced commodities during the nineteenth century, the impact of incorporation into world capitalism had undermined much of the autonomy and dynamism of craft production. According to him, the dilemma, which craft industries faced, was that of imported substitutes. The net effect of this therefore, was turning industrialist to become mere distributors of imported commodities that they formerly produced.

For a long period craft industries in Kano State produced commodities like textile materials, footwear and furniture, but with import liberalization these craft industries were forced to stop or produced very little, because the imported goods were cheaper, more attractive, and most importantly, more qualitative. Hence, Ibrahim's work proved that there is correlation between declining in the

productivity of craft industry and import liberalization. This agrees with the current research work at hand.

(Solomon:2002:36-288), is another contributor on the issue at hand. According to him four major developments have strengthened globalization. These include; the expansion of economic activities beyond national boundaries, liberalization of international trade growing importance of international trade growing importance of international financial flows and lastly growth of information technology. And this agrees with definition of globalization in this work.

Information gathered from the survey of sampled manufacturing industries in the three commercial cities of Northern Nigeria revealed that the manufacturing sector is still dependent on imported raw materials (Ibid:16). A survey of researchers on effect of globalization on manufacturing industries in Nigeria revealed that they are

producing goods that are already being imported into the country. They admitted that the imported goods are of better quality and that the raw materials used were almost all imported (Ibid:29).

Solomon gave example of Japan which is able to play big role in international trade because she imports only ten percent of raw materials her industries consume and exports ninety percent of her manufactured goods. Nigeria on the other hand imports ninety percent of the goods she consumes and exports only ten percent of what she produces (Ibid:38). This means Nigeria is more buyer of what other nations produce than a seller of her goods.

He further argued that deficient infrastructure ranked first among the factors militating against increased production by manufacturers in Nigeria. The State of dilapidation of infrastrctural facilities in Nigeria such as electricity supply,

roads, water and telecommunication are among the worst in the world(Ibid:39).

The manufacturing sector in Nigeria has the potential of joining the global economy because of her abundant supply of human and natural resources but handicapped by the use of crude or ancient technology. In return this makes the product uncompetitive compared to those in Europe, America and Japan who are advanced in high technology and have used it to their advantage(Ibid:47). Consequently, these advanced countries have a renewed impetus to search for the same old markets to sell their surplus goods. As a result Nigeria manufacturing sector is faced with competition of high quality products from advanced countries. These products enter Nigeria at the expense of the survival of the Nigerian manufacturing sector. This had led to the closure of many industries (Ibid:58).

Nigeria's integration to the global markets are unfavourable, hence, her marginalization is inevitable (Ibid:58). For her to be a key player in the global market her industries must be able to produce quality products by keeping to the demand and trends of the global scene. Nigeria must be prepared to produce goods that have global consumers. The country has large market because of her large population. But her manufacturing sector is currently facing the danger of extinction because her market is overly saturated with goods from abroad while her domestic products are less desirable both at home and abroad.

The challenge facing Nigeria manufacturing sector is how the ailing industries will survive under intense competition brought about by globalization due to importation of goods and services that are cheaper and of comparatively higher quality than those produced in Nigeria.

In essence, the work of Solomon indicated none of the sampled manufacturing firms sold any of her products in the global market. Instead, what is seen are assorted imports from more affluent industrialized countries. As these imports swamp Nigerian markets local industries are scorched and driven out of production. This has frustrated industrialization efforts and stunted development of manufacturing culture and technological development, leading to loss of employment, reduced capacity utilization and further increased dependence on imports(Ibid:96).

In a nutshell, (Solomon:2002:98) attributes collapse of manufacturing sector in Nigeria to not only globalization but also to dilapidation of infrastructural facilities such as electricity supply, roads, water and telecommunications. The main cause for the collapse of manufacturing sector in

Nigeria is therefore trade liberalization by opening up the country to forces of globalization.

(David:2003:24 -198) wrote on globalization and industrial production in Nigeria. According to David globalization means many things, but primarily it describes the expansion of goods, services, labour and capital across borders that were once considered impregnable. The concept of globalization contains both prescriptive and descriptive definitions. The prescriptive refers to the liberalization of national and global markets in the belief that free flows of trade, finance and information will produce the best result for both economic growth and human welfare while the descriptive aspect is about the expansion of international flows of trade, finance, and information into all integrated global market(Ibid:16).

Globalization is a movement that disregards boundaries and sees free trade as something worth pursuing wholeheartedly. As such Nigeria's economy is fast becoming a "tokumbo" economy because her borders have been flung open to all sorts of goods(Ibid:24).

According to David, Germany, observed the import dependent profile of Nigeria's economy and described it as inimical to the country's economic growth. The German envoy lamented how Nigeria has been pre-occupied with expanding her imports while at the time reducing production profile. One finds it difficult to understand why Nigeria imports fruit juices while Nigeria's fruits rot away on the farms, Nigeria has good fertile land to support the raising of fruit orchards(Ibid:39). Thus, while products from rich countries can be found everywhere in Nigeria, products from Nigeria can find no markets anywhere in Europe, America, Japan or China(Ibid:46).

David concluded by saying Nigerian industries are confronted with competition of products from advanced countries, resulting from the globalization process. These products are of better quality. They enter Nigeria at the expense of the survival of the Nigerian industries. Consequently, Nigeria has witnessed many industrial closures and under capacity utilization. These are responsible for the loss of manufacturing production.

2.4 THEORETICAL FRAMEWORK

The underdevelopment and dependency theory is adopted as the tool for analyzing the impact of globalization on leather industry in Nigeria particularly in Kano State.

This theory holds that to understand why any particular country is underdeveloped, backward and dependent there is need to analyze its historical interaction with countries in

the developed world. The dependency theory argument is a counter response to the postulations of the modernization theorist, who are of the opinion that the contemporary underdevelopment of the South is mainly the historical product of the past and present socio-political and economic relations between North and South(The world book encyclopedia vol.10:256). Most of the dependency theorists originated from Latin America and Africa who suffered the longest period of colonialism, exploitation and unequal exchange as reasons for widening difference between the center (North) and periphery (south).

In the center and periphery relationship, underdevelopment and dependency theory holds that the incorporation of the periphery into the global capitalist system is with the objective of exploiting the periphery which is transformed through means like colonialism, neo-

colonialism, globalization, etc. By 1970's dependency analysis became widely used as a tool for studying the relations between third world countries and the industrialized countries of Europe and North America(Wilson:2004:96).

The main postulation of the underdevelopment and dependency theory is that plundering, decapitalization, de-industrialization and dislocation of the third world economies by the west during slavery, mercantilism, colonialism (imperialism), neo-colonialism and presently globalization are responsible for the underdevelopment and dependency of third world countries(Ibid:108). Some of the proponents of underdevelopment and dependency theory are Walter Roodney, Gunder Frank, Samir Amin, Paul, Baran, Claude Ake etc.

However, the underdevelopment and dependency theory has been criticized on certain grounds; the theory is too Afrocentric attributing the cause of third world problems to only western world. The delinking question believed to be the only way out for the third world as believed by some proponents of the theory has been rendered unattainable in the face of globalization trend of today.

Nevertheless, the theory best suits the analysis which this study shall try to examine as it looks at the relationship between the center and the periphery. The leather footwear products flow from industrialized Countries to the industrially backward Countries like Nigeria

CHAPTER THREE

A BRIEF HISTORY OF KANO

3.1 THE STUDY AREA

Kano State was created from the defunct Northern Region of Nigeria in May, 1967, when the regional structure of the country was dismantled and, in its place, twelve States created to constitute the federating units of Nigeria(Martin:1999:16). Kano is the centre of commerce, second, most industrialized states in Nigeria after Lagos and the economic nerve centre of Northern Nigeria(Ibid:26).

The state is located on 12^0 North, $9^0$29` East, $9^0$33` South and $7^0$43` West. It is bordered on the East by Jigawa State, to the South are Bauchi and Kaduna States and to the West is Katsina while to the North are Katsina and Jigawa States. It has a daily mean temperature of 30^0C to 33^0C during March-May. Lowest temperature is 10^0C during

the autumn months of September to February. Kano State has a total land area of 20,760 square kilometers and an average rainfall of 600mm(Nasiru:2001:46). Kano State has an estimated population of over twelve million people with an almost equal distribution of male (51%) and female (49%)(Ibid:98).

The indigenes of Kano State are mainly Hausas and Fulanis, with 99% of them being Muslims. Their main occupations are farming, trading, cattle-rearing and crafts production. These occupations, coupled with the advantage of having early infrastructure such as the railways, roads, and international airport, and a network of telecommunications system, have combined to attract large number of modern industries, thereby making the state second only to Lagos in terms of industrial and commercial activities. Kano State is the largest and oldest leather works centre in Nigeria(Dukawa:2001:11).

There are over 300 large and medium industrial establishments in Kano spread across Bompai, Sharada and Challawa Industrial Estates. During the first four decades (1960s-2000), modern manufacturing enterprises involving the processing of basic raw materials such as groundnut milling and other demand based industries like tanneries, leather footwear industries, textile goods, metal work, confectionary and garment making industries have been established. In addition to the formal industrial sector, there are thousands of small-scale industrial and commercial activities that make up the Kano economy. The finances of the State depend on incomes from internal and external sources.

In accordance with the Federal and Presidential system of government, there are three Arms of Government in Kano State; Executive, Legislature and Judiciary. There are two

tiers of government in the State; State and Local governments. There are 44 local government areas in the State, 40 State constituencies, 24 Federal constituencies and 3 senatorial districts. There is also the traditional institution (the Emirate council) and it plays a significant role in governance. The Emir of Kano is head of this Institution. There are 44 District Heads (one each in the local government Headquarter) who are supported by village heads and ward heads.

The government of Kano State has had sixteen Chief Executives from 1967 to 2006. Out of these ten were military governors/administrators while only six were elected civilian governors. The administration of the State is entrusted on the Chief Executive (whether civilian or military) who is the chairman of the State Executive council. The council comprises of civilian and some members of the Armed Forces under Military regimes) who

are referred to as Commissioners in charge of different Government ministries with specific responsibilities. All policy decisions are collectively taken by the Executive Council, and Commissioners are responsible for implementing and executing all government policies as they relate to their ministries and agencies under their supervision(Ibid:10-11).

Kano State Government activities are organized around fifteen key ministries namely.

1. Agriculture and Natural resources
2. Commerce and Industries
3. Education
4. Environment
5. Finance
6. Health
7. Information, Youths and Sports
8. Justice

9. Land and Physical planning
10. Local Government and Rural development
11. Planning and Budget
12. Transport and Tourism
13. Water Resources
14. Women Affairs and Social Development
15. Works and Housing

3.2 EVOLUTION OF LEATHER INDUSTRY IN KANO

The production and use of leather is identified with the earliest artifacts and recorded history of every known culture(Encyclopedia Britannica, vol.13:866). Although it is difficult to tell when leather works began with any given population, the production of leather in commercial quantities in Kano has been dated to early 15th Century(Barkindo:1991:63). A number of economic, social and political factors have been attributed to the development of commercial leather works in Kano. These

include trans-Saharan trade, the activities of Islamic evangelists and the introduction of Calvary warfare to Hausa land. All these developments have increased the demand for leather goods as commercial items, for religious use and for war needs (Dukawa:2001:88).

An environmental factor, which led to the emergence of leather industry in Kano has been observed to be the suitable climate which made possible the large scale rearing of Cattle and sheep (Ekundare:1973:44). Consequently, hides and skins are found in abundance. Most of the hides and skins in Northern Nigeria are taken to Kano City tanneries where they are tanned in to fine leather with different beautiful colours.

In Kano, and in most parts of Northern Nigeria, leather was for long in use for footwear, clothing, mats, traveling bags, drinking vessels etc. for centuries, it has served as an

article for adornment, an important item for religious rituals, and for sheaths of knives, swords and daggers.

Throughout Kano's economic history leather goods featured prominently. A number of factors were responsible for making Kano an important place for leather works. These include the unification of Hausa States into a centralized caliphate following the Jihad of Usman Danfodio, 1804-1903, which had the economic concomitance of enlarging the domestic market for leather goods. Similarly, the settlement of several Arab leather workers in Kano and the establishment of leather craft industry by them in the middle of 19th century equally boosted the production activities of Kano leather industry. The Kano leather industrialists were noted to be receptive to changes. Some of the earliest recorded changes in Kano leather industry included the imitations of Arab made shoes

and improvements on them by adding silk embroidery on the footwear.

The mechanized leather industry in Kano started in 1943 with the lunching of the leather development scheme as part of ten year plan(James:2000:19). It has been stated that the scheme represents the largest single technical efforts undertaken by colonial government to bring development of leather industry. The initial project involve the establishment of six leather centers.

The leather industry in its modern form actually started with the establishment of Kano leather works in 1943 and footwear manufacturing company in 1953(Ibid:26). These two organizations were established to convert hides, skins and leather which were abundantly available in the State into footwear for the teaming population in the State and the country at large, as well as providing adequate jobs for

a number of Nigerians. In the 1980s, there were several leather footwear establishments located in Kano.

However, today the leather industry is suffering from serious problems, which are leading to close-up, distress, low capacity utilization etc. Part of the problems facing leather footwear industry are globalization, obsolete machines, smuggling, infrastructural inadequacies and poor sales volumes (Ibid:38).

For instance, recent report by leather footwear manufacturers Association indicates that there is a staggering decrease in productivity, employment and sales volume. From 1982-2001, there was fall in production from 1,563,211 pairs to just 203,411 pairs. There was also decrease in employment from 518,109 employees to only about 11,206 employees, and sales volume fell from 963,814 pairs during the period to only about 18,243 Pairs

in a year. In a fast growing population, such statistics calls for urgent study and action which this work seeks to investigate.

3.3 SOURCES OF LEATHER

If all the different kinds of animals that provides hides and skins that are used for leather were brought together they would make a good size zoo (The New Book of Knowledge vol.L:107). There would be animals from every continent of the world except Antarctica and even from the oceans (Peter:2001:2).

The main source of raw materials for the leather industry in Nigeria are cattle hides, sheep and goat skins. But there are also animals such as deer and camel as well as reptiles like crocodile, snakes, lizards etc.

Cattle hides are abundantly available in Northern Nigeria, especially in Kano, Sokoto, Kebbi, Katsina etc due to favourable climatic conditions for raising of cattle. Cattle is mainly raised for meat and milk but at the same time provides hides which serves as an important source of raw

materials for tanneries leather footwear industries and other leather production industries.

Goats and sheep are also mostly raised in Northern Nigeria. Just like cattle, goats and sheep are primarily raised for meat. But at the same time, the skins are used to provide raw materials for leather industry where it is processed and converted to leather products.

3.4 HOW LEATHER IS MADE

The leather industry falls into two broad categories. The first is tanning and the second is the manufacture of finished leather consumer goods.

Tanning is the process of converting hides and skins into leather, a form which makes them resistant to decay, while increasing their wearing qualities(Ibid:96). The final aim of tanning is to preserve permanently in the leather the

qualities inherent in the living hide and skin. Tanneries are organizations that tan or process rawhides and skins in to semi-finished leathers.

Tanning and finishing of leather in mechanized way started more than fifty years ago in Kano (Rose:2001:2). John Holts Group established the first factory in 1949, followed by Great Northern Tanning Company Limited in 1964. CFAO established International Tanners Limited in 1974 while SCOA followed four years later by establishing Tanarewa Limited all in Kano. At present there are no less than twenty-five tanneries in Kano all located in either Bompai, Sharada or Challawa Industrial Estates. The main reason for the establishment of these numerous tanneries in Kano was because of availability of raw materials such as cattle, goats and sheep by people of Kano, which provides hides and skins to be tanned by the tanneries.

Tanning turns animal hides and skins into soft, flexible leather. By using the proper tanning agents, leather makers can produce soft, supple, long lasting leather for shoe making. Dyes are put on during the leather making process. In this way, a great variety of colours can be produced in the leather.

Before the hides are tanned, they must be preserved. Many hides and skins are preserved by spreading salt on them. However, they can also be soaked in the solution of salt (brine). In a few hours, the brine penetrates the hides, skins, and protects them from decay.

When the preserved hides and skins arrive at the tannery, they are washed and soaked in cold water. This is done for two reasons. First, it removes excess brine (Mixture of salt and water) and any foreign materials. Second, it helps to bring the fibers back to their natural shape and

conditioning so that they will readily absorb tanning agents. Fleshing and dehairing machines are used to remove small pieces of flesh still sticking to the hides and hair on the hides. All these are done before the tanning process begins, this is why are called pre-tanning processes.

Most leather is made by two main tanning methods- vegetable tanning and chrome tanning. The type of work done in each method is different, the type of leather produced is different, and the two methods are used for different purposes. For these reasons tanneries usually specialize in either vegetable or chrome tanning.

Vegetable tanning uses extracts from bark and wood of trees. It is a long process that takes several months. It produces a firm leather that resists water. Some shoes soles, furniture, luggage and belts to drive machines are made from vegetable tanned cattle hides.

In vegetable tanning the hides are hung from racks or rocking frames that are set in vats until the hides soak up the tanning solutions. The skins are moved from container to container with stronger solutions in each container (Williams:2002:16). After a time the hides are left to soak in a layaway sections where the leather matures. After it is tanned, the leather is bleached and stuffed. Leather is stuffed by adding several coats of chemicals containing clay, salts, sugar and oils. This adds weight to the leather and makes it last longer.

The chrome-tanning process is used to produce leather for shoe uppers, garments and other soft leather articles (Ibid:16). Chrome tanning is rapid tanning method that requires hours and days instead of weeks and months.

During the process special qualities can be built into leather. Chrome tanned leather is very flexible and does not scratch or scar easily. Lightweight hides such as calf, sheep, goat and lambskins are best for chrome tanning. During the chrome-tanning process, hides and skins are tumbled in huge wooden drums partly filled with chemical solutions that turns the skin a light blue green. Then the leather is cleaned, dried and smoothened. After which it is ready for dying.

A combination of tanning methods i.e. vegetables and chrome tanning is sometimes used to make especially soft leather.

Leather is highly valued for its beauty and softness, as well as for the protective covering it offers. Most of the beauty of leather comes from its natural pattern. This pattern is different in types of animals. To make leather shiner

chemicals are applied on it then dyed and colour added (David:2001:56).

Research and engineering have improved the quality of leather, produced new varieties, finishes, colours and provide new products for everyday use. Some types of leather are treated to produce extremely high level resistance. Leathers have been produced for shoes and garments that are waterproof.

Kano State has the highest number of tanneries that process hides and skins into leather (Ibid:96) these tanneries are located in either of the three industrial estates in the State-Bompai, Challawa or Sharada. However, most of the tanneries are owned by Lebanese, Americans or Chinese (Ibid:103). And that the tanneries in Kano do not convert the leather to finished consumable leather goods like shoes, rather they export the leather

outside Nigeria, mostly to the developed world, where it is converted to finished products, like shoes, belts, jacket, bags etc which are then imported to countries like Nigeria. Thus, Nigeria is rendered a raw material producing country and a buyer of finished products.

Below is a table showing existing tanneries in Kano.

Table 3.1

Showing existing tanneries in Kano.

	NAME OF TANNERY	**LOCATION**
1.	Great Northern Tannery (GNT)	Bompai Industrial Estate
2.	Interfan Limited	Sharada Industrial Estate
3.	Unique Leather Limited	" " "
4.	Nabegu Tannery	" " "
5.	Tamworth Tannery	" " "
6.	Arewa Tannery Limited	" " "
7.	Tan Arewa Nigeria Limited	" " "
8.	Mario Josy Enterprises	Challawa Industrial Estate

9.	Harmattan Tannery Ltd.	" " "
10.	Selcon Tannery	" " "
11.	KTL Tannery	" " "
12.	Challawa Tannery Limited	Challawa Industrial Estate
13.	Multittan Limited	" " "
14.	Mahaza Tannery	" " "
15.	Globus Enterprises	" " "
16.	Nakudu Tannery	" " "
17.	AfriPEx Tannery	Sharada Industrial Estate
18.	God's Little Tannery	Challawa Industrial Estate
19.	Trends Venerate Venture Ltd.	" " "
20.	Gashash Tannery Limited	Bompai Industrial Estate
21.	Holts Nigerian Tannery	" " "
22.	Darum Tannery Limited	Challawa Industrial Estate
23.	International Tanners Limited	" " "
24.	First Tannery	Bompai Industrial Estate
15.	Deras Tannery	Challawa Industrial Estate.

Source: *Personal Field Data, March 2006.*

CHAPTER FOUR

4.1 STATISTICS OF LEATHER FOOTWEAR INDUSTRIES IN KANO BETWEEN 1980-2004.

In the 1980s, there were thirteen leather footwear-manufacturing establishments located in Kano. See table below:

Table 4.1

Showing statistics of leather footwear manufacturing establishments.

	Name of Company	Year Established	Address
1.	Nigerian Leather Works Company Limited	1963	No. 245 Independence Road, Kano
2.	Bata Leather Footwear Limited	1976	Sharada Industrial Estate
3.	Delta Shoes Company Limited	1983	KM8, Hadejia Road, Kano.
4.	Shoes Manufacturing Company Nigeria Limited	1977	Sharada Indsutrial Estate

5.	Nigeria Shoe Factory Limited	1978	No. 157 Club Road, Kano.
6.	Salamada Leather Shoes Company Limited	1984	Bompai Industrial Estate.
7.	Whanu Nigeria Limited	1976	Challawa Industrial Estate.
8.	New Nigeria Shoes Company Limited.	1969	Sharada Industrial Estate.
9.	The Modern Shoe Industry Ltd.	1964	No.46 Mission Rd, Kano
10.	Silver Shoes	1981	Sharada Industrial Estate
11.	Tropical Tarpaulin Industry Nigeria Limited	1980	167 Mission Road, Kano
12.	Kano Sandal Factory Limited	1983	No.27 Kundila Rd, Kano
13.	United Shoemakers Company Limited	1977	No.748 Challawa Industrial Estate.

Source: Industrial Directory, 1986

The leather footwear industry is the third largest manufacturing industry in Kano after textile, and confectionary industries. It is an industry that is raw material driven and Kano has hides and skins in abundance. It is a strategic non-oil industry for the Nigerian economy (Journal of Leather trades:1989:46).

It is estimated that total direct employment when the leather footwear industry was in full capacity utilization stood at about 19,000. The industry was capable of supporting over 37,000 people at its fullest capacity utilization taking into account spouses and dependents of those attached to it (Ibid:56). It can partake in export in order to increase the foreign exchange earning. It can contribute about nineteen million naira taxes and all kind of levies to federal, state and local governments (Chukwuma:2001:28).

However, most of these leather footwear manufacturing establishment have gone distressed or have closed operation, perhaps, due to massive importation of footwear products from other countries, especially, developed nations such as China, U.S.A., Italy etc which are better in quality and cheaper in price.

4.2 PERFORMANCE OF LEATHER FOOTWEAR ESTABLISHMENTS IN KANO FROM 1980-2004

The leather footwear industry in its modern form really started in Kano State with the establishment of Nigeria leather Works Company limited in 1963, followed by the modern shoes industry in 1964. These two organizations were established as a result of abundance of leather in the State so as to provide durable and modern footwear for the teaming population of the state and the country in general as well as providing employment opportunities for a great sizeable number of Nigerians.

In the 1980s there were over thirteen leather footwear manufacturing establishments in Kano. However, virtually, all the leather footwear manufacturing establishments have either shut operations or are performing at a very low capacity. The performance of leather industry is measured using conventional growth indicators such as employment, gross output, capacity utilization etc (Ibid:36).

TABLE 4.1

PERFORMANCE OF LEATHER FOOTWEAR INDUSTRY IN KANO FROM 1980-1990

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
1.	Number of leather footwear establishments in operation	9	10	10	12	13	13	13	12	12	11	11
2.	Number of employees	18,411	18,619	N.A.	17,001	16,213	NA	15,141	15,061	NA	13,718	13,402
3.	Production capacity per day (in Pairs)	7,018	6,711	NA	5,806	NA	NA	5,003	4,912	4,699	NA	4,207
4.	Profit before tax (Nmillion) per annum.	NA	103	NA	96	83	71	NA	NA	58	53	NA

NA: Not Available

Source: Adapted from Nigeria's Trade Summary of Various years.

TABLE 4.3

PERFORMANCE OF LEATHER FOOTWEAR INDUSTRY IN KANO FROM 1991-2000

		1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
1.	Number of leather footwear establishments in operation	NA	NA	9	9	7	6	NA	4	4	3
2.	Number of employees	NA	9,408	7,816	7,718	6,212	NA	4,412	NA	3,009	2,721
3.	Production capacity per day (in Pairs)	NA	NA	3,213	2,918	2,214	NA	2,004	1,911	1,728	968
4.	Profit before tax (Nmillion) per annum.	36	31	26	21	NA	NA	18	15	NA	13

NA: Not Available

Source: Adapted from Nigeria's Trade Summary of Various years.

TABLE 4.4

PERFORMANCE OF LEATHER FOOTWEAR INDUSTRY IN KANO FROM 2001-2004

		2001	2002	2003	2004
1.	Number of leather footwear establishments in operation	2	1	0	0
2.	Number of employees	1,216	412	NA	56
3.	Production capacity per day (in Pairs)	848	316	0	0
4.	Profit before tax (Nmillion) per annum.	8	NA	0	0

NA: Not Available

Source: Adapted from Nigeria's Trade Summary of Various years.

INTERPRETATION OF TABLES 4.2,4.3 AND 4.4

In table 1, which shows the performance of leather footwear industry in Kano from 1980-1990. It can be seen that from 1984-1986 there were thirteen leather footwear establishments operating, which was the maximum number of the establishments that operated between 1980-2004. But, the number decreased from thirteen in 1986 to eleven in 1990. In 1980, there were 18,619 employees employed by the leather footwear establishments in Kano. However, the number of these employees kept declining over the years. Infact, the number of workers employed by the establishments decreased from 18,619 in 1981 to 13,402 in 1990. The leather footwear industry in Kano recorded its maximum production in 1980 with 7,018 pairs of shoes everyday. However, production declined over the years. Indeed, production reduced from 7,018 pairs of shoes daily in 1980 to 4,207 pairs per day in 1990. Similarly, maximum

profit before tax of N103 million was recorded in 1981 and by 1989 reduced to only N53 million.

In table 2, the performance of leather footwear industry was shown from 1991-2000. As in table 1, the number of leather footwear establishments in operation gradually kept decreasing. In 1993, there were nine establishments in operation but the number decreased to only three in 2000. also, the number of employees working in the industry reduced from 9,408 in 1992 to only 2,721 in 2000. similarly, production capacity reduced from 3,213 pairs per day in 1993 to only 968 pairs per day. In addition, the profit before tax made by the industry decreased from N36million in 1991 to only N13million in 2000.

In table 3, the trends for the performance of the industry became worsened. In 2001, there were only two establishments in operation and by 2003 no establishment

was in operation. There were only 1,216 employees employed by the industry in 2001 but the number depreciated to only 56 on 2004. production capacity of the industry was 848 pairs per day and the situation worsened from 2003 when no production at all. Similarly, profit made before tax per annum reduced from N8million in 2001 to zero in 2003.

Thus, the performance of leather footwear industry in Kano gradually kept decreasing over the years between 1980-2004 as all leather footwear establishments were closed down virtually all employees sacked, production reduced to zero and profit also reduced to zero by 2004.

4.3 IMPACT OF GLOBALIZATION ON LEATHER FOOTWEAR INDUSTRY IN KANO

Globalization has inflicted severe devastating consequences on leather footwear industry in Kano.

The leather footwear industry in Kano was confronted with competition of same products from advanced countries like Italy, China, U.S.A., Britain etc 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 leather footwear products because of their high quality and relatively low price. Hence, manufacturers of leather footwear in Kano lost market for their products. Consequently, all leather footwear 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 virtually all workers of leather footwear

establishments were laid off. In 1980, there were 18,411 workers employed in the industry, however in 2004, only 56 workers remained as employees serving as security men. Hence, living standard therefore fell with incidence of poverty rising.

Similarly, phenomenon of globalization has further worsened dependence on imports. Due to free and unrestricted flow of foreign leather footwear 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 de-industrializing Nigeria, which makes the country perpetually dependent and underdeveloped.

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

CHAPTER FIVE

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY

In summary, this work contains five chapters. Chapter one contains introduction which explains history and importance of leather footwear, statement of the research problem, justification for the study, research assumption (hypothesis) which postulates that globalization is responsible for collapse of most leather footwear industries in Nigeria in general and Kano in particular, objectives of the study, scope and limitation, research methodology, conceptual clarification and organization of chapters.

Chapter two contains review of related literature where literature on consequences of globalization on certain industries within and outside Nigeria were reviewed.

Chapter three consists of brief history, geography and political arrangements of Kano State which is the study area. The chapter also contains sources of leather as well as how leather is made.

Chapter four contains statistics and location of leather footwear industries in Kano State between 1980-2004, performances of leather footwear industries in Kano from 1980-2004 and impact of globalization on leather footwear industry in Kano.

Lastly, chapter five consists of summary, conclusion and recommendations.

5.2 CONCLUSION

In conclusion, the findings of this research agrees with the earlier assumption or hypothesis of the work which postulates that 'globalization is responsible for collapse of

most leather footwear industries in Nigeria in general and Kano State in particular. This is because phenomenon of globalization has resulted in industrial closures, under capacity production, unemployment, stagnation and backwardness in industrial sector as well as over dependence on imported leather footwear products from already industrialized countries of the world. Thus, this study concludes emphatically that globalization has serious negative consequences on leather footwear industry in Kano State.

5.3 RECOMMENDATIONS

To revitalize and improve capacity production of quality products of leather footwear industry in Kano, it is recommended that the following measures should be undertaken.

1. Government should discourage massive smuggling and large importation of footwear from other

countries so that products made by Nigeria industries can have domestic market.

2. The government should patronize the leather footwear products made by Nigerian industries by placing orders for boots and shoes used by Army, Police, and other uniformed security agencies.
3. The government should fund research and establish institutes that will aid manufacturers in designing, styling and marketing to conform with the latest fashion.
4. The quality of leathers used in the production of footwear should be improved so as to have better quality products.
5. Courses on leather footwear technology should be introduced in any of our tertiary institutions for formal training of the needed manpower.

6. Discourage human consumption of “KPOMO” because of its detrimental impact towards survival of tanneries which provides leather to produce footwear.
7. To revive the collapsing leather footwear industry in Kano, government should provide soft loan for purchase of modern plant and machinery as well as working capital.

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APPENDIX

SAMPLE OF INTERVIEW QUESTIONS

I am a post-graduate student of Ahmadu Bello University, Zaria conducting a research on Impact of Globalization on leather footwear industry in Kano between 1980-2004. The Research is in fulfillment of the requirement of M.Sc Degree in Political Science. It would be most appreciated if you will supply the following information.

Please tick appropriately.

1. Age

(a) 18 – 30 [ ]

(b) 31 – 43 [ ]

(c) 43 – 55 [ ]

(d) Above 55 [ ]

2. Gender

(a) Female [ ]

(b) Male [ ]

3. Level of Education

(a) Primary School [ ]

(b) Secondary School [ ]

(c) Tertiary Institution [ ]

(d) Others.....

4. Occupation

(a) Farming [ ]

(b) Business [ ]

(c) Civil Servant [ ]

(d) Others [ ]

5. Do you prefer imported leather shoes to those made in Nigeria?

(a) Yes [ ]

(b) No [ ]

6. What do you think is mainly responsible for collapse of leather footwear manufacturing industries in Nigeria.

(a) Massive Importation of leather footwear products from advanced countries [ ]

(b) Erratic electricity supply [ ]

(c) Inadequate supply of raw material for leather footwear establishments. [ ]

(d) Others.....

7. (For Footwear Marketers Only)

Between imported and made in Nigeria Footwear, which ones are sold quickly?

(a) Imported [ ]

(b) Nigerian made [ ]